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Specialist Business Consultancy

Local Collaborations Programme

Research Report for the

Lloyds Bank Foundation England & Wales

Executive Summary, March 2023

Introduction

The *Lloyds Bank Foundation England & Wales* (the Foundation) has developed a new strategy for 2023-2026, *Building a Better Future*. Central to this is an ambition to help catalyse and support small voluntary and community organisations to work together, to influence others and to improve outcomes for those they serve in their community beyond what they might achieve individually. The Foundation is developing a programme of support and funding to catalyse these *'local collaborations'*, and commissioned *Richmond Baxter Ltd* to provide insight and challenge to 'stress test' this proposition by identifying:

- the critical success factors that make collaborations work
- factors that may make them fail
- how the Foundation might best support.

The research took place in Autumn 2022, and comprised a literature review, interviews with 43 people working within or supporting local collaborations, and workshops with the Foundation teams. These findings and recommendations will shape a support programme, due to commence in Summer 2023.

We would like to extend our thanks to the many contributors who generously gave their time and shared their experiences.

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About collaborations

Local collaborations are defined as:

> *A collaboration started and led by small and local charities in order to influence, shape and change local or regional practice, policy and / or systems, and potentially also funding to improve outcomes for people around a key social issue.*

The local collaborations we heard from were typically addressing an issue considered urgent, important or complex, where they considered they would *achieve better outcomes more effectively together than they could in isolation*. They demonstrated a commitment to include a diverse range of perspectives, or improve their ability to do so, including from individuals with lived experience.

We found collaborations active in all three themes of relevance to the Foundation's strategy:

- Asylum seekers and Refugees
- Accommodation
- Welfare.

Collaborations were not necessarily confined to areas of high deprivation. They tended to focus on an issue of local relevance, although were sometimes connected to influencing networks operating across larger areas.

Success factors and barriers

The research identified twelve broad success factors, which could also hinder local collaborations when absent. We heard how *people make collaborations* and that much of their *success hinges on the relationships between the individuals involved*, their investment of time, commitment to building and maintaining trust, and their respect for and valuing of different contributions. Timing also matters. Forming relationships is an important foundational step to set collaborations on course, alongside more practical considerations of structure and process.

12 local collaboration success factors

1. Collaboration members must find a clear and common purpose from the start

2. Collaborations benefit from early, strong leadership from one or more enthusiasts

"not dragging, but you do need a driver"

3. And shared partnership principles - collective behaviours and values, including a respect for different perspectives and an ability to handle conflict constructively

"everybody brings something"

4. Membership needs consideration, and sometimes challenge - as good quality, pre-existing relationships can help, but can also perpetuate the status quo and exclusion

5. They need an ability to work effectively across culturally and ethnically diverse partners and communities

6. Members need the skills to balance risk, reward and responsibility so that this feels fair, particularly when involving smaller partners

7. Members benefit from organisational authority and stability to exercise their partnership skills in practice

8. The collaborators require skills and knowledge to maintain partnership resilience - including active management of the partnership and relationships, 'good governance' and ensuring original aims remain relevant

9. All of this requires a commitment of capacity

10. Resource unlocks time to think and access to support - without co-ordination capacity, collaborations falter or the task of organising the work crowds out time to form and deliver priorities

11. Open and regular communication is critical to building trust

12. Success is not entirely within a local collaboration's control - external factors such as funding availability, policy changes and crises can all play a part

Local collaboration support

Local collaboration members and stakeholders reflected on what support had been (or would have been) valued, and why. There was no single view as to a 'right' combination. The overwhelming messages were *"ask us what we need"* and *"let us choose".* This points to *a tailored package*. These requirements were not always clear at the start, and so should form part of an ongoing dialogue. *Providing support to the collaboration* as a whole*, rather than individual organisations* wherever possible, brings an added benefit of building relationships.

There were some more frequently reported support needs. Not all emerged in a linear way, although an early stage to help create the right culture and conditions for success is beneficial. Running throughout is the need for judgement, balancing the capacity it takes to lay strong foundations and with an appetite to see tangible progress.

8 beneficial types of support	
1. Partnership development, equipping collaborators to work across and lead beyond their organisational boundaries	2. Time and support to prepare, to consider ambitions, values and behaviours
3. Co-ordination and administration resource to drive forward action and free up time for creative thinking	4. Independent facilitation, to motivate, challenge and be an 'honest broker'
5. Capacity to develop the partnership, including to engage individuals with lived experience and possibly 'backfill'	6. Connections to local decision makers, to progress their agenda
7. Means to reflect, learn and improve	8. Professional advice and services, for example on governance, business planning, contracts, EDI or evidencing impact

Local collaborations are also in a strong position to support the Foundation and the sector, by sharing learning and contributing to programme evaluation. In practice this will mean gauging changes in partnership strength, how the Foundation's support has contributed to this and the difference this has made to communities.

Design considerations

The research showed that, to achieve its aims, *the programme would need to be different from traditional grant giving*. A number of critical design considerations were identified on which the Foundation is actively working.

Design considerations for creating success factors	
1. Power. Funders have power and influence, and can overly skew grantees' aims.	How will the Foundation address this power imbalance?
2. Membership. Collaborations benefit from wide buy-in from partners with capacity, including possibly state organisations.	Where does the Foundation stand on larger organisation involvement?
3. Governance. Trustees are often overlooked in partnership working, but bring benefits including to small charities led by and for Black, Asian and minority ethnic communities.	How will trustees feature in the collaboration support programme?

Design considerations for developing a support offer	
4. The Toolbox. Collaborations can benefit from a wide range of support.	How do these compare to the support the Foundation currently provides?
5. Tailoring. Collaborations need different support in different circumstances.	How will the Foundation ensure support is tailored and not one size fits all?
6. Group dynamics. Strong collaborations benefit from members who feel equally valued, and are not overly reliant on one organisation or person.	How does the Foundation move from a model of supporting an individual organisation to collaborations?

Design considerations for implementing the programme	
7. Early stage. The Foundation wants to challenge the status quo. This will mean supporting collaborations at different starting points.	How will the Foundation work with the differing levels of capacity, expertise and time needed to prepare?
8. Exit. A lack of co-ordination resource may be a barrier to collaborations outlasting the programme.	How will the Foundation manage its exit effectively and responsibly?
9. Internal delivery. The programme will rely on all 3 Foundation directorates – Communities; Policy, Comms & Research; Grant Making.	How will the Foundation co-ordinate its work to maximise success?

Conclusions

The response by local collaborations to the Foundation's proposal was overwhelmingly positive. We heard there was *demand for such a programme and its potential to attract interesting and innovative proposals*. Many welcomed the Foundation's willingness to take risks, citing examples of when a funder had tried something new and this had emboldened them to do the same.

Crucially, there is strong evidence to indicate that the programme will have an impact – we heard many examples of how *small charity collaborations lead to positive changes* in communities, and could go further with tailored support.

The recommendations that follow are based on the principle of *'collaboration first'*, working with and supporting the collective wherever possible.

Recommendations

1. Collaborations should be in the lead, setting their ambitions, agreeing their membership and prioritising their support requirements.

2. The collaborators should show a commitment to build their capacity to work constructively together, with a willingness to learn, be challenged and challenge the Foundation.

3. The programme should offer tailored packages in order that collaborations can access a range of support, via the Foundation or with funding to make their own arrangements.

4. Collaboration support needs will emerge over time. It is recommended that this remains a live conversation.

5. The research indicates merits in an early partnership development stage for all local collaborations to build the foundations for effective collaboration.

6. Providing some independent facilitation may help collaborations develop, and better enable the Foundation to remain neutral in the context of possible partnership differences.

7. Feedback demonstrates merit in the Foundation providing a key link person for local collaborations, with the skills to have diagnostic conversations with a group.

8. For the Foundation as a whole, feedback indicated local collaborations would appreciate:
   - A flexible approach, recognising progress is not always linear
   - Risk taking, which will give collaborations confidence to take risks themselves
   - Building in time for trust and relationships to develop.

9. Evaluation should test for changes in partnership strength over time, and be available to the local collaboration to discuss its achievements and any support requirements.

10. The Foundation will require collaborators' perspectives on whether and how Foundation interventions have contributed to partnership strength.

Richmond Baxter Ltd is a business consultancy helping clients make their organisations stronger without losing what makes them special.

Our clients are socially motivated, and include charities, community businesses and the public sector. They want to be more financially sustainable so that they can continue making an amazing difference to the people they support.

We help by supporting with strategy and business planning, service evaluation and design, and governance including across partnerships.

Lloyds Bank Foundation for England and Wales is an independent charitable foundation funded by Lloyds Banking Group. We work in partnership with small and local charities, people and communities, changing lives and working towards a more just and compassionate society.

The needs and aspirations of people drive our work. We strengthen the small and local charities that support them and the communities they live in, and advocate for a better future.

Through unrestricted funding, support to develop, and influencing policy and practice we help small and local charities thrive, communities grow stronger, and people overcome complex issues and barriers so they can transform their lives.