

Funding for Systemic Change action enquiry

Learning paper #1

An initial learning paper on key definitions and issues

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Introduction



The project

The Funding for Systemic Change project is chaired by Save the Children UK. It is overseen by a steering group of individuals from a range of social sector organisations including national charities, agencies and individuals (for full list see page 10).

The steering group provides project oversight and direction, engages with outputs and findings to inform the direction of the project, and shares access to contacts, networks and other relevant opportunities.

All members of the project have a deep understanding of community or place-based initiatives, systems change and complexity.

The key issue this group will examine is: **how to manage funds to best support long-term, place-based systemic change (PBSC).**

It will also explore how to reach that goal, moving away from short-term, simplistic and output-based approaches to resourcing social change.

The first phase of this work, led by Renaisi on behalf of the steering group, is designed to:

- build an understanding of how funding can best support local, place-based organisations and leaders in ‘systems change’ work;
- work with traditional funders and the national charity sector to explore ways to better fund and support this type of work,
- develop a range of practical tools and/or proposed approaches which could be tested or piloted in future stages of work; and,
- strengthen the understanding, relationships and interest in this area between steering group members and wider stakeholders.

This learning paper

This paper sets out some initial learning and insight. It is the first of four papers and explores four key points at this early stage of the project. We anticipate that these will evolve as the project progresses:

1. Definition of place-based systemic change
2. Existing support for PBSC
3. Initial frames for exploration
4. Learning questions and lines of inquiry

[The paper assumes some level of appreciation of the concepts used, and how they might be relevant to funders, local charities/ social enterprises and government. Many of the links provide some introductory/ definitional content that may be useful].

1. Definition of PBSC



The working definition developed by the steering group, is that place-based systemic change is defined by:

DURATION

It is long term in ambition and practice.

FOCUS

It is not limited to a single organisation or service, but rather a collective and interrelated practice.

APPROACH

It is engaged in building and developing relationships between people and organisations, it is flexible and responsive, and it explicitly engages in questions of complexity.

SCALE

It is focussed on geographies that are coherent and understood by those who live in them, and to the systemic challenge.

This definition is not defined by outcomes, organisations or any funding structure. All of those will feature in the work, but should not shape it.

There is an assumption that this work could be found in all kinds of places, organisations and partnerships and that it will often be contingent on other work and highly context-dependent.

Finally, there is an assumption that this definition will evolve throughout this project.

2. Existing support for PBSC



There is existing research and frameworks in this space that this project will build on and review. This includes funders exploring their work, frameworks and tools developed by consultancies, and the practice of certain places and organisations.

These resources fit into four groups including a funding/ delivering split and a place/systems focus split, as detailed below:

1. Funding place – IVAR's [work](#) from 2015/16 created 'a framework to support funders in the planning and implementation of place-based approaches.' This framework is useful for all kinds of place funding.
2. Funding systems change – Collaborate and Toby Lowe's 2019 work on [Human Learning Systems](#) (building on numerous other publications from Collaborate) whilst focussing more explicitly on complexity than systems, has significant overlap with this work and is a valuable and well-cited example. There is also a 2020 [report by Ashoka](#) on funding Systems Change.
3. Working in place – Lankelly Chase's [Place Action Inquiry](#) report of 2019, whilst written by a funder does explore much about practical change.
4. Working systemically – NPCs work on [Systems Change from 2015](#) remains a useful primer on what the concept means for organisations.

Other resources that have been used in the early stages of this work were produced by the Corra Foundation on Place-based working, the [review of the National Lottery Communities Fund](#), and the evaluation toolkit published by the Australian government on place-based working.

3. Initial frames for exploration

The steering group has used four frames through which to explore practice. It has teased out the differing distinctions, viewpoints and challenges experienced by those interviewed, acknowledging that not everybody will approach the concepts in the same ways that the partnership is considering them.

Frame #1 – Place

There are different ways to think about the concept of ‘place’ in terms of how the individual/ institution views change:

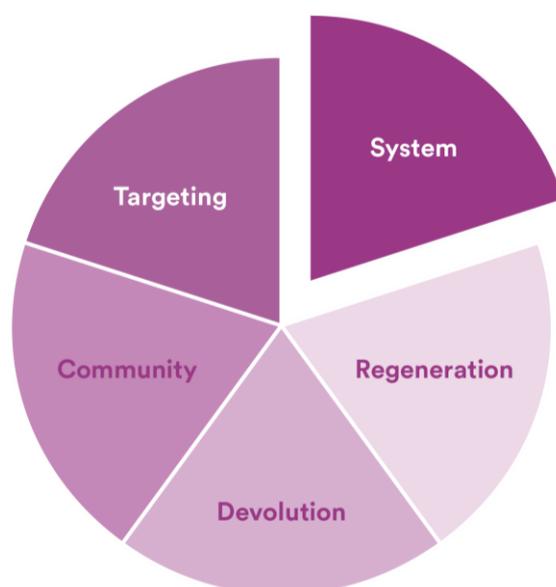
REGENERATION – change relates to fixing a problem that has affected the economy of the whole place.

TARGETING – change as coming from evidence-based work that targets resources on places that fit their approach.

DEVOLUTION – change that would result from localising decision making and tax-raising powers to more local forms of government.

COMMUNITY – change that sees local people as the real sources of knowledge, strength and ownership in a place.

SYSTEM – change emerges from systems of relationships between institutions such as public services, charities, and the community.



Frame #2 – System

Place-based systems use geography as the primary tool to define the limits of the system to explore, and work on that system would rather follow other issues in the place than stray outside of it.

Outcome-based systems use an issue or theme as the limit of the boundary and work would stray outside a geographic boundary if it was right for the outcome/ system question.

Frame #3 – Evaluation, learning and change

Work on impact measurement and evaluation typically focus on three kinds of evaluation practice, each with different different purposes and ways to assert the strength of the evidence. Different funds and funders prioritise differing knowledge and evidence within their work.

ACCOUNTABILITY is about value for money and evidencing clear impact for a specific investment. Based in Green Book approaches.

ACADEMIC is about understanding the efficacy of approaches. Based in What Works approaches.

DEVELOPMENTAL is about practice, improving rather than proving, and is linked to learning and feedback.

COLLECTIVE IMPACT measures the value of combined results of more than one intervention or approach to place-based system change. This approach is less well developed than the other three.



Frame #4 – Funder practice

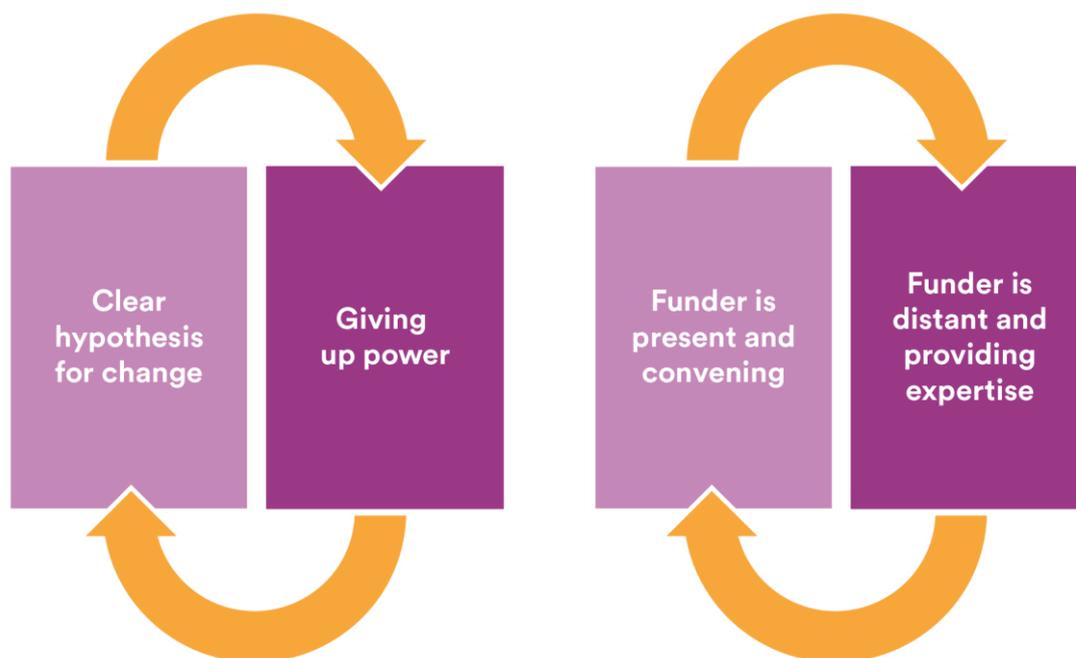
This final frame comes from insight from previous, unpublished work with other funders (not involved in this work) about the value of place in their practice.

It was identified that the attitudinal views of the funders influenced how they structured their teams and practice and that this then influenced the kind of work they funded. It will be important to test this further but there are two polarities that must be managed, and different funders will manage them differently.

One is the balance between having a clear hypothesis for change and giving up power to projects/communities to own that hypothesis.

The second is about taking a convening role which inserts the funder into activity, getting out of the way of local practice and focussing on providing structure and other expertise.

As with all polarities, these need to be managed and the different approaches to managing them will lead to different outcomes. They are not binary choices.



4. Initial learning questions



Based on conversations with steering group members and some early interviews with funders, some early learning questions have emerged. These questions will influence the thinking and direction of the project as it continues.

Defining and understanding PBSC

- Does the definition focus on concepts that are meaningful to both funders and/ or practice, and enable precision in decision making for either party?
- Which of the above frames resonate with different funders and in what ways?
- Is 'place-based systems change' the right way to define this approach to working for places?
- Does the definition focus too much on the elements that are about systems change, and not enough on being clear about what is place-based?

Growing and disseminating

- How can this work genuinely build on a great deal of existing knowledge and usefully disseminate it?
- Can we identify examples of practice that highlight new forms of funding and finance that enable us to widen our collective understanding of PBSC?
- How can this project challenge the practice of the steering group?
- How can this project complement the existing work of steering group members, and other interested parties?
- How can trusts and foundations usefully consider the work in their practice?

Tools and practice

- What do different actors in this space need to support their work?
- What tools would open-up significantly new types of finance?
- What would influence the current behaviour of funders in this space?

Notes



The membership of the steering group has included individuals from the following organisations:

- The Children's Society
- Collaborate CIC
- Dartington Service Design Lab
- Homeless Link
- Save the Children UK
- Lankelly Chase
- The MEAM Coalition
- The National Lottery Community Fund
- New Philanthropy Capital (NPC)
- North Camden Children's Zone/ the Winch
- West London Zone

About Renaisi



We're passionate about creating the conditions for strong, inclusive communities to thrive.

We're constantly learning from the different perspectives we see working directly with communities, with the providers of services and the investors in communities. It gives us a unique perspective on how systems work and how to improve places fairly.

The combination of our research and evaluation consultancy with significant community programme delivery experience, makes Renaisi a uniquely well-rounded learning partner for the voluntary and community sector.

Find out more at www.renaisi.com

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