



Access Measures of Success & Learning Strategy

November 2016

Our approach to learning and evaluation

Evaluation and Learning is fundamental to our role as a foundation

To be successful, we must **build and share an evidence base** as to what works in using **blended capital** and other forms of **grant subsidy** to **develop social investment and capacity building support** for charities and social enterprises. This will be a key part of the legacy of our programmes.

How will we do this? This paper sets out our approach in two parts:

1 Define what success looks like

This section will be the basis for defining the questions that our evaluation and learning activity needs to address.

It sets out a high level manifesto for our 10 year life (our vision and mission) and proposes some high level measures of success.

It also maps out the behaviours that we believe we will need to exhibit in order to achieve what we want to achieve.



2 Dive further into the detail

This section will contain our Theory of Change (including the assumptions underpinning it) and the questions which fall out of it which will provide the frame for our evaluation and learning activity.

This section also details how we will gather data and how frequently we will report on it.

It also provides some principles for data collection and some notes on the methodologies and approaches which we will use.

Note: It is our intention that we keep the approach set out in this paper under review. We envisage that the work will be iterative and change and develop based on feedback and as we learn from our experience of implementation. If you have comments on the contents of this document we would very much like to hear from you, please contact Seb Elsworth at seb.elsworth@access-si.org.uk

NB: The approach set out in this paper focuses on process. We are very aware that organisations regarded as exemplar 'learning organisations' tend to have common characteristics of strong learning leadership & a learning culture. We have used the FSG tool *Readiness for Organisational Learning* to assess whether we have the leadership, culture and processes in order to effectively glean learning from our work. The approach set out in this document builds on the results of this assessment.

What would success look like?

*Our **Vision** describes the world we would like to see in 10 years time*

- Overall, charities and social enterprises are managing to **sustain their impact or achieve greater impact** because they are **more financially resilient and self-reliant**. They have **readier access to the finance** that they need when they need it, to sustain and develop income generating activities (whether this be small loan, loan with grant or quasi equity). And, **more** charities and social enterprises who have not received this sort of investment before **are accessing it**.
- Charities and social enterprises are **diversifying their incomes**, trading more successfully, taking advantage of a wider range of investment opportunities and crucially **building stronger balance sheets**. They have been able to make this shift because they have improved knowledge, systems, processes, skills and governance.
- This shift has occurred because there are now **more places** for charities and social enterprises to go to access smaller affordable loans and blended finance products together with **more appropriate capacity building support**.
- There is a **strong evidence base about what works** to underpin the development of capacity building and investment programmes by other funders and other foundations have been encouraged to pursue a total impact approach to investment.

*Our **Mission** summarises what we do to make that vision happen*

We will pursue our vision by:

- 1 Funding organisations to run grant and support programmes for charities and social enterprises;
- 2 Funding organisations to make small loans to charities and social enterprises; and
- 3 Sharing the learning from how these programmes work

*Our **Target Population** defines how we will target our work*

ACCESS's initial focus (2016-2018) will be on charities and social enterprises, which are already established and working in England which:

- Have the potential to grow and diversify their income and develop stronger balance sheets, **and**
- Are seeking investment below £150k and *may* require capacity building support,
or
- Are seeking larger investments and/or contracts, and require capacity building support

What are the key measures of success in 10 years time?

1

of organisations helped

Access has provided **c.1700** charities and social enterprises with investment in the form of finance or capacity building support through its programmes

(Source: returns from programme fund recipients)

2

Balance Sheet strength

The **majority** of the charities and social enterprises (over 50 per cent) who have received support through its programmes have **stronger balance sheets** or are making progress towards having stronger balance sheets

(Source: programme evaluations)

3

Social impact

The **majority** of the charities and social enterprises receiving support are able to report that they have managed to **sustain or increase their impact** (by developing new services, providing services to more people or by offering better services).

(Source: programme evaluations)

4

Strong evidence base

Developed a **strong evidence base** about what works in capacity building and investment programmes for charities and social enterprises which is influencing other key stakeholders, including consideration of ease of access; a strong knowledge base about the size of the market, how it can be stimulated, the range and scope of investible business models, and crucially how subsidy can best support them.

(Source: key stakeholders survey)

Our behaviours and approach

▶ We believe that if we are to be successful, we will need to exhibit certain **behaviours**. We will need to challenge existing ways of doing things, when they do not work for charities and social enterprises, and to be positively disruptive, embracing new perspectives and involving ‘unusual suspects’.

What is our approach?

We aim to be a champion for the needs of smaller and medium sized charities in accessing social investment. We will:

Listen and consult

In order to make social investment relevant for charities & social enterprises & to continue to use feedback to shape & evolve our programmes. We are committed to programme design & delivery which meets the needs of charities & social enterprises (as distinct from a starting point which privileges existing models).

Be accessible and transparent

To express ourselves clearly & simply, using language which makes sense to the organisations we’ve been created to support. We will seek feedback, check for understanding, & look for opportunities to improve our communications. We will be clear about how we work, how we’re governed, why we make the choices we make and what has worked well and not so well.

Focus on sharing our learning

Building & sharing an evidence base from all our programmes, producing our own analysis & inviting others to do the same. To be meaningful, we believe that learning must be used to improve performance as we go, as part of a continuous cycle, rather than something that only happens at the end of the programme or activity

Use and share data from our programmes

We will publish data on all of our programmes regularly, via a dashboard’ on our website, which will provide an easily understood overview of our work, with all of the underlying data also made openly available.

Build the wider evidence base

Where appropriate we will commission research, usually in collaboration with other funders, to further build the evidence base around the needs of smaller and medium sized charities in accessing social investment.

Influence, advise and collaborate

We have a fixed life, so for our impact to be sustainable we need to influence how other funders behave, including social investors & foundations, in the long term. This may be through telling the story of our work, or through collaborating with other funders in the programmes we run. We seek to identify opportunities to influence & support the work of others, make connections & build strong relationships, encourage collaboration, & invest in the development of infrastructure designed to be of benefit to the market as a whole.

Note: Research will test that we are exhibiting these behaviours and operating in a way consistent with the approach we have specified

How will we know if we are being successful?

We have developed a more detailed roadmap for our work in our **Theory of Change**:



What are our underlying assumptions?

1

There is unmet demand amongst smaller charities and social enterprises for investments under £150k and further demand can be stimulated.

2

Smaller charities and social enterprises can develop investible propositions, with appropriate support with capacity building.

3

Investment and capacity building support will (separately or together) make charities and social enterprises more financially resilient (by enabling them to diversify their income or develop income generating ventures which produce surpluses).

4

Such support will enable them to generate surpluses which are used to strengthen their balance sheets or are reinvested in organisational capacity to generate income.

5

Increased resilience will enable charities and social enterprises to sustain or increase their impact (by developing new services, providing services to more people or by offering better services).

6

Delivering the investment products and support which smaller and medium sized charities and social enterprises need requires subsidy.

7

Products are available or can be developed for charities & social enterprises filling the gap described in 1 (through testing subsidy models, by helping potential social investors to develop their offer, by offering support and by effectively making the case to funders & potential investors of the value of such subsidy)

8

Capacity building and an element of grant enables charities and social enterprises to take on investment that they would not otherwise have been able to access.

9

Funders and social investors and charities and social enterprises can be persuaded to invest in capacity building.

10

Social investors may need to be subsidised in order to offer such investment, to cover losses and contribute to operating costs. We are examining both what form that subsidy might best take (the mix of loan to grant) and appropriate subsidy levels.

11

Charities and social enterprises will need appropriate support with capacity building in order to help them access and make the best use of investment. We are seeking through its support to examine which models of organisational development support are most effective.

12

The endowment can be invested in a way that both maximises financial and social returns with appropriate products available enabling us to develop and test a Total Impact Approach.

What will we be asking as part of our evaluation?

▶ To monitor our success and build an evidence base to inform future capacity building and financing initiatives, we will need to answer the questions in the table below. This table provides high level information about the data sources that will be used to answer these questions and also provides an indication of the frequency with which we will be reporting on the results of this research and evaluation activity.

NB: These evaluation questions will be complemented by more frequent management reporting to the Access board and our stakeholders of progress against our specific programmes.

Evaluation and learning question	Sources for answer	Frequency of formal reporting (it is assumed that stories and examples providing indications of change will be collected through the process)
How many charities and social enterprises have received investment? What levels of investment are being made and for what sort of projects? (What is the profile of these charities and social enterprises by geography, activity area, BME, women led organisations, age, size etc.)	Returns from programme fund recipients	Quarterly
Have these charities and social enterprises become more financially resilient as a result? Are they less reliant on grants, generating more of their own income? Are their balance sheets stronger? By how much? Are there some peaks of success? Has any further investment been raised?	Programme evaluation primarily	Mid way and end point (time lag a significant issue)
Have they been able to deliver greater social impact (by developing new services, providing services to more people or by offering better services) because of this investment?	Programme evaluation primarily	Mid way and end point (time lag a significant issue)
How many charities and social enterprises have received capacity building support? What is the value of this support and what sort of projects are being supported? ? (What is the profile of the charities and social enterprises receiving this support by geography, activity area, BME, women led organisations, age, size etc	Returns from programme fund recipients	Quarterly

Evaluation questions (continued)...

To what extent has the capacity building support or small scale investment provided enabled these charities and social enterprises to attract investment from other sources (either for the first time or in attracting follow-on investment)?	Programme evaluation primarily	After two years, mid way and end point (time lag a significant barrier) for formal reporting.
To what extent have our programmes contributed to organisational development (capacity and capability, technical, governance and leadership and in terms of culture e.g. is there more of an entrepreneurial mindset amongst staff)?	Programme evaluation primarily	After two years, mid way and end point (time lag a significant issue)
To what extent has a strong cohort of social investors and providers been formed with a commitment to provide investment and support to charities and social enterprises once our support ceases?	Programme evaluation primarily	Mid way and end point (time lag a significant issue)
What has been the experience of charities and social enterprises, lenders, support intermediaries and the others we have engaged with through our programmes?	Key stakeholder survey	Tri-annual
Have other funders/finance providers been persuaded to provide subsidy to enable small charities and social enterprises to access investments and capacity building? Are the charities and social enterprises supported by us now making a greater investment in capacity building?	Key stakeholder survey	Tri-annual
Has learning from our programmes influenced how other investment and capacity building initiatives are being designed/delivered (including Total Impact Approaches)? Has it influenced how other market development support is being provided?	Key stakeholder survey	Tri-annual
Have we deepened intelligence about the size of the market and about the range and scope of investible business models in charities and social enterprises?	Key stakeholder survey	Tri-annual
Have our programmes targeted subsidy effectively and have they been value for money?	Methodology TBD which is followed through in the data collected for the evaluations	Mid way and end point (time lag a significant issue)

What will our approach to evaluation & learning be?

Our approach to evaluation and learning will be based on a number of **underpinning principles**

UNDERPINNING PRINCIPLES

Proportionate

We will not place an undue burden of data collection on the small charities and social enterprises who benefit from our programmes or on the organisations we support who work with them. Our aspiration is that our research and evaluation activity will be useful for both charities and social enterprises and the intermediaries we support.

Targeted

We will focus our resources on exploring key questions or issues and only collect data we intend to analyse and use in our reporting and other dissemination activities.

Participative

We will co-design programmes with those they are designed to benefit and we will seek to understand our contribution by providing opportunities for direct feedback.

Iterative

We will determine learning and evaluation questions and then refine and develop these over time through on-going discussion with the organisations we support and other stakeholders.

Ambitious yet realistic

We will appreciate the limits of our capacity and ensure that the resources we are dedicating to evaluation and learning deliver maximum benefit.

Relevant

We will be clear about what we can contribute to the collection and dissemination of knowledge on particular issues and whether we will work alone or with other organisations.

Grounded

Our approach will be grounded in our work with those we support and will be based on quantitative and qualitative evidence provided by them, independent evaluations and event discussions.

Innovative

We will seek to model 'next practice' in this as in other areas of our activity.

What will our approach to evaluation & learning be? (continued...)

▶ Regarding our methodology, we recognise:

METHODOLOGY CONSIDERATIONS

Hard data needs to be put in context.

We plan to take an approach to evaluation which **acknowledges the context**. For example, by painting a picture of what has been happening to the funding and financing of charities and social enterprises of which our support is only a small part.

Value of comparator data in understanding the contribution of particular programmes

We will seek to **establish comparator data sets** so that we can make comparisons between how charities and social enterprises receiving support through our programmes have fared as against other similar organisations

Value of stories as well as hard data

We propose to **develop case studies and narratives** to add nuance and colour and to help to make sense of the hard data that we collect

Need for systems to turn data in learning

We are aware that we need to have processes in place to **ensure that we derive learning** from the evaluations and research that we commission. These processes might be as simple as ensuring we have focused team and board discussions of evaluation and research reports

The charities & social enterprises we support are key partners in this

We realise that the organisations receiving support through our programmes are the experts and that **we need their help in determining what works well and what not so well**. We therefore propose to convene, or to help partners convene, learning groups. These will both a) enable organisations to share their experiences and knowledge and b) inform the development of our work.

Value of taking a longitudinal approach

There will be a **time lag between our investment and the changes that we want to see**. E.g. increased financial resilience as demonstrated in stronger balance sheets (because new income generating projects may take time to develop a market and therefore to yield a profit). In order to achieve a good understanding of our impact we will **continue to follow up** projects over the course of our ten year life.

Importance of 'real time' data to inform decision making

Slides 8 & 9 detail the formal evaluation and research activity we have planned which will have defined reporting points. However, we understand the **importance of gathering 'real time' data** through visits, events (including learning events and groups) social media comment and returns from programme recipients. These will indicate trends or issues that we may need to respond to quickly.