Impact of the Local Sustainability Fund and Implications for Future Funding Programmes

December 2017

 Transforming Organisations.
 Transforming Lives.

Eastside Primetimers
The Local Sustainability Fund Program

A £20m Office for Civil Society program managed by Big Lottery

Aim to help medium sized voluntary, community and social enterprises organisations to secure a more sustainable way of working by providing funding and support to help them review and transform their operating models.

Provided support to 265 organisations in 2016 and 2017

Each organisation received support in the form of:
- Consultancy support to help them identify and make changes towards sustainability
- Direct funding to pay for identified items
- Encouraged to secure support of a volunteer business advisor who could be recruited as part of the program

Average funding for each charity was around £75k

Organisational Diagnostic completed as part of the application process and at the end of the program allowing a review of progress against identified sustainability needs
30 charities worked with Eastside Primetimers

Typically medium sized, established, regional charities:

- Majority previous year income £250k to £1 million
- Almost 50% had been operating between 11 and 25 years
- Range of staff numbers – 8 had less than 10 staff
- Wide geographical spread – with a higher proportion in the North West and less in London than the full programme

10 undertook additional projects with Eastside Primetimers in parallel including 5 Big Potential applications

This review focuses on those organisations supported by Eastside Primetimers through the program
Research Methodology

Research used EP impact measurement and additional interviews in addition to the program organisational diagnostics at the application and completion stage.

START
Initiation

END
Impact Assessment

POST
Process and Learning

Impact forms completed at project start and end by lead consultant and client. Post project feedback form completed online by clients.

30 Client interviews and 30 Lead Consultant interviews & feedback forms
Most charities received support across a wide range of areas - the emphasis varied:

**Strategy and planning** - understanding opportunities and focus, looking and planning longer term

**New trading activities** - planning, costing, marketing and piloting

**Contract readiness** - looking at registrations, quality marks, full cost recovery and bid writing skills

**Financial understanding and control** – developing systems, reviewing reporting, supporting staff and Boards with review and decision-making skills

**Marketing** - formed a significant part for some projects but limited on others. Improved use of social media was seen as a significant development by 9, others worked on developing strategy and branding. For others, improved messaging through clarity of focus and service offer covered in other areas of their work
**Project Outcomes**

**Notable successes**

- 80% (24/30) felt ambitions for the projects were Fully or Largely Met (NB: Only 1 felt objectives hadn’t been met)

- 8 organisations launched or significantly developed trading activities

- £3m+ of charitable income has been raised or maintained:
  - £450k worth of contracts for one organisation
  - £2.1m from mergers
  - £150k worth of big potential grants for 5 organisations

- Some other success included:
  - Reviewed its constitution and focus, resulting in several new contracts and more in the pipeline
  - Became CQC registered provider leading to new Local Authority Contract
  - Achieved PQASSO and IiP accreditation which they feel is key to their contract readiness
Programme set up / structure

Managing expectations
• Level of advisory vs implementation support varied across the projects
• Some clients had expected a more hands on approach than was feasible in the available time, others were happy with the facilitative approach

Diagnostic
• No organisations reported any “surprises” from the diagnostic
• Useful in confirming areas of support needed but didn’t tell them anything they didn’t already know – consistent with our knowledge from other funds
• For those that commented on this, they appreciated the opportunity to review the “distance travelled” from the pre to post diagnostic

Local Business Partner
• Very mixed experience – some positive comments but others felt this criteria was an unnecessary distraction
Net Promoter Score is an industry standard measure of client satisfaction:

‘On a scale of 1-10 how likely are you to recommend Eastside Primetimers to a friend or colleague’

Compares: ‘Promoters’ (Score 9 or 10)  
‘Detractors’ (Score 6 or less)

B2B average score is 10  
Score of 30 is ‘truly excellent’  
LSF clients average score of 45!
Key learning and observations

• Stretched capacity was a challenge almost across the board - 12 clients said this affected LSF project progress (notable senior staff sickness/absence)
• The flexibility of the funding allowed adaptation to changes during the period
• Support to bring about change in mindset was important in terms of charging for services previously provided free, a shift to more of a sales emphasis, and changing ways of working (at all levels of the organisations)
• Development in thinking and confidence at senior level was a strong theme of unexpected benefits
• Reviewing and rationalising activities, clarifying offer and improving opportunity management were significant areas of progress
• Having an external consultant was key in driving momentum
• Strength of existing and developing relationship with Eastside Primetimers and the value of working with a range of consultants were seen as positives (73% had worked with us previously)
“Time and managing the organisation on a day to day basis is a continual area of challenge”

“the amount of progress would have been inconceivable without [the consultant’s] support”
Recommendations to funders to further support fund recipients

- Undertake a more longitudinal review of this programme – revisiting in 12-24 months time
- Consider longer term coaching / mentoring support (maintaining momentum, embedding changes and rolling out sustainability plans is seen as a challenge)
- Need to strengthen internal capacities to maximise the legacy
  - Specific needs include senior level staff posts, and capacity building around impact measurement/ management (10 clients identified this), pricing strategy/ financial modelling and marketing
Recommendations to funders

- Establish longer funding and review periods – at least 2 years
- Continue to use diagnostic tools, particularly to illustrate “distance travelled” rather than as a selection tool
- Fund capacity building support on a more explicit “act/ reflect / adapt” basis – flexibility in a project of this length was extremely valuable
- Manage expectations better about types of support – advice, implementation, consulting, mentoring, etc
- Emphasise the availability of backfill funding, particularly at a senior level value as a development opportunity for staff “stepping up”
- Consider specific funding to support Board development around “sustainability mindset”
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