



INSTITUTE
FOR
GOVERNMENT

Connecting Policy with Practice

People Powered Change

Nicola Hughes

A decorative graphic consisting of several parallel, diagonal stripes in shades of dark blue and light grey, extending from the bottom right towards the center of the page.

Introduction

Connecting Policy with Practice is an ambitious new programme to improve mutual understanding and interaction between policy makers at the centre of government and the organisations who deliver services on the ground. It brings together the research capability of the Institute for Government with the hands-on experience of people implementing two new £100 million (m) investments from the Big Lottery Fund.

Over the course of the programme, a series of events, exchanges and action research between the voluntary sector and policy makers will show what helps and what hinders good service delivery and systems change – in the complex policy arenas of support for young people who are out of work or training, and adults with multiple needs – as these investments unfold in real time.

Governments of all hues have acknowledged the importance of doing ‘what works’ and the need for policy makers to look beyond the confines of Whitehall to develop their knowledge, skills and capability. This ambition is increasingly important in an era of decentralised service delivery and decreasing resources when policy makers – central and local – need innovative, low-cost solutions to pressing policy problems. Policy makers are beginning to develop their role as stewards of complex systems and to better understand the interactions and connections between different parts of the delivery landscape, including different service providers and service users.

At the same time, voluntary-sector organisations¹ delivering services at the sharp end face the challenges of new types of commissioning, stretched resources and the realities of providing tailored, personalised support to people most in need. Now is a crucial time for voluntary organisations to share best practice and shape policy.

In this context, the Institute for Government (the Institute) and the Big Lottery Fund in England (the Fund) have formed a programme to bring Whitehall policy makers closer to the front line of service delivery. This discussion paper explains the background to the programme, how it works, and the themes and insights which are starting to emerge.

It is grounded in two main policy issues in which the Big Lottery Fund has launched pioneering and major strategic investments: supporting adults with multiple and complex needs; and helping young people into education, employment or training. The scale – unique for a non-government programme of this sort in the UK – and innovative design of these investments make them ripe for exploration.

The programme aims to draw out cross-cutting lessons as to how services should be designed and delivered to make long-term improvements to stubborn social policy problems of this sort. It also looks at the risks and benefits of different funding models to achieve this goal, and how collaboration and partnership can work in practice to deliver joined-up and efficient public services.

The Institute will also use the programme to test our hypothesis that bringing together policy makers and practitioners will facilitate greater understanding, create networks and improve policy making capability – trialling a new method of open policy making and learning through exchange.

This paper is informed by desk research and by two events that were held as part of the programme: an exploratory workshop in April 2013 with a group of 30 policy makers and practitioners who will be engaged in the programme in depth over the next year, and a private roundtable event in May 2013 with experts in the field of employment and training for young people.

It is the first paper to be published as part of the programme and is intended to open out discussion and capture emerging themes at this early stage. Through the first year of programme, the Institute will continue to test the ideas and build on the themes and issues set out here, culminating in a final report in November 2013.

¹ ‘Voluntary sector’ or ‘VCS’ is used throughout this paper as a catch-all term for non-government or not-for-profit organisations. It may include social enterprises, community groups and charities.

An overview of the Connecting Policy with Practice programme

Background to the partnership

The partnership between the Big Lottery Fund and the Institute is based around the expertise of both organisations, and the programme contributes directly to their goals. The programme was prompted by major new investments the Fund is making to help alleviate stubborn social policy problems. It set out to see what could be learnt specifically from the unique nature of its funding model and through the prism of these complicated policy areas, rather than the voluntary sector or service delivery in a more general sense.

The Big Lottery Fund brings connections to the voluntary and community sector (VCS) and a deep understanding of providing services to communities most in need. The programme allows the Fund to draw lessons from their investments, showcase their work, and share and develop thinking with government colleagues.

The Institute brings connections in and around government, knowledge of government processes, specific expertise on policy making and commissioning, and the ability to facilitate learning and draw out research findings. The programme contributes to the Institute's existing research on better policy making and new models of public services and is bound to the overarching aim of making government more effective. It allows the Institute to examine these issues from a different perspective –the bottom up.

Programme objectives

The objectives of the programme are to:

- change government's understanding of how policy can be developed, how services can be commissioned, and how success can be achieved and replicated
- increase the Big Lottery Fund's participants' understanding of national structures and policy and commissioning processes
- create new networks of civil servants and others with the Fund's programme participants, facilitating understanding of what constitutes success in policy making and service delivery
- use these networks to help shape the programme and improve understanding of the wider policy context
- provide civil servants and others with fresh examples of collaboration and innovation in the design and delivery of services
- transfer ideas across the Fund's programmes and into relevant government departments.

How does the programme work?

The programme, launched in January 2013 and initially running for one year, is structured around a series of events, two-way exchanges and research activities. It will culminate in a final research report in November 2013.

3 Connecting Policy with Practice

A cohort of 30 people, engaging with research questions and meeting regularly for workshops, are at the heart of the programme. Recruited at the start of the year, they are made up of policy makers from relevant government departments such as the Department for Work and Pensions, the Department for Education, the Ministry of Justice and the Cabinet Office, local authorities and voluntary sector organisations leading Big Lottery Funded partnerships or working with related client groups.



Learning pairs from the group (each pair containing one person from each sector) undertake exchanges and visits to local services to carry out individual research projects.

A series of roundtable events with a wider pool of experts – including policy makers, academics and delivery experts – informs research projects and helps to shape emerging thinking and make connections.

Publications and communications capture the insights from these activities, and the Institute draws together the overarching lessons.

Lessons are shared through existing networks, civil service training and events, and presentations to the most senior civil servants at the end of the programme

This design creates a network of engaged individuals who share good practice, create influence within their departments and organisations, and benefit personally from the learning and development opportunities offered.

The Big Lottery Fund's strategic investments

Overview

The Big Lottery Fund is responsible for distributing around £600m each year to good causes, principally to voluntary- and community-sector organisations. A major part of the strategy for the Fund in England is to target investments on a relatively small number of persistent social policy challenges, focusing resources on people and communities who are most in need and seeking to create local system change.

This is a shift in emphasis from the widely available, smaller grants for communities that the Fund has historically focused on, although such awards still make up a large share of the money distributed.

Throughout the first year of the Connecting Policy with Practice programme we will focus primarily on issues arising from two of these strategic investments,² which are aiming to support:

- young people not in education, employment or training³ – an investment of £100m to support young people aged 18-24 who have been out of work, education or training for over 12 months
- adults with multiple and complex needs⁴ – an investment of £100m to improve the stability, confidence and capability of people with multiple and complex needs (i.e. a combination of homelessness, mental ill health, re-offending and substance misuse).

The policy context behind the Fund's investments

Alienation from work or training among young people and addressing multiple, complex needs are two persistent and difficult social-policy challenges. There is significant evidence that both have negative impacts on individuals and their communities, and can put a strain on the public purse. Yet despite numerous policy interventions, these problems persist.

Understanding the background to these issues can help to explain why the Fund's investments are of interest to policy makers, and show the value of learning from the investments as they progress.

Multiple and complex needs

i. Background

People with multiple and complex needs can be among the most excluded and disadvantaged in society. The term is used in recognition of the fact that people rarely experience a serious and ongoing problem – such as homelessness or substance misuse – in isolation. Rather, problems overlap and exacerbate one another and individuals' lives become chaotic and complex.

The term 'multiple and complex needs'⁵ can be defined in a number of ways, and policy initiatives usually specify a broad client group type (i.e. families or individuals/adults). For the purposes of their strategic investment, the Big Lottery Fund have specified 'individuals who experience at least two of the following: homelessness, re-offending, problematic substance misuse and mental ill health'.⁶

² The Fund are in the initial stages of funding two further strategic investments into social isolation among older people and early years intervention, although these will not be the primary focus of this programme this year.

³ The formal name of this investment is 'Talent Match' or 'Fulfilling Lives: Supporting young people into work'. For ease of reference in this paper we will refer to it simply as the 'young people' or 'NEETs' investment.

⁴ The formal name of this investment is 'Fulfilling Lives: Supporting people with multiple and complex needs', which is generally shortened throughout this paper as 'the multiple needs investment'.

⁵ Overlapping terms include 'multiple and severe disadvantage', 'multiple problems', 'chronic exclusion', 'hardest to reach', 'troubled families' and other similar terms. See the appendix of McNeil, C, *The Politics of Disadvantage: New Labour, Social Exclusion and Post-Crash Britain*, IPPR/ LankellyChase, 2012, for a useful breakdown of definitions and statistics used since 1997, accessed June 2013, http://www.lankellychase.org.uk/assets/0000/1508/IPPR_Report.pdf

⁶ 'Fulfilling lives: supporting people with multiple and complex needs,' Big Lottery Fund website, accessed June 2013, www.biglotteryfund.org.uk/prog_complex_needs

5 Connecting Policy with Practice

Although robust statistics are hard to come by, it is estimated that 60,000 individuals in England have very serious multiple needs and are socially excluded.⁷ Campaigners argue that individuals with multiple, complex needs and inter-related problems are often poorly served by mainstream public services, which are usually designed to help with one problem at a time. In the absence of ongoing, holistic support, people can fall through the gaps in public service, and it becomes difficult to prevent costly crisis interventions (such as arrests or admissions to Accident and Emergency) or repeated use of services.

ii. Policy interventions on multiple and complex needs

People with multiple needs inevitably matter to a range of government departments and policy agendas, and there have been attempts at joining up across government to develop a coherent strategy. A high-profile⁸ initiative under the last Labour government was the cross-departmental Social Exclusion Unit (later revived as a Task Force) set up to address severe disadvantage.⁹ Its Adults Facing Chronic Exclusion programme featured 12 pilot schemes aimed at a client group who 'lived chaotic or isolated lives and were hard to reach. Either they were reluctant or unable to engage with local services, or local services were unable or unwilling to engage with them'.¹⁰ In 2011 the government published an evaluation of these pilots. It reported improved outcomes for clients and positive impacts on local communities and services, but no quantifiable cash savings to the Exchequer within the programme lifespan – although the evaluators noted that short-term intervention was likely to save money in the long term.¹¹

The Social Exclusion Task Force closed in 2010. The use of central performance targets¹² and the Whitehall-focused nature of the Task Force did not square with the new Coalition Government's goals of localism and the Big Society. The language of social justice and 'Broken Britain' came to the fore, with a renewed emphasis on getting excluded people into work. There is now a Cabinet Committee for Social Justice, chaired by the Work and Pensions Secretary. The Department for Work and Pensions leads the social justice strategy, which brings together measures to reduce homelessness, reduce re-offending rates, encourage work and minimise welfare dependency, among other things.¹³

A current related high-profile programme is the Troubled Families Initiative, led by the Department for Communities and Local Government. This £448m programme uses caseworkers to work intensively with families that have been identified as 'troubled'. Local authorities delivering interventions are funded on a payment-by-results basis.¹⁴

Local authorities and charities also aim to help these groups through their own funding streams and programmes, with social services departments and local health authorities playing a key role. Long-standing major charities such as Revolving Doors, Addaction and Mind, and many smaller local charities, may lead on one aspect of advice and

⁷ The lack of a consistent definition, and the lack of service base statistics, means that data on multiple and complex needs can be poor. But the Making Every Adult Matter (MEAM) coalition, focusing on the most excluded subset (a subset of official statistics on offender and homeless populations) estimates there are around 60,000 adults in this situation at any one time. See *A Four-Point Manifesto for Tackling Multiple Needs and Exclusions*, MEAM 2009, accessed June 2013, <http://www.gulbenkian.org.uk/files/13-12-10-FP1%20MEAM-Manifesto.pdf>.

Using a much wider definition, a 2007 Cabinet Office report estimated that as much as 2 to 3% of the population were in 'deep or persistent exclusion'. *Reaching Out: Progress on Social Exclusion*, Cabinet Office 2007, National Archives website, accessed June 2013, http://webarchive.nationalarchives.gov.uk/20070705125957/cabinetoffice.gov.uk/social_exclusion_task_force/publications/reaching_out/

⁸ There was at one stage a Cabinet-level Minister for Social Exclusion, Hilary Armstrong MP.

⁹ 'It aimed to achieve this not simply by redistribution through the tax and benefits system, but by reforming government, improving public services and targeting support for the most disadvantaged.' McNeil, C, *The Politics of Disadvantage: New Labour, Social Exclusion and Post-Crash Britain*, IPPR/ LankellyChase 2012, accessed June 2013, http://www.lankellychase.org.uk/assets/0000/1508/IPPR_Report.pdf

¹⁰ Cattel, J, et al *Simple but Effective: Local Solutions for Adults Facing Multiple Deprivation*, Department of Communities and Local Government, Gov UK website, 2011, accessed June 2013, <https://www.gov.uk/government/publications/local-solutions-for-adults-facing-multiple-deprivation>

¹¹ Ibid.

¹² Public Service Agreements (PSAs) were measures agreed across departments to deliver government objectives. They were scrapped in 2010. PSA 16 set out indicators to address the needs of socially excluded adults, see *PSA Delivery Agreement 16: Increase the proportion of socially excluded adults in settled accommodation and employment, education or training*, Institute of Education website, HM Government 2007, accessed June 2013, <http://dera.ioe.ac.uk/7762/>

¹³ For the full suite of documents see 'Helping to reduce poverty and improve social justice', Gov UK website, April 2013, accessed June 2013, www.dwp.gov.uk/policy/social-justice/

¹⁴ 'Helping troubled families turn their lives around', Gov UK website, February 2013, accessed June 2013, www.gov.uk/government/policies/helping-troubled-families-turn-their-lives-around

6 Connecting Policy with Practice

support (e.g. dealing with addiction or mental health problems) but often offer more holistic programmes or at least refer service users to other appropriate sources of help.

Young people 'not in education, employment or training' (NEET)

i. Background

The term 'NEET' is used to describe young people who are not in education, employment or training and there are some negative connotations to the term.¹⁵ It came to prominence in the mid-1990s and is used widely in the UK, usually defining 'young people' as 16-24 year olds. The Big Lottery Fund's current investment into support for NEETs, the Talent Match programme, is aimed at 18-24 year olds.

Latest statistics suggest that there are 843,000¹⁶ young people age 18-24 who are NEET in England, equivalent to more than 17% of all young people in this age bracket (in England). The nature of being NEET varies considerably between young people, from those who have only recently left education to those who want to learn in the future, and those who are undecided or have no plans regarding learning or work.¹⁷ It's also a fluid state – young people may move in and out of work or training, going through temporary spells of inactivity.

Being NEET – particularly for long periods – can have long-term scarring effects including negative impacts on employability and future earnings. It has links in both cause and effect to mental health problems, anti-social behaviour or crime, and social disadvantage.¹⁸ There have also been attempts to quantify the costs to the state. A recent commission estimated that the benefits bill, forgone taxes, lost productivity and longer-term damage could result in a net cost to the Exchequer of some £28 billion (bn) over the next 10 years.¹⁹

ii. Policy interventions to support young people into work or learning

Getting young people into work or training is a long-standing priority issue across all political parties, but has recently been brought more sharply into focus by the economic crisis. A range of strategies can be used to address this issue – from high-level macro policies to boost economic growth and create jobs to local interventions such as personalised support to develop skills.²⁰

The last Labour administration focused on this issue through the Social Exclusion Unit, which reported on young people in 1999.²¹ This paved the way for a series of policy measures including:

- financial support to stay in school through the Education Maintenance Allowance (EMA)
- development of a national support service (Connexions)
- job guarantees
- expansion of higher education
- raising the school leaving age
- establishment of a 'public service agreement'.²²

¹⁵ See, for example, the Education Select Committee (2010): 'We accept that the term "NEET" is imperfect. In particular, its use as a noun to refer to a young person can be pejorative and stigmatising. It is, however, a commonly used statistical category, and – in the absence of an appropriate alternative – we have accepted it as a first step in understanding the issues.' Education Committee, *Young people not in education, employment or training* (HC 2010-11, 416) 2010.

¹⁶ Department of Education, *NEET Statistics - Quarterly Brief – Quarter 1 2013*, Gov UK website, May 2013, accessed June 2013, <https://www.gov.uk/government/publications/neet-statistics-quarterly-brief-quarter-1-2013>

¹⁷ Department for Business, Innovation and Skills, *Motivation and Barriers to Learning for Young People who are not in Education, Employment or Training*, Gov UK website, February 2013, accessed June 2013, <https://www.gov.uk/government/publications/motivation-and-barriers-to-learning-for-young-people-not-in-education-employment-or-training>; Nelson, J, and O'Donnell, L, *Approaches to Supporting Young People Not in Education, Employment or Training: a Review*, National Foundation for Educational Research (NFER) website, March 2012, accessed June 2013, https://www.nfer.ac.uk/nfer/publications/RSRN01/RSRN01_home.cfm?publicationID=672&title=Approaches%20to%20supporting%20young%20people%20not%20in%20education,%20employment%20or%20training%20-%20a%20review

¹⁸ ACEVO Commission on Youth Unemployment, *Youth Unemployment: the Crisis We Cannot Afford*, Bristol University website, 2012, accessed June 2013, <http://www.bristol.ac.uk/cmpp/publications/other/youthunemployment.pdf>

¹⁹ Ibid.

²⁰ A very useful spectrum can be found on page 11 of Nelson, J, and O'Donnell, L, *Approaches to Supporting Young People Not in Education, Employment or Training: a Review*, NFER 2012 (See footnote 17 above.)

²¹ Social Exclusion Unit, *Bridging the Gap: New Opportunities for 16 – 18 year-olds not in Education, Employment or Training*, 1999, accessed June 2013, http://www.partnershipforyounglondon.org.uk/data/files/1419/bridging_the_gap_seu_1999.pdf

7 Connecting Policy with Practice

Since 2010, the Coalition Government has abolished many of these measures (though not the proposal to raise the participation age)²³ in favour of a different approach. Building on a wide-ranging strategy to improve social mobility in the UK,²⁴ in 2011 the Departments for Work and Pensions, Business Innovation and Skills, and Education launched a cross-departmental strategy for engaging 16 to 24-year-olds in education, employment and training. Key planks of the strategy include:

- the Youth Contract,²⁵ which offers a variety of funded services to young people and wage incentives for employers
- a drive to increase the number of apprenticeships²⁶
- raising educational standards to increase employability²⁷
- flagship policy the Work Programme, a payment-by-results scheme to get long-term unemployed people back to work.

Additional sanctions and conditionality have also been introduced into the benefits system for job seekers as part of wider efforts to reduce welfare dependency and increase employment.

There are many more local authority initiatives and voluntary-funded projects or organisations that aim to help young people. These range from large charities such as the Prince's Trust and Tomorrow's People, which operate services around the country, to small community initiatives and employer or school/college-led schemes.

Effective services for these groups

It is clear from this brief summary of the policy issues that a number of strategies have been attempted, but the problems of youth unemployment and dealing effectively with multiple and complex needs persist. The challenge facing the partnerships working to deliver on the Fund's new investments is to genuinely 'shift the dial' by providing not just an effective support service, but changing local systems and ways of working.

There have been a number of evaluations of policy initiatives. Across both issues there is some consensus on what 'good' service design should look like – albeit a recognition that this often doesn't always happen in practice and that funding for services rarely lasts longer than the political cycle. This consensus includes broad agreement that services for people who have complex needs, or are far from the jobs market, should be:

- **responsive** to the inter-related and multiple nature of the client's needs and flexible enough to deal with the financial, emotional or practical barriers that exist²⁸
- **personalised** – ideally involving a dedicated caseworker who offers intensive support tailored to the individual
- **long-term**, seeking to build on people's strengths and capabilities and lead to sustained outcomes, rather than simply addressing immediate problems
- **connected** with the provider, co-ordinating between other partners and services and the service user, or offering a single point of access to avoid multiple interventions
- **user-led**, non-stigmatising, giving service users control, and informed and/or delivered by the people the service seeks to help.

²² That is, a target to reduce the proportion of 16-18 year olds who are NEET from 9.6% in 2004 to 7.6% by 2010. See HM Treasury, *PSA Delivery Agreement 14: Increase the Number of Children and Young People on the Path to Success*, Institute of Education website, 2007, accessed June 2013, <http://dera.ioe.ac.uk/7772/>

²³ To 17 in 2013 and 18 in 2015 – participation will include training or employment as well as staying in education.

²⁴ Cabinet Office and Deputy Prime Minister's Office, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility*, Gov UK website, 2011, accessed June 2013, <https://www.gov.uk/government/publications/opening-doors-breaking-barriers-a-strategy-for-social-mobility>

²⁵ Worth approximately £1bn over three years, see 'Youth contract', DWP website, accessed June 2013, www.dwp.gov.uk/youth-contract/

²⁶ 'Apprenticeships to be the "new norm" says David Cameron', BBC News online, 11 March 2013, accessed June 2013, www.bbc.co.uk/news/uk-21734560

²⁷ This includes further education in maths and English for those without GCSE qualifications in these core subjects.

²⁸ In the case of people who are NEET for example, someone who is unable to re-enter work because of childcare commitments requires a different kind of support to someone who has had negative experience of education and has no qualifications or desire to train.

8 Connecting Policy with Practice

The Big Lottery Fund model

With these principles in mind, the Fund has designed a funding model for these two investments that has a number of distinctive features.

They are highly targeted and intended to focus on 'need that is not otherwise being met'

- The investment into multiple needs is targeted at 'individuals with the most entrenched needs who have already reached crisis point' and asks delivery partnerships to identify hard-to-reach groups in their areas.
- The investment for young people is targeted at 18- to 24-year-olds, furthest away from the labour market (out of work for more than 12 months) and not on the radar of, or being helped by, existing schemes.

Investments are consciously aimed at a limited number of carefully chosen areas

- In both cases the Fund used quantitative and qualitative analysis to determine areas where need is high and voluntary-sector organisations with a track record of delivering services would be able and willing to lead the investments, rather than an open competition approach.
- The investment into multiple needs was targeted at 15 local-authority areas, of which 12 have been awarded development funding, with the highest numbers of clients accessing services such as support for mental health problems and homelessness advice.
- The NEETs investment is spread across the 21 'local economic partnership' (LEP) areas with the highest proportions of 18- to 24-year-olds claiming Job Seeker's Allowance (JSA).

The funding awards are granted for long periods and focused on outcomes

- Both investments are funded through grants and monitored to deliver agreed outcomes (not conditional payment by results) such as improved confidence among young people or individuals with multiple needs being better able to manage their lives.
- The strategy is to fund targeted places (see above) intensively and for the long term, with £100m available over five years for young people and £100m over five to eight years for multiple needs. This will allow the programmes to stretch beyond short-term political cycles and give partnerships time to develop robust business plans.

Funding is awarded to VCS-led, cross-sector partnerships

- Partners are expected to collaborate rather than compete or engage in hierarchical or contractual relationships. Lead partners for both investments are local VCS organisations with experience of delivering related services. This is intended to ensure the investments can deliver holistic services, rooted in the local community.
- For multiple needs, partnerships include a range of other voluntary and community sector partners, including those that deal with housing, mental health and justice issues, as well as service users and relevant public services. This investment is really about co-ordinating effective, blended services through partnership rather than creating new services per se.
- For NEETs, partnerships include employers, education and training providers, local authorities, the local enterprise partnership and other VCS organisations as a minimum.

Service design and funding decisions are informed by the people who use the services

- The investment into multiple needs was developed in consultation with former and current service users. They are expected to be included in partnerships, both in design and delivery, for example through peer mentoring.
- The investment for people who are NEET was co-designed with young people, who have also consulted other young people through social media. Lead partners must recruit young people to their partnerships and involve them in both design and implementation of the service.

Learning and influence are built in right from the start

- Partnerships in both investments will need to collect evidence of impact, test new approaches and provide learning, to influence policy and practice throughout.

Case study: West Yorkshire

The West Yorkshire Multiple and Complex Needs Partnership, led by Developing Initiatives for Support in the Community (DISC), has provided research which suggests high levels of individual need relating to housing, substance misuse, mental health and offending. There are likely to be between 2,000 and 3,000 people with three or more multiple and complex needs in the region. Around 45% have ineffective contact with the services they need.

West Yorkshire is a mix of rural and metropolitan communities from many different cultures. The partnership believes that poor health, addiction, low-level crime, anti-social behaviour and sleeping rough combine to create a vicious circle for individuals causing them to rapidly deteriorate. In turn, this affects the cities and towns where they live.

The partnership aims to prevent people falling through the net of services and to have a major impact on both individual lives and communities. People who come through the project will become volunteers or staff, and by doing so build their confidence and give something back to the communities they live in. The partnership will help people access the services they need, build their resilience, gain confidence and acquire the personal and social skills necessary to achieve their aspirations and live the lives they dream about.

The distinctiveness of this funding model, and the fact that there is broad consensus on what good services look like but poor understanding of why they don't always happen in practice, form the basis for the lines of enquiry the programme will take.

The next section outlines the more specific research themes we will address over the course of this programme.

The research themes the programme will consider

To maximise value from the programme, we have identified three inter-related research themes that are common issues across both policy areas (multiple needs and NEETs), relevant to the approach that the Big Lottery Fund is taking with its investments, and can draw out wider lessons for government.

These are refined and iterated by the cohort through their workshops and exchange visits. Learning pairs will work on more specific questions aligned to their interests and expertise throughout the year. Although these themes are familiar in debates on public services, the granularity and unique perspective from which the programme examines them will add significant value and a fresh take on the issues.

The overarching research themes are:

- service design
- strategic funding
- partnership and collaboration.

Service design

The way that a service is set up and delivered has huge impacts on policy outcomes. Although commissioners or policy makers might set the overall framework, the smaller decisions through the delivery chain and the inevitable complexities of implementation on the ground mean that the final outcomes can be quite different from the policy intention. Competing policy directions can also create unintended consequences.

This strand of work will consider what a good service model looks like for the groups in question, how it plays out on the ground as compared to the policy intention, and the barriers providers face to delivering a service that is holistic, co-ordinated and works.

A commonly-cited barrier to delivering effective services is identifying and engaging with the target group at the right stage.

- For example, partnerships working to support young people who are NEET as part of the Fund's investment are tasked with finding those young people who are furthest away from work or education and not getting the support they need through other services. Participants in a roundtable on this issue noted that there are a number of services available, but that young people aren't necessarily aware of, or engaged with, them. Youth outreach and peer support is recognised as an effective engagement tool that reaches beyond the 'nine-to-five' routine of most organisations. But organisations could do more to get into the spaces where young people already are by using innovations like pop-up shops.
- VCS organisations and service users have also emphasised some of the cultural barriers to delivering good services, such as stigma or failure to understand the lives of end-users. Young people at our events, for example, talked about the sense of marginalisation they feel and that public-service providers rarely understand where they are coming from. Deep insight work and service-user involvement can help to overcome these.

Strategic funding

Ways and means of commissioning services are more than just a technocratic consideration of how to divide up budget. The mechanisms of funding set the boundaries of what kind of service delivery is expected and for whom,

11 Connecting Policy with Practice

and the degree of freedom afforded to service providers. Funding sets the tone for the public service environment, be it competitive, community-led, universal, performance-related, personalised, diverse or monopolistic.

Funders of public services have increasingly moved away from grant funding and onto contracts. However, charities still rely on grant funding as part of a mixed-income stream, along with other funding including unrestricted donations (such as legacies, individual gifts and corporate donations) and trading. In line with its goal to reduce the deficit and achieve greater value for money, the Coalition Government has pursued new funding models across a range of public services – opening out public services to a wider range of suppliers in a bid to increase choice.²⁹ In particular, the Government has increased the use of ‘payment by results’ and sought to increase the opportunities for social enterprises and mutuals to provide services.

This line of enquiry considers what impacts different funding models have on service delivery and on policy outcomes.

For example, one issue raised repeatedly at events is the problem caused by short-term funding cycle. Many voluntary-sector organisations argue that moving from contract to contract without the space to innovate and develop services hinders their ability to provide intensive and ongoing support to clients.

- The tension here between policy and practice here is most obviously manifested in how outcomes are measured. While Whitehall needs to be fully accountable for the money it spends and has developed a data-driven approach to outcomes measurement as a result, participants at all of our events have talked about the value of ‘soft’ outcomes, particularly when working with clients who have deeply entrenched problems.
- Event participants have also cited the risk of ‘double funding’ and the need to co-ordinate carefully between services funded through different streams. For example, voluntary organisations trying to find work for young people must interact with providers of the Work Programme to ensure that they add value at the right point, usually where options provided through the Work Programme have been exhausted.

Partnership and collaboration

There is wide agreement that services for people who are NEET or have multiple, complex needs should aim for a holistic approach and co-ordinate across public services, relevant private organisations and voluntary agencies. If clients get bounced around different services, the result can be a series of costly interventions and multiple assessments and a lack of continuity and care for the individual. Participants in our events raised a number of examples of clients who were engaged and interacting with as many as 20 different agencies (such as social care, community health teams or housing services).

Collaboration may be central to the success or failure of a service. For example, a well-resourced and highly-skilled support team can only get a limited number of young people into work if they do not have good relationships with local employers and understand their needs.

This line of enquiry considers how effective collaboration happens on the ground, particularly when a large range of diverse stakeholders are involved.

Participants at events also called into question collaboration at a national and local government level, with the frequent complaint of ‘silo’ working creating inefficiency on the ground. This is a common criticism of government working – different parts of the public sector, each with their own budgets, work towards different and sometimes conflicting policy goals. Central efforts to tackle far-reaching policy issues, such as entrenched poverty or crime, ‘may cohere at a macro level, [but] detail at the micro level often produces unintended consequences’.³⁰

²⁹ See the Open Public Services website, accessed June 2013, www.openpublicservices.cabinetoffice.gov.uk/about/

³⁰ De Bri, F, and Bannister, F, *Whole-of-government: Beyond Silos and Toward ‘Wicked Problems’*, University of Utrecht and Trinity College Dublin 2010, accessed June 2013, Trinity College Dublin website, https://www.scss.tcd.ie/disciplines/information_systems/egpa/docs/2010/ABS%20-%20De%20Bri.pdf

12 Connecting Policy with Practice

Participants at the events emphasised the importance of strong local leadership in facilitating joined-up services. They also suggested that joining up local budgets or partnerships³¹ can be an effective way to address problems and respond to local needs. While a number of joined-up models exist, such ways of working are not yet well-established across the country. This raises further questions about how central and local government should interact and about the political risks of inconsistency in service quality.

The research projects that the cohort is undertaking will shed light on these issues as the investments unfold. The Institute will continue to communicate emerging findings and themes, as well as bringing together final findings in November.

³¹ Current models include 'city deals' which give cities greater freedoms over spending and local economies and 'community budgets, which promote local, integrated solutions to policy issues. See Deputy Prime Minister's Office, 'Giving more power back to cities through City Deals', Gov UK website, April 2013, accessed June 2013, www.gov.uk/government/policies/giving-more-power-back-to-cities-through-city-deals; and also DCLG, 'Community Budgets inspire new nationwide network of revolutionaries', Gov UK website, March 2013, accessed June 2013, www.gov.uk/government/news/community-budgets-inspire-new-nationwide-network-of-public-service-revolutionaries

Better policy making

While the research themes outlined above form the main content of the programme, the programme itself also allows us to test the value of bringing policy and practice closer together, and to consider the best way to do so.

Learning from the front line is an explicit goal of government. It is reflected in the 2012 *Civil Service Reform Plan*,³² which committed to more collaborative policy making involving delivery experts at an early stage – particularly when developing specific policy proposals. It also features in the policy skills framework that policy professionals work to³³ and is included in some departmental plans and other initiatives.³⁴ But it has yet to be fully embedded into the structure of how government officials work and learn. There are several rationales for why connecting policy makers and practitioners may be beneficial.

Helping system stewards to understand their role

Policy making is Whitehall's core business, but too often it is seen as a closed activity, quite distinct from delivery. As the Institute has argued elsewhere, decentralised services and the complexity of policy problems mean that Whitehall must move away from the notion of top-down, neat delivery chains.³⁵ While the Government, or a funder such as the Big Lottery Fund or philanthropic trust, usually sets the priorities and principles of a policy or service provision, it is the micro-level decisions and service design that determine how it plays out on the ground.

Government and grant-makers are increasingly stewarding systems by setting and adapting the overall framework, rather than specifying and enforcing the details of service delivery.³⁶ It is in this context that the Institute recommended incentives for policy makers who 'search out experience and ideas, network, facilitate and understand the systems in which they operate' and argued that 'policy making needs to be seen as a practical activity as well as an abstract one, and provide greater scope for policy makers to reflect on how they do things'.³⁷

Developing knowledge and capability

Interchange with different sectors can contribute not just to what civil servants learn, but to how they learn and how they retain knowledge. Numerous psychological studies have noted the cognitive bias people have towards information that is seen and experienced first-hand and the importance of storytelling.³⁸ A recent study, on how policy makers in the Department of Health learn, found:

Site visits and personal experiences of services, places and social groups were some of the most powerful forms of interaction to shape civil servants' own understandings of issues. Such visits often had an emotional effect on

³² HM Government, *The Civil Service Reform Plan*, Civil Service website, 2012, accessed June 2013, <http://www.civilservice.gov.uk/wp-content/uploads/2012/06/Civil-Service-Reform-Plan-acc-final.pdf>

³³ Civil Service, *The Policy Skills Knowledge Framework*, Civil Service website, February 2013, accessed June 2013, <http://resources.civilservice.gov.uk/wp-content/uploads/2013/03/FINAL-POLICY-SKILLS-KNOWLEDGE-FRAMEWORK-February-2013.pdf>

³⁴ For example, the Department of Health recently announced plans for civil servants to spend at least a month a year 'understanding the impact of their policies on the front line'. See 'Civil servants swap Whitehall corridors for the NHS front line', Gov UK website, May 2013, accessed June 2013, <https://www.gov.uk/government/news/civil-servants-swap-whitehall-corridors-for-the-nhs-front-line>. The Whitehall and Industry Group runs a number of exchange and secondment schemes, including 'Charity Next', which connects the private, public and voluntary sectors. See Whitehall and Industry Group website, accessed June 2013, www.wig.co.uk/charitynext

³⁵ Hallsworth, M, and Rutter, J, *Making Policy Better: Improving Whitehall's Core Business*, Institute for Government website, April 2011, accessed June 2013, <http://www.instituteforgovernment.org.uk/publications/making-policy-better>

³⁶ Hallsworth, M, *System stewardship, the future of policy making?* Institute for Government website, April 2011, accessed June 2013, <http://www.instituteforgovernment.org.uk/publications/system-stewardship>

³⁷ Hallsworth, M, and Rutter, J, *Making Policy Better: Improving Whitehall's Core Business*, Institute for Government website, April 2011, accessed June 2013, <http://www.instituteforgovernment.org.uk/publications/making-policy-better>

³⁸ Kahneman, D, *Thinking Fast and Slow*, Penguin 2011; Gotschall, J, *The Storytelling Animal*, Houghton Mifflin Harcourt, April 2012.

14 Connecting Policy with Practice

participants, and the knowledge gained through them enjoyed a distinctive credibility for the individual in question.³⁹

Given the importance of stories and experience to how policy makers learn, it is important that those involved in policy have the opportunity to gain their own experiences – rather than using second- or third-hand experiences passed down from colleagues or ministers – and that these experiences can be validated with others. It is our hypothesis that these experiences should be two-way, mutually beneficial, ongoing and undertaken with a specific purpose in mind to avoid ‘voluntary-sector tourism’.

Developing specific policies

Alongside this general understanding of how policy plays out on the ground, working with delivery experts is also used as a tool when developing specific policies. Most obviously this is through informal contact, working groups or more formal consultation, and more radically through mechanisms like ‘policy labs’.⁴⁰ Working with delivery experts can help policy makers develop insight into the lives and behaviours of the people who will be affected by their policy.

Facilitating networks

Bringing together policy makers and practitioners for a sustained period (rather than through ad-hoc contact or one-off events) can create ongoing networks of contacts between the sectors. Such networks can help drive the strong personal relationships and constituencies of support that are so crucial to policy success.⁴¹

Enhancing practitioner understanding of policy and government

Creating shared understanding and empathy between the sectors is also beneficial to practitioners, who are able to feed in their expertise and policy ideas. We believe there is value for practitioners in better understanding government structures, processes and systems to help foster their knowledge of how policy is created and what commissioners’ needs and motivations are.

With these principles in mind, the programme that the Institute and the Big Lottery Fund have developed will act as a test-bed to help determine whether connecting policy makers and practitioners genuinely creates added value.

³⁹ Maybin, J, *Knowledge and Knowing in Policy Work: A Case Study of Civil Servants in England's Department of Health*, University of Edinburgh, 2013.

⁴⁰ For example, the MindLab in Denmark – a ‘cross-ministerial innovation unit which involves citizens and businesses in creating new solutions for society’. See the MindLab website, accessed June 2013, www.mind-lab.dk/en/about_mindlab

⁴¹ Rutter, J, Marshall, E, and Sims, S, *The “S” Factors: Lessons from IFG's Policy Success Reunions*, Institute for Government website, January 2012, accessed June 2013, <http://www.instituteforgovernment.org.uk/publications/s-factors>

Conclusion

The Connecting Policy with Practice programme, along with the bold new investments the Fund are making into these stubborn policy issues, has just begun.

The early work reinforces the Big Lottery Fund and the Institute for Government's hypothesis that connecting policy makers and practitioners through meaningful research will create new networks and improve policy making capability in Whitehall. Through this programme we hope to generate new insights into how to design, commission and collaborate around public services, drawing out wider lessons for government. Findings will be reported regularly, with a final report in November 2013.

We would like to invite comment, ideas and discussion throughout. Please contact nicola.hughes@instituteforgovernment.org.uk if you would like to contribute to this programme.



The Institute for Government is here to act as a catalyst for better government.

The Institute for Government is an independent charity founded in 2008 to help make government more effective.

- We carry out research, look into the big governance challenges of the day and find ways to help government improve, rethink and sometimes see things differently.
- We offer unique insights and advice from experienced people who know what it's like to be inside government both in the UK and overseas.
- We provide inspirational learning and development for very senior policy makers.

We do this through seminars workshops, talks or interesting connections that invigorate and provide fresh ideas.

We are placed where senior members of all parties and the Civil Service can discuss the challenges of making government work, and where they can seek and exchange practical insights from the leading thinker practitioners, public servants, academics and opinion formers.

Copies of this report are available alongside other research work at:

www.instituteforgovernment.org.uk

June 2013

© Institute for Government 2013

2 Carlton Gardens

London

SW1Y 5AA

Tel: +44 (0) 20 7747 0400

Fax: +44 (0) 20 7766 0700

Email: enquiries@instituteforgovernment.org.uk

The Institute is a company limited by guarantee registered in England No. 6480524

Registered Charity No. 1123926

The Big Lottery Fund is responsible for distributing 40 per cent of all funds raised for good causes by the National Lottery. This totals around £700 million each year. Since June 2004 the Fund has awarded over £6bn to projects supporting health, education, environment and charitable purposes. 90 per cent of our funding is awarded to voluntary and community sector organisations.

We deliver funding throughout the UK, mostly through programmes tailored specifically to the needs of communities in England, Scotland, Wales or Northern Ireland as well as some programmes that cover the whole UK.

We also distribute non-Lottery funding on behalf of public bodies such as the Department for Education and the Office for Civil Society. The Big Lottery Fund is a non-departmental public body sponsored by the Cabinet Office.