Evaluation of the South Yorkshire Social Infrastructure Programme

Report A: Summary Report

Report submitted to: Yorkshire Forward

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Communities & Organisations : Growth & Support

Report A: Summary Report

Yorkshire Forward: South Yorkshire Social Infrastructure Programme

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About SYSIP

The South Yorkshire Social Infrastructure Programme (SYSIP) committed investment funds of around £36.8 million to voluntary and community sector infrastructure organisations in South Yorkshire between 2006 and 2009.

The **aim of SYSIP** was to increase the sustainability of the voluntary and community sector (VCS) in South Yorkshire through support to infrastructure organisations.

In evaluating the programme we identified the following broad themes or theories of change which underpinned different interventions:

- volunteering
- utilisation of Assets
- core Infrastructure Services
- neighbourhood Infrastructure Services
- academy for Community Leadership
- partnership, Voice, Engagement and Influence.

The two central themes of SYSIP however were the search for sustainability and the added value it provided to the achievement of local policy agendas.

Context

The policy agenda of SYSIP assumed relatively benign macroeconomic conditions and public sector investment continuing to require 'change and modernisation' from the sector, but without sudden shifts in support for infrastructure. The economic events of the last two years, the change in government, and speculation for future public funding have brought considerable uncertainly in the sector.

As a result of the changing environmental context described in this report, the VCS, and its infrastructure, may be variously facing either or both of:

- a *'shake out'*, with services contracting or stopping, and possibly organisations closing down altogether, and
- a *'shake up'*, with organisations having to: *reshape how* services are delivered; *rethink how* services are funded (including being more entrepreneurial or 'business like' in pursuing opportunities, costing and delivering services); and *consider options* for deeper collaboration and merger to protect services and activities.

Risks of 'shake out' currently appear to outweigh those of 'shake up'.

Impact of the Programme on the Development of VCS Organisations

Yorkshire Forward committed £24.1 million to the programme. This is estimated to have achieved the following outputs.

Table: Summary of Main Output Target Performance (YF Single Pot)

	Targets	Actual	% Achieved
Jobs created/safeguarded	209.5	224	107%
Assisted to get a job	3884	4596	118%
No of businesses assisted to improve performance	1289	1950	151%
No of new businesses created	1	1	100%
No of people assisted in their skills development	5323	6961	131%

Source: Yorkshire Forward Artemis Database (May 2010)

Summing lower and upper range estimates together, respectively, we estimate that the economic benefits derived from SYSIP was between £21.4 million and £33.7 million of GVA against an investment from Yorkshire Forward of £21.4 million (returns of between £1 and £1.60 for every £1 invested). These figures provide an order of magnitude of SYSIP's impacts.

It is worth noting however that the Sheffield Community Action Plan (SCAP) elements of the Programme, costed at £6.5 million, were widely spread and in no area would have been equivalent to more than £50 per resident per year of the Programme. By comparison, the New Deal for Communities Programme over a ten year period are valued at £550 per resident per year of the programme and public expenditure in deprived communities estimated at around £5,500 per resident.

The opportunity SYSIP presented was to act as a catalytic Programme for how infrastructure may be configured in the future. Unfortunately, given greatly reduced funding opportunities, this has and will mean a rationalisation of the support provided and a clearer understanding of where it offers most.

Meeting the needs of VCS Organisations, especially those from 'hard to reach' groups

Using the financial accounts of the Charities supported by SYSIP it has been possible to analyse various characteristics around the organisations supported. The analysis points to what a 'typical' SYSIP beneficiary looked like:

- they were operating at a community level probably in an area of social disadvantage in support of economic and community development and employment

- they provided a range of information advice, services and training, particularly to people with disabilities and from minority ethnic groups

- their income was between £100 thousand and £1 million although this may have decreased slightly during the preceding years

- their operating margin was tight with only small annual surpluses generated.

These findings suggest that infrastructure organisations are reaching those parts of the sector which may be most vulnerable and in need of support.

Good Practice

The evaluation found extensive examples of good practice which include:

- *volunteering*: although 'general' volunteer support was funded, there was a growing recognition of volunteering being part of a welfare - through volunteering - to work approach

- *assets and place making*: the asset developments at district and neighbourhood levels were often an intrinsic part of wider economic programmes

- *core infrastructure services*: the evidence around the 'reach' of the Programme suggested that organisations with a community, economic and employment remit were more likely to be accessing and benefiting from the Programme.

Sustainability and Added Value

The evaluation found that SYSIP has had mixed success in achieving its aim of increasing the sustainability of the VCS in South Yorkshire.

It is unclear how SYSIP contributed to regional objectives: it is unlikely whether a Programme of SYSIP's nature would be funded again. However, it should be stressed that a concern of local Programme partners was to highlight how the VCS could contribute to economic agendas.

Recommendations for Future Programmes

A series of recommendations can be made for the future funding:

1. **A strategy for Voluntary and Community Sector**: SYSIP was not supported by a single clear, and indeed written, strategy which could guide the design of the Programme, outline shared priorities, and set out a coherent set of priorities for funding. This would have brought greater clarity to SYSIP funding.

2. **Spatial Scale:** it is necessary for a regional strategy for the sector to recognise geographic priorities (e.g. where there is greater need and opportunities) and provide a framework which enables local third sector development.

3. **Planning, Objectives and Capacity:** greater critical consideration of these issues is required at the outset, notably at the appraisal stage.

4. **Mode of Delivery:** a finding from the analysis of the organisations supported (the 'reach' of infrastructure) and the value placed on support was that delivery by a third sector organisation was valued. This was especially the case for smaller organisations.

5. **Demonstrating Impact:** the evaluation recommends that support is provided to harmonise demands for evidence of impact and that the costs and benefits of such demands are recognised.

6. **Evaluation:** the evaluation of SYSIP demonstrated the potential of using datasets such as the National Survey of Third Sector Organisations and data on the financial accounts of Charities. These can be used to evaluate similar programmes in the future.

1. Introduction

1.1. About SYSIP

The South Yorkshire Social Infrastructure Programme (SYSIP) was supported by Yorkshire Forward, the South Yorkshire Objective 1 Programme and the South Yorkshire Learning and Skills Council which committed investment funds of around £36.8 million (with £24.1 million from Yorkshire Forward, £11.6 million from the South Yorkshire Objective 1 Programme and £1 million from the Learning and Skills Council)to voluntary and community sector infrastructure organisations in South Yorkshire between 2006 and 2009.

The **aim of SYSIP** was to increase the sustainability of the voluntary and community sector (VCS) in South Yorkshire through support to infrastructure organisations. Through helping frontline VCS organisations become more effective, this is intended to bring wider economic and social impacts. The Programme consists of six elements, each with complementary aims:

1.   Barnsley Community Infrastructure

2.   Doncaster Social Infrastructure

3.   Rotherham Social Infrastructure

4.   Sheffield Community Infrastructure

5.   Sheffield Community Action Plan Programme

6.   Academy for Community Leadership.

1.2. About the Evaluation

The Programme was evaluated by researchers at Sheffield Hallam University, working in partnership with consultants mtl and COGS, in order to:

- estimate the impacts of the activities over time on VCS infrastructure and the economic regeneration of South Yorkshire

- help build monitoring and evaluation capacity in South Yorkshire

- capture learning and inform future action during the course of the Programme.

The evaluation ran in three phases from **March 2007 to June 2009** and involved: reviewing the context, development and delivery of the Programme

- assessing the impacts of the Programme on the development of VCS organisations in South Yorkshire

- considering whether the Programme is effectively meeting the needs of VCS organisations - particularly those from 'hard to reach' groups

- identifying good practice developed by the Programme and individual elements

- assessing the sustainability of activities developed by the Programme
- making recommendations for the future development of social and community infrastructure building programmes.

The evaluation was commissioned by Yorkshire Forward in March 2007 and overseen by a Steering Group drawn from third sector infrastructure organisations and local authorities in South Yorkshire. The evaluation was undertaken in three phases:

- phase 1 2007: a scoping phase in which an evaluation framework was developed
- phase 2 2008: focusing on understanding Programme delivery, undertaking an interim assessment, exploring a series of Programme themes and running a series of capacity building workshops
- phase 3 2009: focusing on completion of fieldwork and preparing the final report.

The evaluation was structured around five themes (or theories of change) and these included:

- volunteering
- sustainability
- core infrastructure services
- neighbourhood infrastructure
- partnership, voice, engagement and influence.

In preparing the final reports two slight changes were made: the theme on sustainability focused on acquisition and utilisation of assets, with sustainability seen as a cross-cutting issue, and a separate report produced on the Academy for Community Leadership.

1.3. Rationale for SYSIP

The core costs of the SYSIP projects were met by Yorkshire Forward, South Yorkshire Objective 1 Programme, and the Learning and Skills Council. The investment in the SYSIP projects was made jointly by these organisations and funding from each (largely) ran concurrently.

The funding provided was in a range of voluntary and community sector 'infrastructure' activities and associated projects. Investment in VCS 'infrastructure' has been part of economic development programmes in the region since 1995 (as part of the EU Objective 2 Programmes and linked SRB Programmes of this period). Investment under the South Yorkshire Objective 1 Programme extended investment, by seeking to invest funds more equitably in deprived neighbourhoods, through the support of communities of interest (e.g. organisations working with black and minority ethnic groups, and people with disabilities), as well as support to district and sub-regional level infrastructure organisations (e.g. local infrastructure organisations such as Councils for Voluntary Service - CVSs and to groups such as the AfCL and the South Yorkshire Open Forum).

Funding under SYSIP was made at a time when VCS organisations faced a reported 'funding cliff edge' with significant declines in UK and EU regional and regeneration

funding going to VCS organisations. The **rationale** for SYSIP was therefore very much to provide support for a transitional period which allowed VCS infrastructure to be supported at an appropriate scale (for the funding available) and to seek sustainability without EU Structural Funds and SRB funding. Such sustainability it is suggested would be through VCS organisations attracting funding locally through new commissioning and procurement opportunities, through charging for services, and in some cases reconfiguring the scale/scope of organisations, through for example merger.

SYSIP was also notable in terms of its delivery arrangements. Projects were led by local accountable bodies. With the exception of Rotherham these were led by local authorities; Voluntary Action Rotherham acted as an Accountable Body. This model of delivery was important in relation to Yorkshire Forward's approach to geographic programmes at a local level, in contrast to previously defined regional and sub-regional programmes.

The two central themes of SYSIP however were the search for sustainability and the added value it provided to the achievement of local policy agendas.

1.4. Evaluation Reports

This report summarises the main findings from the evaluation of SYSIP. As part of the evaluation, the following reports have been produced.

Cross-cutting or Programme-Wide Reports

Report A: Summary Report (presented here)
Report B: Changing Policy Agendas and Contexts
Report C: A Programme Wide Assessment

Theme Reports

Report D: Investment in volunteering
Report E: Acquisition and Utilisation of Assets
Report F: Core Infrastructure Services
Report G: Academy of Community Leadership
Report H: Neighbourhood Infrastructure
Report I: Partnership, Voice, Engagement and Influence

Technical Report

Report J: Evaluation Framework

The evaluation proceeded in three phases in 2007, 2008 and 2009 respectively. The research in 2007 focused on the development of an evaluation framework, interviewing stakeholders and an initial review of data. The research in 2008 undertook to complete the substantive research tasks around five separate themes and to run a Programme of masterclasses. The research in 2009 has focused on the primary fieldwork around core infrastructure services, an extensive round of stakeholder interviews, analysis of final monitoring data, and analysis of an array of other data sources (notably the NSTSO and financial account data). Judgements to inform the estimate of impact have also been made.

A summary workplan is contained in Report J.

2.   Changing Policy Agendas

2.1   Changes in Policy Emphasis

The policy environment affecting VCS infrastructure has become much more complicated in recent years. VCS infrastructure is under the spotlight, and seemingly faces an unprecedented set of issues, concerns and debates, each of which has the potential to unsettle and call into question the way it is organised and funded, particularly at local level.

Policy changes affecting the sector relate both to third sector specific policies (e.g. the Compact, the new Charity Act 2006 or ChangeUp - the previous government's programme to modernise third sector infrastructure) but also wider sets of policies (e.g. LSPs, Welfare Reform and the opening up of Public Service Delivery). Within South Yorkshire, perhaps more than any other sub-region in the United Kingdom, domestic and EU regeneration funding has since the mid 1990s actively sought to promote the role of the voluntary and community sector. This has left a legacy of a large and diverse sector. However it has also left relatively new organisations without alternative funding streams. Infrastructure organisations (at a district level) have been relatively new to regeneration funding and their involvement reflects a desire to provide support to mitigate against the 'funding cliff edge'.

2.2   Understanding Context

From the National Survey of Third Sector Organisations (NSTSO) a series of key findings can be identified:

- **third sector population:** based on per capital statistics there are proportionally fewer registered third sector organisations, employees, and directors/trustees in South Yorkshire than exist nationally

- **NI7:** the four South Yorkshire districts received an NI7 score which was broadly in line with the national score[1]

- **grants and contracts:** a higher proportion of registered third sector organisations in the four South Yorkshire districts received grants and contracts from local authorities than do nationally

- **satisfaction with funding and support available:** across the four South Yorkshire areas registered third sector organisation's satisfaction with local funding and support is broadly in line with satisfaction nationally

- **third sector infrastructure:** higher proportions of third sector organisations in the four South Yorkshire districts receive support from and are satisfied with their local infrastructure organisations compared to the national picture.

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[1] NI7 or National Indicator 7 was part of the previous government's national indicator set. NI7 measured the extent to which a local authority area had a 'thriving third sector'. It was based on a composite of indicators drawn from the National Survey of Third Sector Organisations (NSTSO).

2.3 Financial Crisis, Recession and the Outlook for Public Expenditure

The policy agenda of SYSIP assumed relatively benign macroeconomic conditions and public sector investment continuing to require 'change and modernisation' from the sector, but without sudden shifts in support for infrastructure. The economic events of the last 24 months, the new coalition government in the next year, and the announcements for significant cuts to public funding have brought considerable uncertainly in the sector.

The recession will have differential effects across the Third Sector, as it will across other sectors in the UK economy. Moreover the effects of recession, financial crisis and tightening public expenditure will be transmitted in different ways across the sector.

The rationale for public policy support to the sector at this time is important and extends beyond simply identifying those organisations which are most financially vulnerable. **There is a strong case for supporting organisations which are experiencing rapidly increasing levels of service demand**. Beyond this there are probably otherwise viable organisations that provide significant benefits to users but are unprepared for the effects of the recession or public spending cuts.

The greatest social costs of recession are caused through unemployment and its consequences for individuals, households and areas. South Yorkshire appears to have been hard hit by recession, compounding its relative weak economy and the disproportionate levels of disadvantage many of its population faces.

The prospect of reductions in public expenditure is likely to have disproportionate effects on the third sector in South Yorkshire. Whilst opportunities do exist for the sector around accessing funding for service delivery, these are largely outside the core remits of infrastructure organisations to deliver.

2.4 Conclusion: implications for the Third Sector

As a result of the changing environmental context described in this report, the VCS, and its infrastructure, may be variously facing either or both of:

- a 'shake out', with services contracting or stopping, and possibly organisations closing down altogether, and

- a 'shake up', with organisations having to: *reshape how* services are delivered; *rethink how* services are funded (including being more entrepreneurial or 'business like' in pursuing opportunities, costing and delivering services); and *consider opt*ions for deeper collaboration and merger to protect services and activities.

*The questio*n for VCS infrastructure, and by implication programmes such as SYSIP which invest in it, is the extent to which it can enable voluntary organisations and community groups to negotiate a landscape which is changing increasingly quickly. Risks of 'shake out' currently appear to outweigh those of 'shake up'.

3. Volunteering

3.1 Introduction

SYSIP invested relatively small sums in volunteer centre capacity across South Yorkshire - from Sheffield (no staff posts) to two posts in Rotherham (to establish a new volunteer centre). Volunteer centres (VCs) all sit within local infrastructure organisations.

The report finds that the SYSIP funding coincided with a period of significant policy changes which had significant effects for volunteering. These included both the general increase in the profile of volunteering but especially its prominence in the welfare reform agenda.

Formal volunteer activities in South Yorkshire (around 20 per cent) are lower than the England average (23 per cent). However, it must be stressed that the work of the volunteer centres is on promoting volunteering amongst disadvantaged groups and, generally, in supporting volunteering involving organisations which are working with more disadvantaged groups.

3.2 Process Outcomes

A condition of the support from Yorkshire Forward is that the volunteer centres become accredited through Volunteering England and this has been achieved.

The research finds that that each volunteer centre is well run and seen as an important part of local third sector infrastructure. The contexts of each volunteer centre varies. For instance, during the course of the research young people's volunteer support (funded by v - the national youth volunteering charity) and general volunteer support has been brought together in Barnsley.

Relationships with external agencies are seen to be important: with organisations who may refer volunteers (Jobcentre Plus), who see volunteering as a necessary part of Programme delivery (for instance joint work with PCTs (Primary Care Trusts) over Condition Management Programmes) and with volunteer involving organisations (both other third sector organisations but also hospitals and hospices).

During the course of the research, the volunteer centres reported that the supply of volunteers had dramatically increased but that the demand for volunteers had not kept pace.

3.3 Analysis of Volunteer Data

The most striking finding from this section is the dramatic increase in the clientele of the volunteer centres from 2006 to 2009: from around 75 to almost 240 per month. Interviews with the centre managers suggested that this increase was unprecedented, that the increase was due to a complex of factors (including

uncertainty in the labour market, the welfare reform agenda and more generally the wider profile of volunteering).

From the data above other patterns and trends regarding the clientele of the three Volunteer Centres can be indentified:

- **gender**: over the three years and across the three centres the proportion of women clients ranged from between 59 per cent and 70 per cent, reflecting the national pattern

- **age**: young people appear to access the Volunteer Centres in larger numbers than others. This is a departure from national volunteering figures which suggest that formal volunteering is highest among people in the 35–44 and 55–64 age brackets

- **disability**: over the three years and across the three centres the majority of clients, between 62 per cent and 83 per cent, reported not having a disability

- **employment**: people 'out of employment' (either unemployed, non employed or unable to work) make-up a significant proportion of each centre's client base.

3.4 Sustainability

Ultimately infrastructure organisations require public funding to be sustained. VCs may achieve some scale economies through being fully embedded in their CVS. They may also mitigate some problems through recruiting volunteers to support the VC. However, ultimately they require a core group of paid staff.

There were also found to be issues of capacity. Volunteer enquiries had increased many fold in each Volunteer Centre, but at a time when grant income had declined. This has resulted in consideration of how support was provided: notably support to volunteer involving organisations was squeezed. Increasing volunteer worker support had helped to alleviate some problems, but was not a viable model for providing the core functions of the volunteer centre.

3.5 Good Practice

Good practice in the Volunteer Centres is evident in:

- the establishment (Rotherham) and development (all) of volunteering infrastructure which is Volunteering England accredited

- the development of Volunteer Centres as 'equal partners' in some areas of joint working with statutory agencies. A notable case here is Rotherham volunteer centre's work with the Primary Care Trust and Jobcentre Plus Condition Management Programme

- the commitment to improve volunteering infrastructure as a means to achieving sustainability

- the establishment of systems to capture and use data for performance management.

3.6   Conclusion

There are very few recommendations to make. **The volunteer centres are embedded within their local infrastructure organisations** and as such there are few transferable lessons.

A general recommendation is that the LSP, local authority and other agency commitment to volunteer centres is vital to their long term sustainability. This calls for a recognition of where the centres can contribute most (in providing a focal point for volunteers and support to volunteer involving organisations - public and third sector), in addressing existing deficits (for instance agreeing to volunteering codes of conduct and paying volunteering expenses) and recognising the **appropriate contribution** of volunteering to agendas such as welfare to work.

Within local infrastructure organisations, **there appears some scope for the further integration of volunteer centre activities**, for example to better coordinate services offered to frontline VCS organisations or through linking youth and adult volunteering. Other developments in SYSIP, the construction of new buildings and support for sustainability have helped bring these changes.

4.   Acquisition and Utilisation of Assets

4.1   Introduction

The South Yorkshire Social Infrastructure Programme (SYSIP) included three new capital projects as accommodation for VCS organisations and revenue support for one development trust encompassing, amongst other activities, development and use of physical assets.

The projects investigated as part of the SYSIP evaluation include:

1.   The Core (Barnsley)
2.   Multi-Cultural Centre (Barnsley)
3.   The Spectrum (Rotherham)
4.   Zest Developments (Sheffield).

4.2   Policy Context: Community Anchor Organisations

There has been a growing policy debate around the possibility and potential of giving greater support to community owned assets. In the context of SYSIP, further attention has been given to the notion of *community anchor organisations (CAO).*

"Firm Foundations" defined Community anchor organisations as having at least four common features:

- they are controlled by local residents and/or representatives of local groups
- they address the needs of their area in a multi-purpose, holistic way
- they are committed to the involvement of all sections of their community, including marginalised groups
- they facilitate the development of the communities in their area.

Impetus to the debate around community assets was brought by the 2007 Quirk Review.[2] This focused on the transfer of assets from the public sector into the control or joint control (with public sector agencies) of community organisations.

Whilst policy commitment to this agenda does not appear to be waning, the recession and the prospect of cuts in public expenditure may place greater pressures on organisations. In particular, there has been downward pressure on commercial rental values, and larger third sector organisations have reported that management workspace type ventures have become less viable.

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[2] Quirk, B. (2007), Making assets work: The Quirk Review of community management and ownership of public assets (London: CLG).

4.3   Findings

At face value, two of the projects have accomplished what was envisaged (The Core and The Spectrum); one (Zest) has pursued the activities specified with varying results, and the fourth (Multi Cultural Centre) now looks on the brink of being shelved.

The Core and Spectrum buildings are high standard products, in regeneration contexts, appreciated by their hosts/users and likely to be useful sources of modest annual incomes. Their intangible impacts in terms of status may, in due course, be of greater financial significance.

Zest's experience illustrates the importance of having internal development capacity to pursue mission-driven business development in parallel with premises-related feasibility. Bringing these to fruition also depended upon partners' abilities to enter into commitments.

Barnsley Black and Ethnic Minority Initiative's (BBEMI) Mutli Cultural Centre has faced a series of obstacles, not all of the organisation's own making. However, the decision not to pursue this project was based on the viability for the building not being proved in a feasibility study.

The experiences demonstrate the complexities of property development projects in terms of their specifications, capital and revenue costs, business plans and regulatory considerations.

These complexities apply to sponsoring organisations, partners, advisors and appraisers. **Technical and institutional optimism bias is a key risk which can be taken into account by sensitivity analyses at the application stage and treated as part of risk management during implementation**.

The economic and financial climate for the four beneficiary organisations now is more difficult than was foreseen in 2005, so their status now is not so resilient. The needs of their beneficiaries, however, are more acute. Acquisition of assets in these circumstances is of peripheral importance although the existence of the assets will have value (including alternative use value) for the future.

4.4   Conclusion

The SYSIP Programme has invested in community assets - at a district scale (with two new Voluntary Action buildings) and at a community level (with Zest). **Common success factors are not unsurprising: robust business plans, careful consideration of income streams and risk, and internal capacity to realise construction projects. A further critical factor was external political and institutional support to realise original aims**. These factors were not all in place in the case of BBEMI.

Recession and the prospect of tighter public expenditure places greater pressure of assets: these may lead to downward pressure on rental income and the risk of voids. These can be mitigated and contingencies are being explored (e.g. other users and uses for space). **Local support to ensure continued high occupancy levels will be crucial**. There were found to be considerable wider benefits to investment in community assets which are experienced both by the owners of the buildings but also other stakeholders.

5. Core Infrastructure Services

5.1 Introduction

The South Yorkshire Social Infrastructure Programme (SYSIP) invested in an array of core infrastructure services. We have used this term to cover the services provided by the four district wide local infrastructure organisations in South Yorkshire (Voluntary Actions Barnsley, Rotherham and Sheffield and Doncaster Council for Voluntary Service) as well as the South Yorkshire Funding Advice Bureau.

5.2 Key messages

The following messages can be drawn from our research:

- **Context**: Based on the development of a 'support needs index', existing data suggests that very few organisations report lots of severe problems, and many report only slight problems. The main issues regarded as problems for the sector are 'raising funds', 'finding and recruiting new volunteers' and 'getting new members and users involved in your group'. Across South Yorkshire, organisations with staff tend to report more severe problems than those without staff

- **Support funded through SYSIP**: included community accountancy and payroll services, funding information and advice, human resources and legal support, training and support for organisational development, procurement and commissioning

- **Support needs**: The kinds of issues facing the case study organisations include the need for information, advice and support around specialist technical or professional services; issues around funding and finance, including concerns and needs associated with the changing funding environment, such as income generation and commissioning and procurement; and broader issues of organisational development, regarded as part of a process of becoming more strategic and professional

- **Accessing support**: The case study organisations were already very well connected with local voluntary sector support agencies, and had used them regularly in the past. Many were proactive in pursuit of support, particularly training opportunities. A striking feature of the case study organisations is the sheer range of different support services they have accessed

- **The impact of support**: Overwhelmingly the case study organisations were positive about the support they had accessed and the difference this is thought to have made. A conclusive and authoritative judgement about whether the case study organisations are actually more sustainable and resilient is likely, however, to require a longer term assessment. Interviewees clearly think their organisations are stronger and more sustainable, through a combination of:

- developing more appropriate and better structures, systems, policies and procedures to support their work

- adopting a more strategic, planned, professional, forward-looking and networked outlook

- becoming more aware, knowledgeable and skilled about their 'operating environment', that is, the changing funding and policy context in which they work.

The perspectives of case study organisations might form a provisional proxy for the impact of support services funded through SYSIP. The perceived impacts provide good reasons to expect the case study organisations to be more sustainable.

5.3   Conclusion

The report does not draw simple straightforward policy recommendations. It highlights that it is too soon to form judgements around the sustainability of the sector - these issues can only be judged over a longer term. Those organisations participating in the research were largely positive about the report received, but by definition they were 'in the loop' and also tended to have greater support needs than the wider sector. Nonetheless, the continuing development of methodologies to **help infrastructure organisations demonstrate impact is likely to rise in importance**.

The support from core infrastructure is often relatively small, although many organisations participating in the research valued this highly, and found it necessary for their existence (e.g. around charity accounting or governance advice). **A debate for the sector and policy makers, in the context of public expenditure constraint, is around the future role of infrastructure and the extent to which support and capacity building should be targeted.** The evidence presented here suggests that this is not a simple trade-off and a more subtle debate is required.

6. Academy for Community Leadership

6.1. Introduction

The AfCL was a Yorkshire Forward part-funded project, contracted with Northern College, designed to provide skills and knowledge which enable people to take part in local democracy and to deliver regeneration and renewal. It is delivered through the brokerage and commissioning of a range of provision, delivered using different learning methods.

The total contracted cost of AfCL was £4m (all revenue) to which YF investment was £1m, O1 (ESF) £2m, and LSCSY £1m. 88.5 percent of the cost was to procure delivery of learning, the balance includes staffing costs and overheads/office facilities (10 per cent), and the remainder for networking/promotion and evaluation.

Funding for AfCL has now ceased. The report therefore presents lessons which can be drawn from intervention in the AfCL for future programmes.

6.2. Policy Context

A more specific policy context relating to AfCL positions learning and knowledge in the sector (and beyond) as a necessary prerequisite. Particularly relevant considerations are:

1. Neighbourhood Learning in Deprived Communities – a LSC initiative, now ended

2. Sir John Egan's report on Skills for Sustainable Communities – which gave rise to the Academy of Sustainable Communities (based in Leeds) and the Regional Centre of Excellence, Integreat Yorkshire which is a web-based resource

3. the Learning Curve – the Neighbourhood Renewal Unit's skills and knowledge Programme, the national evaluation of which queried if engagement of individual learners necessarily resulted in partnership and organisational impacts.

6.3. AfCL Provision

AfCL had a good basis and process for establishing training needs. These included the predecessor project which covered Training Needs Assessments extensively, consultation and workshops with the sector and providers, and the knowledge/expertise of Northern College.

Providers are third sector organisations so this represents one level of recycling of the funding. Most were South Yorkshire based and those that were not struggled to deliver targets, so leakage out of South Yorkshire was very low. Delivery invariably occurred in community premises, some 70 venues in South Yorkshire and this represents a further level of recycling of the funding within the sector and sub-region.

6.4. Who Benefits?

Benefits were evenly spread and reached most groups (by age, ethnicity, gender and area). Generally, and where known, the learners are well qualified, that is 29 per cent at Level 4 and above; 24.6 per cent at Level 3. In this regard, the learning market served by AfCL may be shown to be differentiated from the Northern College priority focus for much of its own provision. The sample survey of learners showed that most are fairly frequent learners.

In total, 26 providers across the portfolio of courses were the prime contracted deliverers. By volume of learner numbers, the main ones were:

- WEA 436
- VAS 421
- CEDR 403
- SY Women's Development Trust 272.

By course topics the most significant uptake, indicative of needs in the sector, was in:

- Governance, Management and Leadership – operations, administration, regulations
- Active Citizenship – political understanding and community democracy
- Women into Community Leadership – gender based barriers and overcoming them
- Marketing Workshops – planning communications, publicity and promotion.

6.5. Impact

Those who completed the 'where next' forms were asked what (if any) impacts the course had on them. 26 per cent said that attending the course they had enrolled on gave them the opportunity to learn new skills/ subjects and increase/ reinforce their knowledge.

Over a quarter (28 per cent) of people said that attending the course gave them a better and wider understanding of their job or the members of the community their organisation tries to help. This includes understanding the needs of the community and how their role facilitates them being supported. This enables those who attended the courses to fulfil their role better.

Evidence suggests that there has been a strong cohort of frequent learners, with those *learning-hungry* organisations as the bedrock. New users have been attracted by currency of the topics, novelty of the provision, accessibility and no fees. Increasingly these have been from grassroots groups newly involved in, especially, area-based forums and wanting to get up-to-speed on their understanding.

The AfCL project has met and exceeded its main output targets.

A net impact assessment, based on the above arithmetic, results in 1,747 additional learners, that is, a gross to net percentage of 64 per cent. This is equivalent to a unit cost per net learner of £2,290 which is within the normal range of

value for money and probably better than most business related supported training where the quantitative additionality is lower, but the economic benefit may be higher.

6.6. Conclusion

A requirement of the evaluation brief was to identify a **series of lessons** from the evaluation. These are to some extent redundant as the AfCL has ceased operation following the end of its funding.

In terms of **good practice**, there are lessons to be drawn from AfCL around:

- the brokerage model for its independence, transparency and willingness to adapt through experience and provider feedback
- the reach achieved by delivery across South Yorkshire and the equitable distribution by Districts
- the credentials of the providers with the target market, making appropriate access arrangements
- the AfCL and providers readiness to experiment, innovate and to put their customers to the fore throughout.

The most apparent recommendation is to **start with the organisation's needs first and then broker the appropriate supply whether from core infrastructure services, leadership skills or wherever.** This suggests a rethinking of provision along similar lines as to those under the Better Deal for Business initiative for business support.

7. Neighbourhood Infrastructure

7.1 Introduction

The South Yorkshire Social Infrastructure Programme (SYSIP) made a considerable investment in Neighbourhood Infrastructure of over one third Programme resources. This funding was largely concentrated on Sheffield, although some funds supported community oriented projects elsewhere, notably the Barnsley Association of Community Partnership. Funding in Sheffield focused on the Sheffield Community Action Plans (CAPs) project and two major investments in Zest (formerly Netherthorpe and Upperthorpe Community Alliance) and SOAR (South and Owlerton Area Regeneration).

The report finds that the SYSIP funding coincided with a period of significant policy changes which had significant effects for neighbourhood infrastructure. These included shifts in national agendas (for instance the end of Neighbourhood Renewal Funding and introduction of Area Based Grants) and locally (such as the establishment of community assemblies in Sheffield).

We found wide ranging rationales from more traditional forms of community development and community economic development through to community anchor organisations and involvement/empowerment activities.

The focus of the funding was primarily around the sustainability of activities and the contribution (or added value) of neighbourhood activity to local agendas (whether in terms of service delivery, governance and empowerment, or regeneration).

7.2 About Neighbourhood Infrastructure

Definitions of neighbourhood infrastructure were wide ranging and it was not possible to define a singular and simple (investment) model. If there is a common feature of neighbourhood infrastructure it is that it involves high levels of community engagement, and that funders, recognising these benefits, support core as well as project and service staff. During the SYSIP programme, there was considerable policy interest in 'place making' and 'place shaping', agendas in which neighbourhood infrastructure had a clear role.

Although some neighbourhood infrastructure bodies focused on the **development of place** and therefore capital expenditure (most notably SOAR, but also others), others had a greater focus on services (for instance ZEST).

7.3 Process Outcomes

The Sheffield CAPs project, Zest and SOAR, and BACP were found to invest in activities which build neighbourhood capacity. The report finds that capacity building took time but that benefits were brought in terms of developing better services (whether around health, education or policing).

Where such investments appear to have had greatest success is where they have had a clear rationale and supported organisations which had the organisational capacity and scale to develop. Unfortunately, many of the process outcomes were found to be short-lived and reliant on the direct funding from SYSIP. This was most typically in smaller neighbourhood groups with more limited resources.

7.4 Sustainability

At the start of the SYSIP Programme there was considerable debate about the voluntary and community sector, and especially neighbourhood infrastructure, being 'grant dependent'. This assertion is overly simplistic and implies that there are no benefits from funds invested through grant based mechanisms. Few neighbourhood infrastructure organisations are able to achieve 'financial sustainability' from service and investment (e.g. returns from assets) income alone: they require other funding to sustain their services.

Although the funding from SYSIP was considerable it should be placed in context: on its own it was far less than area based regeneration initiatives previously funded, most notably New Deal for Communities and the Single Regeneration Budget. Neighbourhood organisations without access to wider resources (often through their own limited development) were unlikely to be sustainable by the end of the Programme.

7.5 Conclusion

SYSIP investment in neighbourhood infrastructure was not strategic. The business case presented to Yorkshire Forward (and Objective 1) was that the neighbourhood infrastructure projects were part of developing a more sustainable infrastructure of organisations. The SYSIP funding followed considerable funding for many organisations which had started in the 1990s with the early SRB Programmes and the 1994-99 Objective 2 Structural Funds and URBAN Programmes. Zest and SOAR were found to have demonstrated how this funding could be used to develop capacity and diversify income streams. They are however exemplars for the SYSIP Programme.

The SYSIP investment made incorrect assumptions that all CAP areas would develop along similar lines and ultimately establish some form of sustainable grass-roots based community regeneration body (such as Zest, SOAR and Manor and Castle Development Trust). This now appears very unrealistic. This is not to argue that neighbourhood based approaches do not work, rather that they will have differing scales and that attention needs to be given to investment in key critical activities (such as community engagement, organisation building, leadership and skills). Investment was available elsewhere in SYSIP to support these activities but either through limited access or resources in one area being limited, organisations floundered.

The value for money from the CAPs Programme has been variable: good in some parts and poor in others. Where it has worked well additional resources have been secured and empowerment activities have thrived in diverse and frequently difficult contexts.

Looking to the future, SYSIP has undoubtedly created some strong neighbourhood organisations. They are well placed to secure further income,

although nonetheless face a challenging and difficult environment. Elsewhere the picture is more mixed, particularly in Sheffield. To some extent, Barnsley, Doncaster and Rotherham took earlier steps to rationalise neighbourhood infrastructure organisations, to clarify their relationship with local empowerment and governance agendas, and to invest in a select group of organisations which could add to delivery. This happened in part in Sheffield but not to a sufficient extent.

8. Partnership, Voice, Engagement and Influence

8.1 Introduction

During the scoping phase of the evaluation many respondents highlighted the importance of a whole array of partnership activities.

Our research responded to this and focused on the following rationales for partnership working:

- greater partnership working to effectively influence decisions
- advocacy and influence: enabling organisations to more effectively influence local policy processes (led by infrastructure bodies or neighbourhood organisations)
- networks: developing networks between organisations so as to increase sustainability.

8.2 Case Study Research

The research focused on case studies of four networks or partnerships:

- *Barnsley Association of Community Partnerships;* contracted by BMBC, Barnsley Community Infrastructure
- *Doncaster CVS partnership of sub contractors*; contracted by DMBC, Doncaster Social Infrastructure
- *Rotherham Ethnic Communities Network*; Rotherham Social Infrastructure, contracted by Voluntary Action Rotherham and delivered by Rotherham Ethnic Minority Alliance
- *Rotherham Women's Network*; Rotherham Social Infrastructure, contracted by Voluntary Action Rotherham and delivered by GROW.

The report explores the differences between partnerships and networks, the key skills required and the outcomes from partnership working.

8.3 Main Findings

This Programme has been significant in providing the resources necessary for partnership and network development. In the DCVS example, partnership was the mechanism by which agreed outputs were delivered – in the other three examples partnership development and networking were the raison d'être to achieve greater voice and influence, and relevant service delivery.

The following were found to be common factors for success:

- partnership working needs commitment both from individuals and from organisations

- the funding imperative ensured a clear purpose and explicit outcomes

- bureaucracy can lead to complications and the most successful partnerships appear to be those where the 'rules of engagement' are simple

- flexibility, adapting, responding are all words used to describe successful practice

- all four case studies were clear that partnerships and networks are about more than talking

- shared understanding, culture, behaviour and values are perceived to be important, though the extent to which this is ever possible is questionable

- learning from other examples of partnership working is useful

- a partnership or network is the sum of its parts

- capacity building support to develop effective governance structures is crucial.

Funding organisations play crucial roles and have responsibilities in funding partnership. Whilst the funding has allowed BACP, DCVS, RECN and RWN to evolve their own mechanisms and structures – and this is praised, **there may have been some benefit from greater / more direct dialogue between the projects and Yorkshire Forward** (rather than just with the accountable bodies in each area)

The level of resourcing for infrastructure was significant – as compared to ChangeUp funding for example. However, connections between Capacitybuilders as the ChangeUp funding delivery agent, the ChangeUp sub-regional consortium and Yorkshire Forward could have been more coherent.

The relationship between the individual project and the Accountable Body is important and the closer this is the more likely it is that broader Programme activities and benefits trickle down.

8.4 Conclusion

Against each of the original rationales for the investment we have found the following:

- **there is greater partnership working** – in terms of numbers participating but also in terms of the range of individuals and organisations participating

- advocacy and influence: enabling organisations to more effectively influence local policy processes, led by infrastructure bodies or neighbourhood organisations. **In all four examples, there is evidence that this has been realised**

- developing partnership/networks between organisations so as to increase sustainability. **The nature of partnership working often changes in response to the funding environment**. Responses from partners can be influenced by the availability of resources and it can be difficult to sustain initiatives after the initial funding. This is particularly the case where organisations feel forced into competition with each other.

In all four case studies we found that partnership enabled organisational sustainability. This was also appreciated and recognised by statutory organisations. There was a sense that policy development had improved. Nonetheless, the organisations studied require core funding and as infrastructure organisations this is not necessarily straight forward, with local commitment varying.

9. Conclusion: Programme Wide Assessment

9.1. Introduction

In making a Programme wide assessment our research drew primarily on financial and monitoring output data. It also made estimates of the potential impact (in terms of GVA) of SYSIP. However, it also highlights that the objectives of the Programme were not to increase GVA: they were primarily focused on increasing the sustainability of the sector and developing its value added to local and regional policy agendas.

The SYSIP Programme included the following projects:

- Academy for Community Leadership
- Barnsley Community Infrastructure
- Doncaster Social Infrastructure
- Rotherham Social Infrastructure
- Sheffield Community Infrastructure
- Sheffield Community Action Plan Programme.

These projects were wide ranging, supporting infrastructure organisations at neighbourhood, district and South Yorkshire levels and which provided support ranging from volunteering centre provision, training of community groups, core infrastructure services such as payroll and HR to voluntary organisations, and funding advice. The Programme also included budgets for capital expenditure (in Rotherham and in Barnsley).

The design of the SYSIP programme from 2004-2006 was against a policy context of regeneration funding being substantially reduced, something termed the funding 'cliff edge'. A strong emphasis of the funding was therefore placed, in design at least, in increasing the sustainability of the *sector*.

The two recurring themes of SYSIP were the search for sustainability and the added value it provided to the achievement of local policy agendas.

9.2. Achievements

The following table provides an overview of output achievement for the Yorkshire Forward Single Pot resources of £21.4 million.

Table 9.1: Summary of Main Output Target Performance (YF Single Pot)

	Targets	Actual	% Achieved
Jobs created/safeguarded	209.5	224	107%
Assisted to get a job	3884	4596	118%
No of businesses assisted to improve performance	1289	1950	151%
No of new businesses created	1	1	100%
No of people assisted in their skills development	5323	6961	131%

Source: Yorkshire Forward Artemis Database (May 2010)

We have not included the following targets in the above table: hectares of land reclaimed (3 ha in Barnsley) or additional private sector investment levered in. However, the programme as a whole supported 3,517 volunteers - something not captured in monitoring returns - but an area we find has contributed to very positive GVA returns.

9.3. Reach and Sustainability

Using the financial accounts of the Charities supported by SYSIP it has been possible to analyse various characteristics of the organisations supported. The analysis points to what a 'typical' SYSIP beneficiary looked like:

- they were operating at a community level.

- they provided a range of information advice, services and training, particularly to people with disabilities and from minority ethnic groups

- their income was between £100,000 and £1 million although this may have decreased slightly during the preceding years

- their operating margin was tight with only small annual surpluses generated

Our findings suggest that other factors operating on the sector (notably the end of major funding streams, recession and the prospect of public funding cuts) means that the organisations supported are now less sustainable and smaller than three years ago.

In terms of added value from SYSIP to local and regional policy agendas, the evaluation concludes that the Programme failed to anticipate changes which have driven the sector. It was therefore to some extent a missed opportunity.

Nonetheless, the evaluation did find very positive examples of how SYSIP has enabled some key developments. These include:

- *volunteering*: the greater profile for volunteering through investments in three district volunteer centres

- *assets and place making*: both neighbourhood (e.g. SOAR) and district (e.g. VAR and VAB) investments have led to capital projects which have served to complement place making agendas. They have also provided physical infrastructure which has increased income streams to the sector and confirmed its role at neighbourhood and local levels

- *core infrastructure services:* the support provided by the local infrastructure organisations (VAB, VAR, DCVS and VAS) show that support is most likely to

reach organisations working at a community level and with disadvantaged groups.

9.4. Strategic Added Value

Strategic Added Value was assessed as follows:

- *Strategic Leadership and Catalyst*: evidence of strategic leadership and acting as a catalyst is modest. Substantial parts of SYSIP funding were continuation funding.

- *Strategic influence*: evidence of this is largely through the stipulation that SYSIP funding is to enable organisations to change. However, its primary benefit has been as a funding source.

- *Leverage*: Where data exist on the additional funding secured against these projects, they suggest that £17.6 million has been leveraged as additional funding.

- *Synergy*: in most cases, it has been seen as a funding source rather than a strategy to drive changes.

- *Engagement:* the area where SYSIP has probably had greatest benefits is in its promotion of citizen engagement in economic development at a neighbourhood level and through voluntary and community sector organisations.

- Overall our findings suggest a critical assessment of Strategic Added Value, with opportunities missed and policy drivers not fully anticipated.

9.5. District Reports

In many respects this plurality of delivery models was a strength of the Programme. It recognised that the configuration of infrastructure varied across South Yorkshire, its objectives and roles varied, and it had different support needs. Nonetheless, the findings around Strategic Added Value suggest that some opportunities were missed.

9.6. Counterfactual Arguments: what would have happened without SYSIP?

The design of the programme through 2005-2006 and subsequent agendas, for instance the Sub-National Review in 2007, weakened the case for a strong regionally focused programme. SYSIP was therefore very much the product of an ongoing dialogue between local authorities, the third sector and Yorkshire Forward.

Nonetheless, the findings around the net additional impact of the programme are relatively positive. These programme-level findings will of course mask considerable within programme variation.

9.7. Conclusion: economic impact or social equity?

Our estimates suggest that SYSIP contributed to the South Yorkshire economy through job creation, through the development of VCS organisations, through skills development and through volunteering.

Summing lower and upper range estimates together, respectively, we estimate that the economic benefits derived from SYSIP was between £21.4 million and £33.7

million of GVA against an investment from Yorkshire Forward of £21.4 million (returns of between £1 and £1.60 for every £1 invested). These figures provide an order of magnitude of SYSIP's impacts.

It is worth noting however that the SCAP elements of the Programme, costed at £6.5 million, were widely spread and in no area would have been equivalent to more than £50 per resident per year of the Programme. By comparison, the New Deal for Communities Programme over a ten year period are valued at £550 per resident per year of the programme and public expenditure in deprived communities estimated at around £5,500 per resident.

This intensity and duration of aid highlights the relative insignificance of SYSIP in this regard in combating what are deep seated levels of deprivation in South Yorkshire.