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LEARNING FROM THE FIRST THREE YEARS OF WORKING WITH COMMUNITIES

BRIGHTPURPOSE

CONTENTS

1. INTRODUCTION	1
Working with local communities to change the system	2
Evaluation and learning methods.....	3
2. GETTING STARTED.....	5
Building early engagement (and maintaining it)	5
Agreeing a shared ambition	5
Investing in local capacity	6
Defining a focal issue.....	6
Moving forward with the focal issue	7
Selecting tools and approaches for each phase	8
The added value an external organisation can bring to system innovation	10
3. WHAT HAVE WE LEARNED SO FAR?.....	12
The Goldilocks factors – getting the balance right.....	21
Appendix: System Maturity Model	25

1. INTRODUCTION

For nearly 40 years, Lloyds Bank Foundation for England and Wales has been supporting small and local charities that help people overcome complex issues like homelessness, addiction and domestic abuse. However, in the backdrop of more than a decade of austerity funding and availability of local services has declined. These are services designed to help people at crisis point such as refuges, shelters and counselling, as well as support that helps people before they end up in crisis. These services are often delivered by small and local charities who have seen their funding to deliver these contracts decline. All of this as more and more people are turning to charities for help, never more so than these last five years following the impact of the global pandemic and now the cost of living crisis.

To address this, the Foundation set up a team (the Team) in 2018 to:

explore and facilitate new ways of strengthening small charities and designing and resourcing local services, with the ultimate goal of stronger, more sustainable services for people facing complex challenges in their lives.

When establishing the Team, the Foundation's Trustees recognised that facilitating systemic change of this kind is likely to be a ten-year ambition rather than a quick fix.

In creating the Team, the Foundation recognised that many charities and small community based organisations need more than funding to be sustainable, and that their ability to thrive is as affected by their operating environment as by their own internal capabilities and resources. Small charities are often the ones delivering these services, but not in isolation. They rely on other local organisations and people place to do so, from those funding and commissioning the services to other organisations that have connections with the people they support, such as health and care providers, police and education.

Working with local communities to change the system

The Team started out by undertaking extensive insight-gathering with small local charities, other funders and leaders in the sector, alongside reviewing existing research, to inform their approach. This pointed to the value of taking a place-based approach, tailoring support to the unique needs of local communities. In terms of scale, the insight suggested working at the level of a relatively small local authority boundary (district or borough). It also highlighted the importance of working at a system level, as small local charities do not operate in isolation and are part of an ecosystem that includes organisations across the public, voluntary and private sector.

Based on this insight, The Team identified six communities in England and Wales with high levels of disadvantage and complex issues, and where local public, voluntary and private sector organisations shared an appetite to find new ways of working together that result in better outcomes for local people.

The six communities are: Bolsover, Great Yarmouth, Halton, Merthyr Tydfil, Redcar & Cleveland, and Telford & Wrekin. The map below shows the locations of the six communities.



1. Redcar and Cleveland
2. Halton
3. Bolsover
4. Telford and Wrekin
5. Great Yarmouth
6. Merthyr Tydfil

The Team works alongside local partners as a facilitator and constructive critical friend, to explore how the local system and its component parts need to change to create a more sustainable footing for the services

people need. This involves rethinking relationships, behaviours, service design, resourcing and delivery models, all rooted in a deep understanding of individual and community level needs and assets.

Brightpurpose has worked with the Team as a learning partner and developmental evaluator since summer 2019, and this report summarises our findings at the end of 2022.

Evaluation and learning methods

As the Team's work involves testing and evolving new approaches, they commissioned a developmental evaluation to support them in learning what works and what doesn't about these new approaches.

Developmental evaluation is an agile methodology characterised by close involvement of the evaluator with the Team and their stakeholders, to observe and evaluate their new approaches in real time. The evaluator creates rapid feedback loops, which support the Team to reflect and continue to develop and adapt their approaches based on what is happening and the learning being generated.

Learning questions

The evaluation is focused on three strategic learning questions:

1. **What does it take**, to work developmentally and stimulate and support system change?
2. **What works and what doesn't**, in stimulating and supporting system change?
3. **What difference does it make** to work in this way?

Thus far, the evaluation and learning have concentrated on the first two questions.

Methods and activities

We used the following methods and activities across the first three years:

- Learning facilitation for the Team and individual members
- Observation and feedback in internal and external workshops
- Support for local idea generation and planning workshops, ranging from participation to co-facilitation
- Regular feedback to the Team
- Design of System Maturity Model assessment framework (see Appendix) with baselines captured in five of the six communities in 2022
- Stakeholder mapping
- Semi-structured interviews with local stakeholders in each of the six communities (76)
- Semi-structured interviews with a cross-section of staff and leaders from the Foundation (10)

2. GETTING STARTED

In each community, the work began with a few enthusiastic local partners and the germ of a belief that things could be different. It takes time to mobilise that enthusiasm and belief and convert them into momentum for change, and there are distinct phases to the process:

Building early engagement (and maintaining it)

Once the team identified sufficient interest from individual local stakeholders and organisations, they convened and facilitated group workshops to discuss local ambitions for changing the system and commit to working together. In most places, the team needed to facilitate multiple workshops during this phase, as it took time to:

- explore what it might mean to truly change the system
- begin to move past long-established norms of how local organisations and leaders relate to one another

Both of these conversations remain a work in progress in all places, with constant attention required to avoid reverting to the comfort of the status quo.

Agreeing a shared ambition

Once local stakeholder groups had developed a willingness to make something happen together, the Team shifted the focus of local workshops towards:

- agreeing shared ambitions for the community
- building agreement to work together and change the system
- surfacing issues that needed to be resolved for system change to progress

Between workshops, the Team continued individual discussions with stakeholders, to address issues raised in the workshops and identify how to unlock local challenges. This often led to engagement with other local

leaders, to draw them into the collaborative work. Key local partners who had been involved from the beginning often played a pivotal role, opening doors to other local leaders and widening the group to involve those who could bring resources to the table.

Investing in local capacity

To support the work in each community, the Foundation provided resource to a local organisation in each place (in the form of a grant) to recruit a Local Implementation Lead.

The purpose of the role is to make an investment in the local community, provide 'boots on the ground' to build and sustain momentum for change with local partners and keep the work moving, and to facilitate local ownership.

The Local Implementation Lead role is a unique role, being both an insider and outsider, and encouraging local stakeholders to keep their eyes on the strategic ambition even when operational priorities are crowding in. Recruitment and retention have been challenging in some communities. Where it has been successful, the Local Implementation Lead role has had a transformational effect on local capacity to support the work and led to marked shifts in the sense of momentum. The local nature of the role also creates continuous visibility for the work and creates a bridge with the Foundation whilst rooting the work in its own place. People already knew and trusted the Local Implementation Lead before they took on the role, and this has been crucial to credibility and local ownership.

Defining a focal issue

Once a shared ambition was in place, the emphasis shifted to deciding where to start. Changing the whole system is too large and abstract a concept to translate into practical action, and the Team encouraged each community to identify a focal issue to use as a starting point. The long term ambition is to change the system completely, but we all need to start somewhere.

The Team again facilitated stakeholder workshops to identify and agree the focal issue, this time in collaboration with the recently recruited Local Implementation Leads.

Narrowing down the focus to a single tangible and unifying issue was not always straightforward, with only two communities achieving rapid consensus. In some cases, the initial focal issue needed narrowing further, as it was too big or abstract as a starting point. In others, more facilitated workshops were needed to bring partners to agreement.

Moving forward with the focal issue

Once the local stakeholder network had chosen a focal issue, the emphasis moved to agreeing practical next steps (for example, gathering more evidence about local needs), engaging more individuals and organisations in the process, and creating the local governance structures to share leadership and direct the work. Local Implementation Leads took a variety of approaches to facilitating practical next steps, including:

- working with smaller subgroups to develop workplans
- bringing together leadership/steering or reference groups to share leadership of the work
- leading the development of research with local people about their needs and ambitions
- implementing peer-led research with people with lived experience of the focal issue, to inform local partners about the changes needed

At this stage, each community assessed the characteristics of their local system in relation to the focal issue, using the System Maturity Model (see Appendix). This gave them an understanding of their current state, and provided insights to help them prioritise their next steps in moving the issue forward.

Selecting tools and approaches for each phase

At each stage, the Team and Local Implementation Leads selected the most appropriate methods to support stakeholders in agreeing how they work together, how to overcome existing or perceived obstacles to collaboration, how to support each other and how to take action on their chosen focal issue. These were selected from a suite of skills, tools and methodologies, chosen for their relevance to the work, as described below.

Advanced Facilitation

Design, organisation and facilitation of events and workshops that bring people together to agree their shared ambitions and explore the barriers to realising them. The Team and Local Implementation Leads have all received Advanced Facilitation training to do this, and it has been the most used approach so far in building the conditions for relational change.

Action Learning Sets

A structured model for group problem-solving and shared learning, involving around six members group coming together to share and work through challenges. The Local Implementation Leads participate together in an Action Learning Set to support their own work in communities, and some are now trained as Set facilitators, and can offer this model to others in their communities.

Appreciative Inquiry

An assets-based approach to exploring change in organisations and systems, focused on building from existing strengths. This flips the prevalent deficit focus in organisations and systems, and unlocks new ideas and creativity. The Team and Local Implementation Leads have frequently used Appreciative Inquiry as the frame for designing workshops and events, to encourage a different way of looking at local needs and strengths as a platform for making positive change.

Causal Loop Mapping

A methodology for identifying the underlying causes of complex issues, which maps the causal relationships between different elements in a system. The Team has funded a Causal Loop Mapping specialist to work with two of the communities, to help them agree a focal issue after their initial issue proved too large or abstract to enable practical action.

Service Design

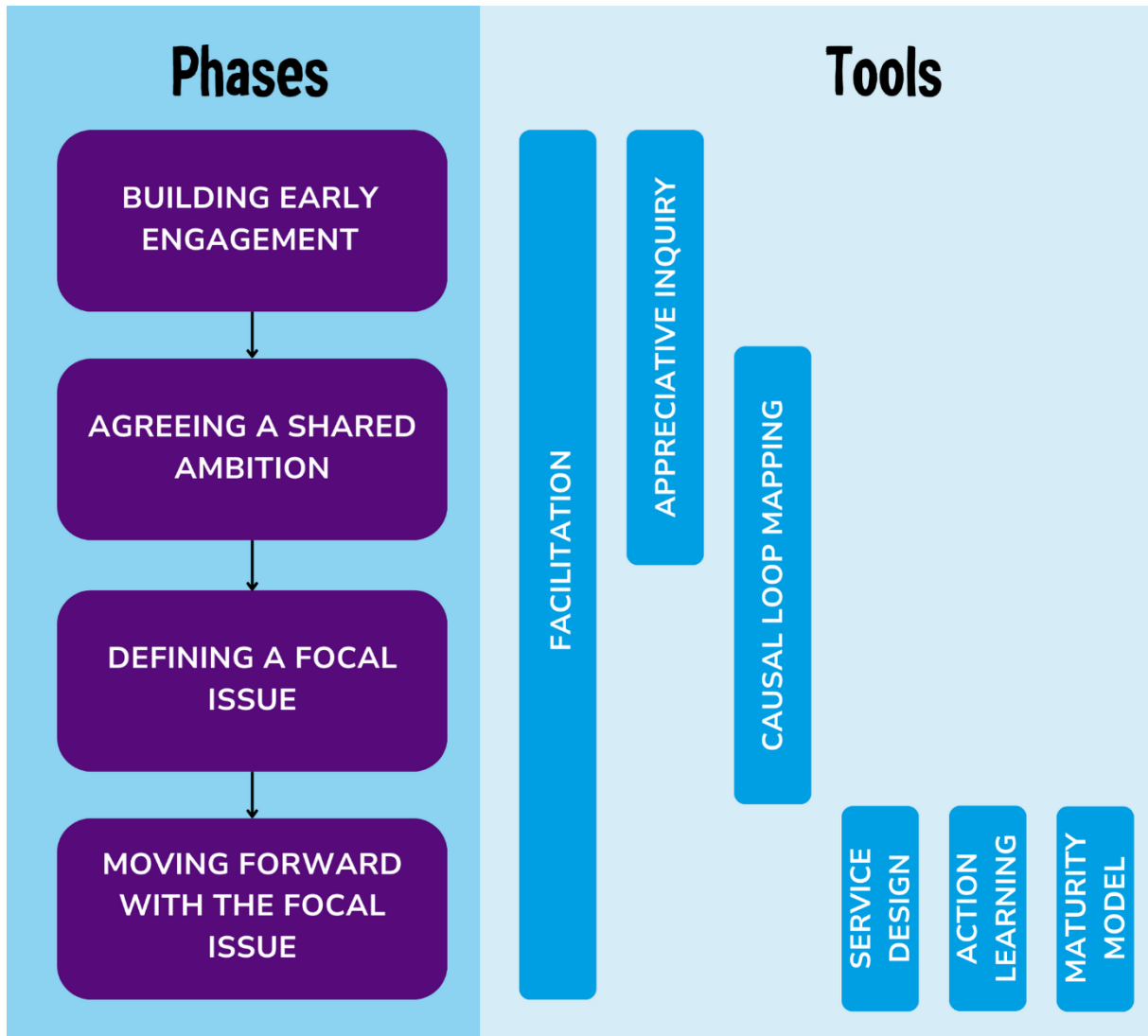
A structured methodology for exploring and designing new or improved services, with extensive involvement of the people who would use the service. The Team funded a Service Design specialist to work with one of the communities, to develop a peer-led research programme that will inform local partners about the needs and experiences of people with lived experience of homelessness.

System Maturity Model (see Appendix)

A rubric-based framework for assessing a local system's current level of maturity across nine dimensions of working collectively. Local partners in each community came together to assess their current level of maturity, and their assessment will inform their priorities for improving how they work together.

Before continuing to each stage, the team needed time to observe, analyse and consider the most appropriate methods to move the work forward. This 'balcony thinking' has been crucial, and will remain so.

As the work has progressed, the Team has identified effective methods to support the different phases of the work to date. This is illustrated in the figure below.



The added value an external organisation can bring to system innovation

The Team was clear from the very beginning that they were not offering a predefined grant programme for system change. They were offering facilitation, support, access to knowledge and skills, and the opportunity to learn together how to work differently, alongside providing tailored resources to support communities, based on their needs as they explore new ways of working together. There is significant investment from the Foundation, but not a 'system change fund' per se.

This has enabled the Foundation to maintain a position as a relatively neutral external partner, setting only the broad parameters for their involvement: exploring new ways of strengthening small charities and designing and resourcing local services, with the ultimate goal of stronger, more sustainable services for people facing complex challenges in their lives.

In practice, the Team's position as an external neutral partner has enabled them to add value in the following ways:

- Creating space and conditions to think differently
- Independence
- Outside perspective
- Skills and expertise not available within the local system
- Ability to see and spotlight local assets, rather than the deficits often prioritised locally
- Practical problem-solving support and advice for local leaders navigating difficult situations
- Introducing ideas, models and evidence from elsewhere
- Connection to the other communities to share learning
- Bringing partners to the table:
 - drawing in those that don't usually get a seat
 - getting the attention and interest of those who think they're too big or powerful to need to collaborate
- A vote of confidence, initially and as times got tough:
 - we're worth supporting and we can make change happen
 - we can still do this, even when faced with profound global and local challenges

Key leaders in the communities have come to see the Team as trusted advisers, sounding boards and critical friends. Their input has offered a different and objective perspective and helped local leaders lift their eyes from the day-to-day.

3. WHAT HAVE WE LEARNED SO FAR?

Changing the system takes time

- Trust can't be rushed
- If you want to go fast, go alone; if you want to go far, go together

Local ownership

- Beyond setting broad parameters, this can't be driven by the Foundation
- But this is counter-cultural from a funder
- Needs a relentless focus on dispersed ownership and leadership

The role of money

- Funding packages can be a distraction
- But resource and capacity ARE crucial
 - eg Local Implementation Leads

Even positive change is hard

- Rubber is hitting the road now
- Even exciting change represents loss
- The status quo is threatened
- More hard conversations ahead

VCSE infrastructure and sector strength

- This is circular:
- The work needs it, and the work will create it

Sometimes it takes more than one try

- When working in uncharted territory, there are no tried and tested solutions
- Failures are to be expected
- Humility to reset and try again

Communication and messaging

- Give people something to grasp (footholds)
- Help make expansive change and abstract concepts psychologically manageable

Speaking the hard truths

- Critical friends need to challenge
- Speak out sooner
- Trust your observations, experience and intuition

Resisting the allure of technical solutions

- Service and programme thinking is the organisational norm and a comfort zone
- Embracing system change takes confidence, skills and disciplined attention

Getting the balance right - the Goldilocks factors

- Pace
- Power
- Clarity
- Shape

Changing the system takes time

This might seem like an obvious learning point, but even those who expect it to take time might be surprised at just how long a relational approach to system change takes to gather pace.

Relationships are the essential foundation of this work, and they need to be characterised by trust, candour and the ability to disagree productively before the hard work of changing the system and sharing power can begin. Trust, and the behaviours which support that trust, cannot be rushed.

If you want to go fast, go alone. If you want to go far, go together. (African proverb)

We observe that the quality and depth of relationships is beginning to change in some of the communities, with different types of conversations able to take place as a result.

“We’ve all worked here and known each other for years, but we’ve never come together like this before”

Where this is happening, the networks can also identify key people that haven’t yet come to the table. The work of building the necessary relationships is never complete.

We and the Team are often asked, how long will it take before the People and Communities work will deliver outcomes? Our findings so far indicate that the most important ‘outcome’ will be the changed relationships locally, as these will create the conditions for all the hard conversations and difficult decisions that will lead to changing the system and ultimately improving local people’s lives. We don’t yet know how long that takes, but definitely more than three years.

Local ownership

The intention of the Team's work is to facilitate and support communities that want to change their own systems, to improve the sustainability of local services for the people who need them most. It's very unusual for a national organisation to work locally with their sole agenda being to support the local community's ambitions to change their system within those broad parameters. We have observed some local stakeholders struggling to accept and trust such a counter-cultural approach.

"I'm still not clear what Lloyds want from the work. If they'd only tell us what they want us to focus on, we could get on with it."

"We need to know how Lloyds will measure success, so we focus on the right things."

Whilst understandable, it presents a potential barrier to the work achieving its goals. The Team needs to continually guard against owning or being expected to drive the work. The Local Implementation Leads have been working hard in year three to ensure dispersed ownership and leadership of the local work.

Their relentless focus on 'giving back the work' is starting to bear fruit. For example, in Telford members of the Unlocking Potential Alliance are beginning to suggest actions they can take, rather than waiting for the Local Implementation Lead to suggest and allocate actions or even to do them themselves. Likewise, the Great Yarmouth Homelessness Alliance Strategic Group have decided to chair their group meetings on a rotating basis, rather than looking to the Local Implementation Lead to convene and chair the sessions.

The role of money

From the outset, the Team's approach in communities has been to facilitate, convene, support and provide tailored resources, whilst expressly not bringing a predefined grant programme to the table. This approach has remained at the heart of the Team's ethos and terms of engagement.

At the end of year three, it is clear that the absence of funding has not been a barrier to local engagement, with an increasing number of individuals and organisations actively engaged across the six communities.

Some stakeholders hoped at the beginning that funding might be available further down the line, but those hopes are no longer expressed. Furthermore, we have heard many stakeholders express an opinion that funding would be unhelpful in facilitating system change, as it would limit collaboration to change local ways of working.

“Money is a distraction when you're trying to do this kind of work. We'd end up competing for the cash rather than really trying to do things differently.”

“Even if we had £5m, it would limit our horizons to what we could do with that £5m. And when we'd spent it, we'd be right back where we started. Taking money off the table means we can look at what needs to change and work on that together. Then when we've worked out what we need to do differently, we can work out how to fund it.”

Funding may eventually be needed from somewhere to enable the implementation of communities' system change ambitions, but the changes local partners make to their system may well utilise existing resource more efficiently. Moreover, the process of system change may also strengthen the local partners' ability to secure additional resource should it be needed.

Whilst funding *per se* has not been a driver of change, resource in its broader sense has been crucial. The Local Implementation Lead role, funded by the Foundation, has created additional local capacity to support the work and maintain momentum.

Even positive change is hard

Until now, local stakeholder networks have talked about changing the system at a vision/ambition level and in conceptual terms. As they move towards identifying real actions to actually change things, the rubber is about to hit the road. The realisation of what those changes will mean to organisational boundaries, power, resource flows and individuals' roles and status are likely to result in a variety of change resistance within the local stakeholder network.

Whilst we usually think about change resistance as a response to 'bad' change, such as loss, all change has the potential to generate challenging feelings and behaviours in the people affected. And even though local partners are committed to the positive vision for their chosen issue, the practicalities of truly changing the system mean changes – and potentially loss – for individuals and organisations in the stakeholder network, especially those with power.

The Team needs to be ready to spot the signs of emerging change resistance, and support the local stakeholder network in moving through what could be a bumpy period and keeping their eyes on the long term vision.

VCSE infrastructure and sector strength

The existence and strength of VCSE infrastructure in the six communities varies, and with it the size, capacity and capability of the VCSE sector itself varies too. This inevitably has a disproportionate impact on smaller local charities and their ability to contribute to – and benefit from – the system change work. The Team is learning that whilst local system innovation is likely to strengthen the VCSE sector, there needs to be a baseline strength within the sector for the local system innovation to be inclusive and effective.

Where the local infrastructure body is either non-existent or lacks capacity to support and facilitate a sufficiently strong sector, the Team is exploring how they can work with local partners to build infrastructure support which will support the sector to be fully involved in local change.

Sometimes it takes more than one try

The Team and its partners are in uncharted territory; exploring new ways of working together, supporting communities to become better versions of themselves, enabling all people in a community to thrive. As there's no map, there's also no guarantee of success first time. In fact, failure is an integral part of innovation.

When the Team identified six places to approach, to explore the possibility of working together, they expected some attrition and to end up working with only four. As it happened all six seized the opportunity and are still engaged in the process. But in three of the six places it hasn't been plain sailing. There have been difficulties in finding a Local Implementation Lead with the right attributes for the role in two places, which has caused a loss of momentum. In one of those places, the chosen focal issue has also lost traction with the local stakeholder network, in part because of the issue chosen and in part because of Local Implementation Lead turnover. But the Team and key local partners have agreed to take a fresh look. There's still the appetite to work together, and the belief to try again.

In another place, local factors prevented the system change work getting off the ground despite appetite from local partners and continued dialogue. The departure of a key stakeholder created new conditions in which change could be explored, and the third attempt to bring together a local stakeholder network has generated some excitement and momentum.

Sometimes it takes more than one try to get things really underway, but where local stakeholders believe the prize was worth it the Team has had the persistence and humility to keep trying.

Communication and messaging

The Team has experienced difficulties in communicating the nature of their work and the approaches they deploy, both within the Foundation and with partners in the local communities. They are not alone; we note a general lack of shared and accessible language about system change that the Team could utilise to help communicate their work in different contexts. These difficulties are probably further complicated by several intrinsic characteristics of the work of system change: it is counter-cultural, experimental, abstract and expansive, which can be exciting for some local stakeholders whilst being very uncomfortable for others, depending on their experiences and preferences.

Whilst acknowledging how difficult it could be, the Team has also learned that it is absolutely crucial to find ways to communicate the work effectively, in order to:

- Bring together local stakeholders and inspire them to think differently
- Maintain engagement when the work can feel hard and time is passing
- Grow engagement and draw more people to the table

Given the nature of system innovation, and how different it is to the working practices most of us are accustomed to, it's important to develop communication messages that help people grasp the concepts and how they can be a part of it. The Team is calling these 'footholds'.

The Team is also learning about the need to communicate in ways that make high levels of uncertainty and abstraction psychologically manageable for people. They share concrete and practical examples with local stakeholder networks (for instance, things that have been tried in another community), to offer some elements of certainty and shape where feasible. This provides a counterbalance to the ambiguity, and helps people stay engaged.

Speaking the hard truths

There have been times in the last three years where the Team has had concerns about a local issue – for instance, the impact of behavioural dynamics on the local stakeholder network’s ability to pursue its ambitions. Sometimes these concerns have been informed by feedback from other local stakeholders, sometimes from the Team’s observations and their past experience of similar issues, sometimes a combination of the two.

In these cases, the Team has chosen not to surface the issue, judging it to be for local people to resolve and perhaps not trusting their own experience-based intuition enough to speak out when they first become concerned.

The Team’s reflection is that they should have trusted their concerns and spoken out sooner. They have been invited into communities in a role as critical friend, and by speaking out they could have accelerated resolution of the issue and strengthened their relationships with the local stakeholder network.

This is important learning for the Team, as we expect more issues to emerge as the system change work progresses and becomes more difficult. This will create opportunities (and need) for the Team and the Local Implementation Leads to embrace the critical friend role and speak out when necessary. In doing to, they will also model and encourage those behaviours amongst other members of the local stakeholder networks.

Resisting the allure of technical solutions

As already discussed, we operate in a world of programmes, services and projects. These well-defined ways of working provide certainty and shape, but also come with constraints and boundaries which can limit the potential for lasting change.

We have seen some temporary reversion to service and project thinking after local stakeholders have chosen a focal issue for system change. We think this is probably inevitable and unconscious: all of us are much more accustomed to designing projects and services, and after a period of expansive system-level thinking there is probably comfort and rest in reverting to service thinking. And of course, if the challenges local people have identified could be resolved with some well-designed technical solutions, that would be easier and quicker to achieve.

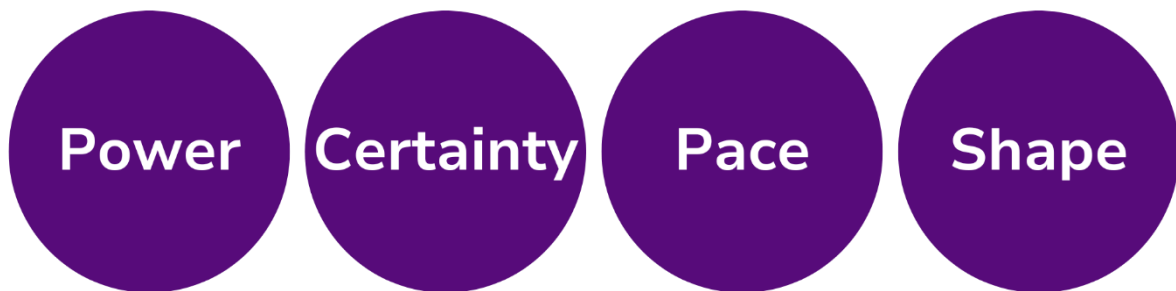
We have also observed occasions where system change loses momentum in favour of shorter term and more operational local priorities.

A key role for the Team and the Local Implementation Leads, as facilitators and supporters of local system innovation, is to encourage the local stakeholder network to keep their eyes and minds focused on their vision for change, and to resist the allure of simpler service-based solutions which may offer short term success but are unlikely to change the world in the long term in the ways they want to.

Just as the Team had to learn the skills and confidence to hold their nerve at the very start of their work, so local stakeholder networks will need to do the same.

The Goldilocks factors – getting the balance right

As the Team and their partners have explored what system change might mean in the six communities, we have identified four factors that we have come to think of as the Goldilocks factors: too much or too little of each has a negative impact, and it is essential to find the right balance – the ‘just right’ amount of each.



We have not found a magic formula for the ‘just right’ amount of each factor – it differs in each place and at different points in time. Instead, there is a need to be constantly alive to these four factors, and to adjust dynamically according to the needs of the communities and their respective system change ambitions. We discuss each factor and what we’re learning about them below.

Power

As a well-known national funder, the Foundation has a lot of power, and the Team has been concerned from the beginning with the risks associated with their power:

- how the Foundation’s power might influence the behaviours and expectations of the people and organisations they work with
- how to share power for the benefit of local people and communities
- how to avoid wielding or abusing the Foundation’s power and driving the agenda beyond setting the broad parameters of designing and resourcing local services differently, with the ultimate goal of stronger, more sustainable services for people facing complex challenges in their lives.

- how they can use their power lightly and appropriately for the benefit of local people and communities, for example:
 - in attracting the attention and engagement of stakeholders that have not yet come to the table
 - in surfacing the issues that local stakeholders feel less able to raise for political reasons

In their determination to avoid misusing their power, the Team has – if anything – missed opportunities to use their power lightly for good. For example, in two of the communities, members of the local stakeholder network and the Team could all see the damage some difficult behavioural dynamics were causing to local ambitions for change. In both cases the Team decided not to surface the issue as an objective third party and critical friend, in the interests of letting local people address the issue.

The Team has reflected that speaking out sooner could have influenced a swifter resolution to both these issues, which for a long time everyone acknowledged but no one addressed.

For the Foundation to be effective in igniting and facilitating locally driven system change, they certainly need to be cautious and deliberate in how they use their power. It is better to use too little than too much, but the Team could deploy a little more than they have to date, when it is in support of local people realising their ambitions.

The Team is also thinking about how they can support local stakeholders and communities to recognise and recover their own power to create change, and this will be a continuing theme in the next two years.

Certainty

Individuals have different tolerances for uncertainty and a lack of clarity, and system innovation asks us to get very comfortable with operating in uncertainty without a clear plan of action. This relates to the experimental and abstract nature of the work. At best we can only know the next few steps to take, because they will generate learning that influences the steps that might come next. It could be likened to building a road just before we drive along it.

At the start of the Team's work, the system change work was entirely uncertain. Three years on, some parts of the work are more certain: focal issues have been chosen, ambitions have been partially expressed, some exploratory activities are underway. Furthermore, some people's uncertainty tolerance has grown through practice.

To maintain and grow local engagement, the Team and the local stakeholder networks need to consider the level of uncertainty that is psychologically manageable for people, whilst not stifling progress. The 'footholds' previously discussed under 'Communication and messaging' offer a way of creating a degree of clarity and certainty, to reduce the psychological toll of working in such a high level of ambiguity.

Pace

The work to date has taken a long time – longer than the Team anticipated at the beginning. This was in part a result of the Covid-19 pandemic, but also largely due to the nature of this work. It is relational. It depends on connection and trust amongst local stakeholders and between those local stakeholders and the Foundation before the relationships will be strong enough to do the difficult work of system innovation together.

In most cases the Team was more frustrated with pace than local stakeholders, who were busy getting on with their day jobs. There have been times when the Team worried that the local stakeholders were frustrated, when in reality the pace felt 'just right' to them.

On occasion, a group of local partners have thought the pace was too slow. For, example in one community where the work recently lost momentum. The Team recognises this issue too, and are currently exploring a reset with the local stakeholder network, to re-ignite the work and find a pace that works locally.

Shape

Much like certainty and clarity, we have seen a tension between the desire for the system change work to have a shape or form relatively early, and the need to remain loose and expansive to enable things to really change.

We are all accustomed to working in a world of projects, programmes, services. When local stakeholders begin to explore their ambition for changing their local systems, they describe a vision that will require genuinely new ways of working, but they then often revert to generating ideas for services and projects. It's almost inevitable, as it is the horizon we are used to looking at.

There is a need to guard against settling for smaller but more well-formed ambition, when the reward for temporarily tolerating less shape could be deeper and more impactful change for a community.

APPENDIX: SYSTEM MATURITY MODEL

**A tool for understanding how your system
is changing over time**

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What is the System Maturity Model?

Lloyds Bank Foundation is working in six communities with people who want to work together to make big changes to how services are designed, delivered and resourced. Changing how things have been done is complex and takes time, and it can be hard to see how things are changing when you're in the middle of it. We found that there wasn't a suitable tool out there for measuring changes in a local system, and capturing the richness of how things change over time. So we worked with the Lloyds Bank Foundation Development Team to distil their experiences and observations, and combine them with what others have learned about system change, and translate it all into a practical tool to measure a system's maturity. We identified the nine factors that contribute to a mature system, and created descriptions of what each factor would look like on a range from 1 to 5 where 1 is 'just getting started' and five is 'really doing well'.

How can we use the System Maturity Model?

As part of the evaluation

We designed the model to help us evaluate the Lloyds Bank Foundation Development Team's work in supporting people in local communities, so that's the first way you can use it.

Come together with your key partners and stakeholders to review each of the dimensions listed in the tool and the descriptions of what each score might look like. Decide where your community is right now in relation to each dimension and record those scores. In another eighteen months, use the tool again to review how your community has changed.

It may be that only one of the dimensions has changed, or perhaps a couple of dimensions have changed but only a little. That's OK and completely normal.

As a development and action planning tool

You can also use the model to help you and partners plan for how you want to progress with changing and improving your system. Together, assess your community scores right now, and then use those scores to identify what you'd like to improve locally.

Remember, it's probably unrealistic to move forward on all dimensions at once, so choose the one or two that are top priorities. Once you've improved on that one, there's a good chance you'll naturally have unlocked progress on some of the others. Once you're on a roll with your first priorities, you can decide together what to focus on next.

Recording your scores

At the end of the model, you'll find a chart where you can record your scores and also the reasons that led you to choose them. As well as sharing this with the Lloyds Development Team and the Brightpurpose evaluation team, you can use it as a reminder when you come together to review how things have changed.

When you're coming together as a group of partners to decide on your scores, each person can note their own scores before you all get together to discuss and reach a consensus.

	5	4	3	2	1
1. Vision	The shared vision is embedded in everything that people do. It flows from top to bottom and all organisations articulate it in similar ways, allowing for their differing cultural norms.	The shared vision sets a clear direction, and articulates where organisations and people fit in to achieving it.	The shared vision is well formed and commonly understood, but is articulated in different ways by different organisations.	There is a shared vision, but it is loosely formed, which leads to different organisations/people interpreting it in different ways.	There is no clear shared vision for the future, or there are competing visions.
2. Collaboration	Partner organisations work collaboratively. This sometimes involves compromising their individual organisational priorities, in the interest of achieving the shared vision.	Roles, responsibilities and incentives reflect the need to collaborate, leading to new ways of working.	Many decisions are made across boundaries. Shared outcomes are starting to be developed.	There is some mutual understanding between local partners. Collaborative behaviour is not yet commonplace.	Collaboration across boundaries is limited.

	5	4	3	2	1
3. Accountability	Partners are accountable to each other and to the community for achievement of the shared vision, and hold each other to account on an ongoing basis.	Partner organisations have agreed their respective accountability to each other and the community, and have begun to change their internal systems to support this.	There is broadly the right partnership structure to enable shared accountability and decision-making.	There is a recognition that shared accountability will be needed between partners to achieve the shared vision.	Responsibilities and accountabilities are limited to within individual organisational boundaries. There is no shared accountability between partners.
4. Involvement	Local people are partners in the shared vision, and are active in shaping, overseeing and delivering.	The partners understand the range of different ways local people want to be involved in local services and system change, and provide appropriate opportunities to do so.	Local people are involved in generating ideas and exploring different ways to run local services.	Most or all partner organisations engage with people with lived experience as part of designing and managing services.	Local services are designed and delivered with limited consultation with people with lived experience.

	5	4	3	2	1
5. Planning/ Strategy/ Programming	All programmes and services are fully aligned with the shared vision, and well-integrated with each other.	Some shared programmes/services are being developed across organisational boundaries. Existing services and programmes are being redesigned to ensure alignment to the shared vision.	Planning for new services and programmes is beginning to be joined up. Partners are exploring ways to integrate services and join up across organisational boundaries.	Teams from some services and programmes connect with each other informally, to share information and referrals.	Programmes and services are distinct and independent of each other.

	5	4	3	2	1
6. Finance	Services are funded on a long term, sustainable basis, with contracts that enable delivery organisations to focus on services and plan ahead.	Services are funded on a longer term timeframe where possible, or are underpinned by agreements of intent to fund over the longer term.	Local commissioners and funders are actively exploring how to procure and fund services over the longer term, and in ways that do not exclude smaller charities.	Local commissioners and funders recognise the need to create a longer term funding model that sustains services and enables small charities to be a viable part of the delivery ecosystem.	Services and programmes are funded annually, with uncertainty of funding from year to year. Some services shrink or disappear when local funding is unavailable, despite being needed and well-used.

	5	4	3	2	1
7. Service delivery	Services are delivered by the local organisations with the right mix of expertise and experience to meet the needs of people facing complex social issues. This is a mix of smaller and larger organisations from statutory and voluntary sector.	The partners recognise the importance of a mixed service delivery landscape, with all organisations playing to their strengths. They are actively developing service design and commissioning approaches that make this possible.	Smaller charities are recognised as an important part of the local service delivery landscape, for their unique insights and skills to support people facing complex issues. They may still find it difficult to navigate local funding structures.	Smaller charities are sometimes involved in service delivery, engaged as subcontractors by larger organisations or funded for small scale delivery.	Service delivery is mainly by statutory and larger voluntary sector organisations. Smaller charities tend to provide unfunded services through volunteers and fundraising.
8. Workforce development	New ways of working are adopted. Shared workforce planning is in place.	Plans to develop new skills and ways of working are being realised, and people are engaged.	Plans are in place to facilitate the necessary changes to culture, people's roles, skills and ways of working.	Organisations recognise that new ways of working, skills and culture will be needed to change how services are delivered.	Organisations have their own ways of working, culture and skillsets, which suit their individual objectives.

	5	4	3	2	1
9. Learning, evaluation and continuous improvement	The partners are committed to learning from their shared approach to delivering services. There is a culture of shared reflection and learning for continuous improvement.	All partners are committed to understanding the impact of services and learning for continuous improvement. Partners also recognise the need to reflect together on new ways of working.	Partner organisations recognise the importance of reviewing and reflecting on service delivery, and sharing that learning to inform everyone’s thinking about design and delivery of local services.	Some organisations review the effectiveness and impact of their services and programmes, mainly driven by accountability requirements.	Organisations rarely review the effectiveness and impact of services and programmes, or reflect on how to learn from experience and improve services.

OUR COMMUNITY:		
	SCORE	WHY I/WE SCORED IT THIS WAY (use examples wherever you can)
1. VISION		
2. COLLABORATION		
3. ACCOUNTABILITY		
4. INVOLVEMENT		
5. PLANNING/STRATEGY/ PROGRAMMING		
6. FINANCE		
7. SERVICE DELIVERY		
8. WORKFORCE DEVELOPMENT		
9. LEARNING, EVALUATION AND CONTINUOUS IMPROVEMENT		



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