



CAPACITY BUILDING THROUGH THE DEVELOPING COMMUNITIES SCOTLAND FUND

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SECTION 1 INTRODUCTION

This report describes a project undertaken in the first half of 2007 to consider the ways in which the capacity of organisations has been developed by the Big Lottery Fund Developing Communities Scotland Programme.

1.1 The report

The report is in four sections. Section 1 (this section) provides a brief introduction to the work. Section 2 summarises the findings relating to the capacity of projects to deliver services. Section 3 summarises the findings relating to the way in which Big Lottery Fund (BIG) funding has allowed projects to work within wider strategic structures and assesses the ways in which improved capacity has allowed them to have an impact on other services, as well as service users. The final section draws together some conclusions, and provides a number of suggestions for ways in which BIG might maximise the development of capacity within funded projects in future funding strands.

1.2 “Capacity” in the voluntary sector

Overall, there has been a large increase in the funding provided to the voluntary sector in Scotland in the last 10 years. Despite this, there are still significant concerns about the longer term sustainability of many organisations. This concern has led to a focus on developing the capacity of the voluntary sector, and, more recently, in developing the capacity of those who support the sector. In March 2007, BIG approved a bid for £10m from the Scottish Council for Voluntary Organisations (SCVO) to support the development of the local Councils for Voluntary Service (CVSs). This was partly in recognition of the key role played by CVSs in supporting the development of capacity in, and hence longer term sustainability of voluntary organisations.

There are many definitions of organisational capacity as this applies to voluntary organisations. In developing this research, a review was undertaken of materials prepared by SCVO and by NCVO in England and Wales to identify some of the key components of organisational capacity. The list below represents eleven broad areas in which effective capacity is likely to be required if an organisation is to be successful. This list helped guide the questions asked in case study visits, and in the postal survey.

- Links to communities of interest, and effective mechanisms for engagement and consultation
- Appropriate skills among staff and volunteers
- An effective and committed management group
- An adequate supply of volunteers with appropriate skills
- Training for all of those involved with the organisation
- Adequate governance to, as a minimum, meet the requirements and good practice standards set out by the Office of the Scottish Charity Regulator (OSCR)
- Appropriate policies, processes, and procedures covering all aspects of the work of the organisation (and which are used

effectively) covering, for example: the conduct of management committees; basic financial and performance record keeping; monitoring; the management of staff and volunteers; and interaction with clients etc

- Appropriate professional standards covering work with clients
- Adequate premises and adequate equipment to meet the needs of staff and clients
- Appropriate marketing, and links with other organisations (for example, those in a position to refer, or accept referrals about, clients)
- Adequate funding for all of the above.

It is clear that many voluntary and community organisations, particularly those working with the most excluded groups, lack capacity. This can be as a result of a number of factors including that:

- Funding for work of this kind has traditionally been hard to obtain
- Many of the voluntary and community organisations working with excluded groups are relatively young, often growing out of communities of interest. Typically, new organisations lack capacity in a range of key areas and often find it difficult to access support to develop this
- Across the sector as a whole, it has been difficult to access funding which supports capacity building. Prior to the even partial implementation of full cost recovery, most project funding did not allow for capacity building activities.

As noted, capacity has proved to be a problematic area for the voluntary sector. Until the last few years, there were few sources of support for capacity building, and little available funding. Although this is improving (and funders such as BIG and the Voluntary Action Fund (VAF)¹ have taken a more constructive approach), many organisations still find resourcing capacity building particularly difficult.

There is also a recognition that there is a lack of capacity in the voluntary and community sector *generally*, particularly in relation to organisations working with excluded groups. One of the consequences of a lack of sectoral capacity, is that it is difficult for partners, such as local authorities, NHS bodies and community planning partnerships to interface effectively with voluntary organisations. This arises for a number of reasons:

- voluntary organisations dealing with excluded groups tend to be “hard to reach” and to lack visibility
- they lack the means to interface with public bodies (and with, for example, community planning structures)
- they may lack credibility in the eyes of some public bodies.

1.3 Background to the research

¹ VAF was previously the Unemployed Voluntary Action Fund (UVAF).

The purpose of the work as commissioned by BIG was to explore the impact of the Developing Communities programme in two main areas:

- how funding increases organisational capacity and in what ways
- the impact of grants on funded organisations, including improvement in their credibility and their engagement with local communities and stakeholders.

Aims and objectives

The overall aims of the study, as set out in the brief, are to:

- explore the impact of grants made through the Developing Communities Programme on the capacity and credibility of funded organisations
- inform the development of new programmes at BIG, particularly the new Scottish investment area, Dynamic Inclusive Communities
- inform wider learning and policy development.

Research questions

Four questions were originally posed for this research. These were:

- has BIG funding enabled organisations to grow, develop and change? In what ways have they done so?
- how are organisations viewed in terms of visibility, reputation and perceived effectiveness? Has this changed as a result of BIG funding?
- does increasing organisational capacity via a BIG grant help to improve the organisation's service delivery and ability to engage more effectively in relevant strategic agendas?
- has Big funding influenced or contributed to government policy relating to the voluntary and community sector? If so, in what ways?

Previous research in related areas² has suggested clearly that those involved in policy formulation at a national level generally find it difficult to identify the impact of individual funding streams on changes in government policies. For this reason, it was agreed at an early stage that the fourth of these questions would not be addressed directly by this research.

1.4 Background to the Developing Communities programme

² For example, research carried out by RHA for the Voluntary Action Fund in 2006 on the impact of its programmes on policy formulation.

The Developing Communities Scotland programme opened in January 2004. The aim of the programme was to help meet the needs of those at greatest disadvantage in society, and to improve the quality of life in the community. There were 3 funding priorities:

- people who live in areas affected by social and economic change (urban and rural)
- disabled people and their carers
- black and minority ethnic communities and refugees.

The Developing Communities programme was managed by the Community Fund and operated in Scotland only. Applicants were expected to identify needs, and deliver services to meet these needs. Grants could be made for 1, 2 or 3 years, but the majority of grants were made for 3 years.

“Capacity building” within the application and monitoring processes

Capacity building was not a specific objective of the funding stream. Applicants were not asked to provide any plans in relation to capacity building as part of the application process, nor were they asked to provide any information on activities of this kind undertaken as part of the routine monitoring process.

An assessment of the files of 20 case study organisations identified that most had mentioned some forms of capacity building in their funding applications, but none had done so in a systematic or extensive way. There were some mentions of capacity building activities in routine monitoring forms, but this was generally confined to broad summaries of work undertaken, or issues faced in that period. None of the files contained an overall summary of capacity building work undertaken by a project.

The nature of funded organisations

There is no sense in which BIG-funded projects could be described as fitting a “standard” model. Projects varied on a wide range of dimensions, as did the grant recipients. The variations between funded projects will be evident from the evidence provided in section 2, but it is worth summarising some of the main variations among the organisations involved in these projects.

Among the key areas of variation identified were:

- In some cases, the “organisation” only existed to deliver the BIG-funded project. In other cases, the BIG project was one of a number of services provided.
- In some cases, organisations were formed at the time of, or just before the application was made to BIG. In other cases, organisations were of long standing (with some having more than 25 years’ experience).
- In some cases, national organisations were funded, although only rarely to provide a national service. In virtually all cases, *branches* of national organisations were funded, or a service in one local

authority area was funded. Conversely, some organisations with a very localised remit were also funded.

- Some of the funded organisations were, in the context of the voluntary sector, reasonably large, with more than 10 staff and many volunteers. Others, at the time of their application, consisted of little more than a group of committed individuals, and, even with BIG funding may have employed only one part time staff member.

1.5 Methodology

A multi-strand methodology was adopted for this work.

Brief literature review

In developing this work, a brief literature review was undertaken focusing on materials prepared by SCVO and NCVO on capacity building. Recent reviews of capacity building programmes (whether direct or indirect) were also assessed.

The main focus of this strand of the work was to identify the main areas in which capacity is required by voluntary organisations, and this was then used to guide the case studies and postal survey.

Case studies

As set out earlier, the Developing Communities Scotland programme was targeted at three main groups. At the outset, it was agreed that the case studies would be drawn from one of these strands, disabled people and their carers.

A total of 20 case studies were undertaken of projects drawn from this strand. These were selected to provide a geographical balance between urban and rural areas, and a broad spread of types of project (large and small projects; free-standing projects and those which were part of a wider organisation; new and established projects, and projects working with different client groups). Projects were drawn from the following local authority areas:

- Dundee
- Glasgow
- Highland
- North Lanarkshire
- Scottish Borders
- South Lanarkshire.

A wide range of people were interviewed as part of the case study strand of this work³. In some cases, individual interviews were undertaken, in other cases, group

³ Participants were selected by the project manager to provide a broad cross section of those involved with the project. As this was exploratory research, rather than an audit or evaluation, there was clearly no need for selection to be undertaken by the research team.

sessions were held. Conversations were held with the project manager in all cases, together with a wide variety of other participants in projects, including:

- the manager of a parent organisation
- staff of the project
- members of the management group
- volunteers
- service users.

In some cases, service user conversations were undertaken with carers or befrienders present. In all cases, this added to the value of the conversations, as carers and befrienders were also able to bring their own perspective to the work of the project.

The minimum number of participants in a case study was 2, the maximum was 15.

Stakeholder interviews

To supplement the case studies, 40 interviews were undertaken with other stakeholders about the interaction between their service and the BIG-funded project. Stakeholders were chosen by the projects as being representative of the services they work with. A small number of projects were found to work in ways which did not bring them into contact with other stakeholders. In these cases, no stakeholder interviews were undertaken. These interviews were conducted by telephone and lasted between 20 minutes and one hour.

Postal survey

To supplement the case studies, it was agreed that a postal survey should be undertaken of projects from the disabled people and their carers strand not selected as case studies, as well as from other strands of the Developing Communities Scotland programme. The questionnaire focused on a range of issues, including:

- the nature of the work funded
- pre-existing capacity constraints
- capacity related work undertaken
- any difficulties with capacity related work
- funding issues, including the capacity to apply for funding in the future
- improvements in capacity as a result of BIG funding and the impact of this
- the interaction between the project and public bodies, and any changes in this as a result of BIG funding.

A total of 83 questionnaire were distributed, and 42 were returned. This is a return rate of just over 50%.

The presentation of findings

The findings set out in Sections 2 and 3 are drawn from the case studies, stakeholder interviews and postal survey. A number of conventions have been adopted in presenting the findings:

- Views and examples drawn from case studies have been identified by name, except in a small number of cases where examples were provided on a non-attributable basis.
- Views and examples drawn from the postal survey have been presented anonymously to comply with the terms set out in the letter requesting contributions.
- Views and examples drawn from the stakeholder interviews have been presented anonymously to comply with the terms set out in the approach to potential participants.

As this is exploratory research, it would be inappropriate to undertake a quantitative analysis of responses. Some findings relate to all projects (for example, the positive views of the roles of management groups). Some findings, however, relate to only one, or a small number of projects. In research of this kind which is designed to inform future work, the experience of a single organisation can be valuable, and may indicate either an emerging issue, or one which may have wider relevance but a low level of recognition.

1.6 Glossary

The organisations which participated in this research were structured in many different ways and provided a wide range of services. It is useful to define a common set of terms which will be used throughout this report. Some of these seem obvious, but others may have the potential to be the source of some confusion.

Management group (members): Broadly, voluntary organisations may have board members, management committee members or trustees, although the ways these are described are varied. For the sake of clarity, these will all be referred to as the management group, and their members as management group members, regardless of their legal status.

Staff: Although some organisations describe volunteers as unpaid staff, in the context of this research, this is potentially confusing. In this report, staff can be taken to refer to paid staff.

Volunteers: For this report, volunteers can be taken to refer to those involved in the delivery of services for which they do not receive payment other than expenses. Again, for this report, a distinction will be made between volunteers (delivering services) and management group members (managing the service), even though clearly, both are volunteers within the definition provided in the Scottish Executive Volunteering Strategy.

Service users: This can be taken to refer to any individual member of the public using the service. This group can be variously described as clients, members, and beneficiaries, but for clarity, service users is preferred.

Organisational service users: Some projects provided advice and information to other services, and to staff of other organisations. To make the distinction with members of the public receiving a service, this group is described as “organisational service users”.

Stakeholders: The general term “stakeholder” will be used to describe any organisation, regardless of sector, which is a partner, or funder of the project concerned. Thus, local authorities and NHS bodies may be stakeholders. A local Disability Forum may also be a stakeholder. Where relevant, a further distinction may be made by sector.

1.7 The next section

The next section is the first of two in which the findings of this research will be presented. Section 2 will focus on the development of capacity within organisations. Section 3 will focus on the ways in which this capacity has had an impact on the project and its clients, and on the ways in which the project interacts with, and is regarded by other stakeholders.

SECTION 2 : DEVELOPING THE CAPACITY OF PROJECTS

This section summarises findings in the broad area of developing internal capacity, that is, relating to structure, management groups and governance, human resources, premises and equipment. This section will also summarise findings relating to funding and sustainability issues.

2.1 Pre-existing capacity constraints

Before considering the impact of BIG in helping to develop the capacity of funded projects, it is worth summarising some of the capacity constraints which organisations faced at the time of their original application to BIG. As one of the postal survey projects noted:

“We had neither money nor staff to develop this work and meet the needs [of our clients or] seize the opportunities before us.”

It is important to bear in mind that the organisations running the projects funded through the Developing Communities Scotland programme varied widely in terms of the constraints they faced. Some faced few capacity constraints, being long-established, perhaps part of a larger organisation and enjoying relatively good levels of funding. Others, however, faced a wide range of constraints, as detailed in the paragraphs below.

Funding

The most common pre-existing constraint identified was a lack of funding. One project, for example, described having no funding at all at the time of their application, having had to make their previous workers redundant, and facing the loss of their shared office. While extreme, this was not wholly atypical. The organisation was being run purely by volunteers, with their office space being, in effect, gifted by another project. One respondent to the postal survey wrote that their service had been closed for a year prior to the successful BIG application.

This also illustrates a common thread identified by projects, namely the stop / start nature of funding, and the lack of continuity. This is an issue which will be discussed later in this report in relation to the longer term sustainability of projects after the end of a BIG grant.

Some projects also identified that they had struggled to find funders prepared to support the types of work now being funded by BIG.

Staffing and volunteers

Clearly related to funding, virtually all of the projects studied had faced at least some constraints in relation to staffing and volunteers. As noted above, some projects had no staff at this time, while others had perhaps one staff member, often part-time, and whose role was largely devoted to organising volunteers.

Nonetheless, some projects considered this to have been workable, if limited in scale, while for others, it was clearly viewed as having been unsatisfactory. The chair of one project's management group described this situation as:

"... trying to deliver a "staffed" service with volunteers. It isn't sustainable."

One of the points made by a number of interviewees was that, without staff, it had been very difficult for the project to do anything beyond the delivery of a basic service to clients or members. It was acknowledged that little development work was done with volunteers, and little time was devoted to making links either to the community, or to other service providers. One service manager suggest that:

"... before the Lottery grant, our organisation was haphazard."

Allied to this, some interviewees identified a lack of skills as a constraint. Among the skills identified as being lacking were management skills, for example, strategic planning, budgeting and the management of staff.

A common concern among some projects was a lack of skills relating to making funding applications. Again, this is a point which will be discussed later in relation both to BIG applications, and to the prospects for securing funding after the end of a BIG grant.

Finally in this context, a number of projects identified that their management groups lacked experience. It was suggested that, while group members may have been committed to, and knowledgeable about the issues which led to the establishment of their organisation, they may have lacked experience in relation to, for example:

- good governance
- making funding applications
- contracting (either with another funder, or with a public body)
- premises issues
- managing staff.

Credibility

As will become clear later, "credibility" in the context of a voluntary organisation is not necessarily easy to define. That said, a number of interviewees suggested that, prior to receiving a Developing Communities Scotland grant, they considered that their organisation lacked "credibility". To some extent, as described by interviewees, it is easier to define credibility in terms of the issues which *a lack* of presented. These included:

- difficulties in making contact with, or forming partnerships with public bodies

- difficulties in securing funding from sources other than local authority small grants, or Awards For All⁴
- difficulties in attracting volunteers
- difficulties in widening the range of management group members.

Some interviewees also identified that, without an established track record, or some endorsement from service users, they had also found it difficult to become established among their core client group, or with local representative organisations.

Unmet aspirations from previous projects

Although not strictly a “capacity constraint”, a number of projects identified that part of the reason for their bid to BIG was that a previous project had either identified other areas of work, or had been unable to address all of the issues originally identified.

One example of this was the Cranhill Arts Project, which had offered services to disabled people on a sessional basis for some time (funded from other sources) prior to applying for BIG funding. It had become clear that there was a higher level of demand than could be sustained by funding of this level, and a Developing Communities Scotland grant was identified as the best way of taking the work forward. A further example was provided by Dyslexia ScotWest which, prior to its BIG grant, had not worked with adults directly, but had faced an increase in inquiries to its helpline (previously intended to address issues for children and young people).

A further example was provided by the Visibility project, which was developed from a pilot project, called “Eye Started”, which received funding from the then Community Fund for one year. The pilot project covered similar issues to the work of the current project. It was found that a substantial number of people were accessing the pilot project, and service-user feedback was positive, in particular the fact that someone from the project would visit service-users in their homes. Service-users suggested the introduction of a counselling service as a potentially useful development of the project. This was the basis of the service subsequently funded by BIG.

2.2 Preparation and bidding

A number of projects identified that one of the key areas which underpinned their success was good project preparation. The paragraphs below summarise some of the experiences of projects in the development stages of their bids and how these influenced the work subsequently funded.

Developing a bid to BIG

Few projects identified specific **difficulties** in developing their bid to BIG, although, as will be set out later, some projects did feel constrained in the implementation of their projects by aspects of their original proposal.

⁴ Awards for All was seen as an important stepping stone by some projects

Some projects had been able to secure assistance with the preparation of their bid. Some, however, had developed the bid on their own. One project, located in a rural area, noted that the development process had been difficult, and that they had been unable to access any support through their CVS or local authority.

As noted earlier, in some cases, the BIG-funded project was a follow-on from another project, funded from other sources. It is worth noting a point made in more detail later, that there was a positive view taken of the policies of BIG in being prepared to fund both continuation projects and projects developed by new organisations.

Detailed feasibility and scoping work

A number of projects carried out detailed feasibility or scoping work prior to submitting a bid to BIG. Clearly, this approach would be more common now as a result of the launch by BIG of Investing In Ideas⁵. In some cases, some of the more detailed feasibility work was undertaken as part of the BIG grant-funded project.

Given the client groups of most of the projects covered by this research, it is not surprising that the most common form of preparatory work undertaken was a needs assessment. In most cases, these had been undertaken with support from public bodies.

A number of projects were able to draw on the findings of an evaluation carried out of previous work. For example, the Dundee Hearing Voices Network commissioned an independent evaluation of its provision which fed into the bid to the Developing Communities Scotland programme. The Princess Royal Trust Lanarkshire Carers Centre BIG-funded project also grew from the findings of an evaluation of another project. This illustrated the need among carers for a “pampering” project to allow them to take a break from caring, which allowed them to relax and maintain their own health and well-being.

Some projects carried out surveys of their client groups to establish demand. For example, Lanarkshire Association for Mental Health (LAMH) had previously been funded to provide home support and day care for people experiencing mental health problems, but became aware of a need for other services for clients due to the number of clients requesting access to work activities. LAMH surveyed over 200 clients, and found that 93% would like to participate in work activity, but of those, only 7% felt they were job ready, and 84% felt that their needs could not be met through existing programmes. The result of this was the establishment of LAMH Recycle, which applied to, and was funded by BIG.

There were also a small number of examples of other benefits arising from a detailed planning process. One good example of this was provided by Interest Link Borders which, in considering the expansion of its previous volunteer-delivered service in one area to cover a number of other areas, consulted with virtually its entire pool of potential clients. It did so through, for example, attendance at day centres, and via the local authority social work service and accommodation providers. As well as clearly

⁵ Other funders offer similar funds designed to support the early stages of project development.

establishing the demand for the service, the planning work also served to raise awareness both among potential service users, and among other professionals. The effect of this was that, when the service was launched, it was able to move quickly to meeting its early recruitment targets.

2.3 Building partnerships with communities of interest

The nature of “communities of interest” varied greatly among BIG-funded projects. As this work was focused primarily on the disabled people and carers strand, most were drawn from these clients groups, but within this, there were a large number of specific groups, some defined by where they lived, some by the issues facing them.

It is clear from the case studies (and from the evidence provided by postal survey respondents) that projects made significant efforts to develop partnerships with their communities of interest at an early stage.

It is clear that, for some projects, the first issue was to **identify** potential community partners. In some cases, for example, projects in rural areas covering discrete client groups, may be aware of **all** of the potential clients, as well as all other service providers and all representative groups. Clearly, this is more difficult in urban areas, particularly for projects dealing with more diverse client groups. The identification of community groups, and potential service users was identified as being one of the benefits of a needs assessment.

Interest Link Borders (which supports befriending for adults with learning disability) was able to identify its entire client group precisely. Among that client group, nearly 70% subsequently registered with the service, and all others receive regular information. All potential clients were consulted as part of the establishment of the service.

Another example (among many) was provided by Rutherglen Community Carers which, in consultation with community groups and other service users identified the need to provide a new service for people with early diagnosis of dementia. Prior to the project, there were no support mechanisms in place for this client group.

Other examples of ways in which projects worked to develop early partnerships with communities of interest (drawn both from the case studies, and from the postal survey) included:

- extending opportunities for membership of management groups
- developing sub groups, or consultative groups (or user / client forums), to inform the work of the project which may be area- or client based. (one of the postal survey respondents noted that young people using their service had, at their own initiative, formed their own “youth committee”)
- developing consultation mechanisms
- having open days, information days (one of the postal survey respondents had undertaken a roadshow in each Scotland’s 32 local authority areas)

- publishing annual reports, newsletters.

In some cases, projects identified that they had formed alliances with local representative organisations, for example, disability forums, or self-help groups focussed on the issues facing individuals with specific impairments or mental health issues. One project suggested that it had helped develop its links to the community by making sure that staff were based in local offices, rather than being located centrally.

There will be an extended discussion of some of the impacts of engagement in the next section, but at this point, it is worth noting the comments of one of the postal survey respondents who noted that, as a result of the work they had undertaken through the BIG grant:

“Our engagement capacity has strengthened through our commitment and attendance to ensure good policy and best practice of care and treatment service provision ensure the group is seen as credible partners with whom to consult with for and on behalf of [clients].”

2.4 Building partnerships with delivery partners

It is clear that many projects actively sought to develop alliances with delivery partners in the public, voluntary and in a small number of cases, private sectors.

A large number of examples were identified of projects developing partnerships with public bodies. One of the postal survey respondents, for example, suggested that it had developed strategic partnerships with a range of other organisations, and had developed, in effect, joint plans and strategies with each, focusing on the delivery of the project’s services to its client group. These plans and strategies were specific to the service provided by the project, rather than being part of a wider service development plan encompassing a range of organisations.

A good example of developing alliances with employers was provided by the Shirlie project which had targeted businesses as partners in the delivery of services. One staff member suggested that this had had significant benefits in terms of the fact that the project had achieved its target for placement early, and had, by the end of the initial funding period, surpassed it. It was also suggested that this had also had an impact in terms of the ways that employers considered the capabilities of their client group:

“Every time you place someone successfully, you are changing people’s minds.”

One common means by which projects helped to build partnerships with delivery partners was through the offer of either a place on their management group, or through offering observer status. For example, a senior social work manager is an observer at the management group of the Princess Royal Trust Disabled and Carers Information Centre in Dundee.

This was identified by one interviewee as being more pro-active and partnership-based than the very common “contract manager” process employed by local authorities and NHS bodies, and was seen to offer additional benefits.

2.5 Clarity of direction and the development of a strategy

One of the key issues emerging from this research was a sense that the case study projects all had a clear view of the need for their work, and of the best way to undertake this. As will be identified below, this does not suggest that projects were static, and there was evidence of evolution in most of those studied.

Developing strategies

It is worth making clear at the outset that by no means all of the case study projects had a strategy, either short or long term, in written form. It was suggested by one interviewee that this had not been considered necessary as members of the management group, as well as staff and volunteers, were clear about the nature and purpose of the work.

Other projects, however, had developed specific strategies. Projects identified a range of ways in which their strategies (however formal) were created. One project (the Highland Community Care Forum) has an overall direction set by the Forum (and set out in the project submission) but, on a day to day basis, the issues to be covered in its work are decided by clients of the service.

A postal survey respondent identified that changing NHS and social care structures had prompted the project to revisit both its strategy and its development process. The respondent noted:

“New strategies resulted initially from the group's development plan and these are now informed by outcomes, and by service user direction.”

A number of examples were identified where projects had organised “away days” generally for management group members and staff with the express purpose of developing either a strategy, or identifying actions flowing from a previously agreed strategy. In some projects, these appeared to be held reasonably frequently, and served as a means of reviewing the progress of the project to date, as well as identifying future actions.

One of the postal survey respondents noted that it had:

“worked with local authorities [and] we have developed action plans in 6 different geographic areas to avoid duplication or overlap of resources.”

Only a small number of projects identified specific benefits of having developed a strategy. One of these was seen to be in helping with current and future funding applications.

Identifying and evolving services

As might be expected virtually all of the funded projects had defined the basis of their services prior to, or at the time of their initial application to BIG. In most cases, these were a continuation of, or development from an existing service. In a very small number of cases, only the broad scope of service delivery had been established at the outset, with specific development being undertaken during the initial phase of the grant period.

In most cases, it was clear that organisations had regarded their agreement with BIG as fixed, and that the service defined in the original application should continue to be delivered. In one case, a project manager suggested that they had assumed that BIG would not look favourably on such changes. In these cases, the expansion of existing services, or the creation of new services were funded by others.

One case was identified of a project which had **over-estimated** demand for a service in a defined area. In this case, the project was positive about the approach of BIG in allowing the operating area to be extended, and in allowing changes in the balance of its funding to support this.

This was not the view taken by all organisations, and there were a small number of examples of projects which had evolved within the framework of a BIG grant. It is clear from this research that a number of the organisations in receipt of Developing Communities Scotland funding had evolved over that period. The main expression of this was through the addition of new services, or through the re-alignment of existing services. An example of this was provided by LAMH Recycle which had, over time, evolved from providing services to adults affected by mental ill-health, to include other groups experiencing exclusion.

Business planning

As might be expected, virtually all of the organisations which took part in this research had some form of business plan. In some cases, the business plan for the project was subsumed into a wider business plan for their parent organisation.

2.6 Funding issues

A number of issues relating to funding were raised by projects, and will be summarised here. Further funding issues relating to sustainability will be discussed later.

Views of three-year funding

Although, as might be expected, most interviewees were positive about three-year funding, some also expressed some reservations.

One of the key benefits identified of three year funding was the time which this allowed for organisations to build their capacity to deliver an effective service. A further benefit was also seen to be the time allowed to develop the capacity to make applications to other funds both during, and after the BIG funding period. These issues are discussed in more detail below.

Some projects, however, believed that three year projects were insufficient, and did not take account of the time needed to bring about long-lasting change in the issues being addressed.

The main area of concern among the small number of projects which identified this was that three year funding is relatively inflexible, and, if a service is (for example) more popular than anticipated, the level of funding can act as a brake on the delivery of the service. While acknowledging this, some projects also noted that they had addressed this by securing funding from other sources to support expansion.

One project noted:

“We feel bound by the funding – we had to frame what we wanted to do at the start and lead up to an exit strategy. The difficulty is to fit the work we need to do into what the project is funded to do. There are endless things we would have liked to do, like planning a conference to bring people together with planners.”

One project (working with older people with dementia) suggested that it had been difficult to anticipate levels of demand over a three year span. It was noted that many factors influence demand, including referral policies (with social work services being seen to be more likely to refer clients to voluntary sector projects than in the past), the availability of other services (in this case, both residential care and day centres) and in-migration of older relatives to live with families. The impact of these factors was that demand for the service by year 3 had considerably exceeded that forecast in the original funding application.

Projects also identified that fixed three – year funding could present issues in terms of staff costs. One project noted that, in order to attract staff, it had to offer terms and conditions similar to local authorities. A recent 10p rise in mileage rates paid to staff for using their own cars had left a significant shortfall in the project’s budget, with no apparent scope to meet this.

Full cost recovery and outcome-related funding

A number of projects commented that they would have wished to undertake more capacity building work, but were unable to do so as, in their view, BIG was, at that time seen to be unsympathetic to a full cost recovery model⁶.

For some projects, this was a critical factor as, in their view, their BIG grant had been little different to a local authority contract model, which typically bases the level of payment on the cost of delivering the specific service, rather than the actual cost. As noted elsewhere, some projects (although not all) considered that BIG did not appear to encourage capacity building, but rather focused more on the cost of delivery of the service.

⁶ It should be noted that BIG has now adopted a full cost recovery model.

Some projects considered that, overall, their BIG grant had not provided them with sufficient resources to deliver their core service over a full three year period, and that they had had to identify other sources of funding. In these circumstances, as will be set out in more detail below, projects suggested that the key pressure on them was to meet targets, and, in these circumstances, capacity building was difficult to fund, or to undertake. It was also suggested that there were additional impacts, particularly in terms of the time taken to prepare funding applications (diverting staff, and some management group members from service delivery tasks).

While there was a recognition that BIG (in common with other funders) requires some assurance on value for money, there were mixed views among some projects about outcome – related funding.

One of the main criticism of the BIG outcome-related approach centred on the application and monitoring process. It was noted that the Developing Communities Scotland application form, and the routine monitoring documents, do not at any point ask projects to provide information about capacity building. One voluntary organisation manager suggested that this:

“... suggests that the Big Lottery is only interested in outcomes, and it is not serious about capacity. It is very short sighted.”

Another project noted:

“We are consumed with achieving outcomes and tick boxes for the Lottery – just how many people participate – the numbers game – it doesn’t really mean that we’re doing what’s best”.

2.7 Effective structures

For a number of smaller organisations, BIG funding was considered to be important in having allowed the development of an effective structure. In some cases, this related to the best way to organise a service, and the management of that service, over a wide geographical area. In other cases, it related to the best structure for committees, sub-committees and working groups.

Operating over a range of sites or areas

Most of the projects funded through the Developing Communities Scotland programme operate across a relatively wide area, often with more than one discrete delivery unit. In some cases, these delivery units were found to have their own management group, while in other cases, they were controlled centrally.

A range of issues were identified in terms of ways in which BIG-funded projects had approached operating across a number of sites.

One example was provided of a project which, as a result of the BIG grant, had brought increasing standardisation to its operations. This was done by the adoption of

common standards, common approaches and common reporting requirements. In this case, services adopted what was, to all intents and purposes, a single character.

This was not the case for all projects, however. One, operating over 5 discrete branches had, while having a common set of standards, allowed each local management committee to develop its own character or identity. This was reflected through, for example, the approach taken to promoting events, the sorts of activities clients were supported to undertake, and the ways in which the service was promoted.

Operational structures

One of the key lessons emerging from projects which grew quickly as a result of BIG funding was the need for an effective operating and management structure. One interviewee commented that this transition had been more difficult than expected, and that it had raised a series of issues the then steering group had not considered.

Operating within a larger organisation

Some of the case study projects operated within a wider organisational structure. In some cases, this was seen to be a specific advantage in terms of extending the capacity of the project, as well as the capacity of the parent organisation. For example:

- staff were able to access training courses aimed at staff from other parts of their own organisation
- administration could be shared
- staff were able to seek advice and guidance from other parts of the organisation
- services could be cross-promoted
- staff from other parts of the organisation could cover illness and holidays
- in some cases, volunteers who could not be deployed at a specific time in one project could work with another project on a temporary basis.

It is acknowledged that these are specific circumstances which have to be pre-existing (as they cannot, in effect, be created). One project noted, however, that some of these benefits might also be available through the development of alliances with other voluntary organisations.

Two of the case study projects were part of the Princess Royal Trust network for carers centres. These projects operate independently but work together to share good practice and service development information.

2.8 Governance and the management group

There was a strongly positive view about the role and contribution of management group members to projects.

Recruitment and retention issues

Perhaps surprisingly, there were relatively few comments from projects about difficulties in attracting and retaining management group members.

A number of examples were provided of projects which had expanded their management groups as the project evolved, for example, by recruiting members from new areas of operation, or members to represent new client group interests.

One project, LAMH Recycle was, at the time of fieldwork, in the process of separating from its parent organisation, and was, therefore in the process of establishing its own Board. The project had made efforts to recruit board members with particular skills in order to enable the development of the business, such as members with a background in financial management. The Project Manager felt that this would increase the capacity of the organisation, as the experience of the Board of the parent organisation was more focused on mental health care issues.

Training and development work with management groups

Training and development work with management groups was identified, albeit to a much lesser extent than work with staff members, or with volunteers (which will be described later in this section).

One interviewee made the point that it was difficult (particularly for new organisations) to separate out **work to develop the organisation** from **work to develop the management group**. A number of interviewees made the associated point that management group members learn “on the job” in voluntary organisations, and their skills increase with the range and complexity of the work they are required to undertake. In relation to managing staff specifically (but with wider relevance) a management group member suggested that:

“... the management committee now feels comfortable with employing staff for the organisation, due to the experience of employing a staff member using Big Lottery funding.”

Induction and developmental work for new committees and new members was identified by a number of projects, as was training in committee skills, including practical skills such as minute taking, report writing, financial assessment, monitoring and awareness. One of the postal survey respondents noted that their project had done initial development work with young people prior to their becoming members of the management group, for example in terms of their roles and responsibilities, as well as financial issues. It was noted that committee training in these areas may be available from CVSs. Other potential sources of training were seen to include colleges, as well as private sector training providers.

In a small number of cases, management group members were noted to have had access to training in personal skills such as decision making, listening and negotiating.

A number of projects also identified that management group members had also taken part in project oriented workshops (with the examples given including organisational health checks, making funding applications; Charity Law, Disclosure Scotland awareness)

It is worth noting that some management group members interviewed as part of this research felt that their group required more training, or training in specific areas (even where some training and development had been undertaken). A small number of project managers identified a slight tension in their organisation. While they, or some management group members wished to undertake development work, this had been resisted by some members. The reasons for this were described as being related to a view that the members did not require work of this kind. Clearly, as this was not an evaluation, it is impossible to assess the accuracy or otherwise of these views.

Practical difficulties

A small number of projects identified practical difficulties in relation to work with their management group. In some cases, these were relatively small (like having to hire or borrow a meeting room), but in other cases, these were more complex. For example, projects covering rural areas identified the costs and time involved in having a meeting of a management group. This had encouraged some projects to use other means of engaging with members, including more use of e-mail (as well as some use of video conferencing). As noted earlier, one project had established local management groups as a means both of reflecting local priorities and in addressing some of these practical difficulties. One consequence of the costs involved in running a management group in rural areas is that these tended to meet infrequently.

The other main area of difficulty faced by projects was in securing sufficient time commitment from management group members. This is a common problem across the voluntary sector.

2.9 The right staff in the right place at the right time

All of the funded projects which took part in this research employed staff. In some cases, only one member of staff was employed, however, this was unusual. As will be set out later, most (although not all) projects also used volunteers. A minority also used sessional staff to deliver aspects of the service on a contracted basis.

Recruiting staff

A common thread running through this research, and other research involving the voluntary sector was a perceived difficulty in recruiting staff. This is a common issue throughout the voluntary sector. In some cases, it is clear that this delayed the start of, or changed the nature of the early stages of the work of some projects. One, which relied on recruiting a specialist with specific skills, and which had difficulties in doing so, was positive about flexibility in the approach of BIG in allowing funding to be carried forward into a period when that staff member was in place.

Induction

Most projects identified providing some form of induction for new staff (as well as for new management group members and volunteers). Some had used Developing Communities Scotland funding to prepare standard induction packs, in some cases, in versions customised to the needs of different types of staff.

Support to staff

One further benefit of increasing capacity within projects was the level of support which could be given to staff. This issue was raised by one project which had, prior to BIG funding, provided a similar service. BIG funding had allowed the project manager more time to supervise staff, and had allowed the development of better systems of record keeping, covering training and development activities.

Training

Training was, from this research, the most commonly undertaken capacity-building activity among recipients of Developing Communities Scotland funding.

Funding training

It is clear that some projects had faced difficulties in funding training from their BIG grant. It was not always easy to ascertain the reasons for this, but it can be assumed that, at least in some cases, insufficient resources had been identified in the initial bid. As will be noted later, some projects felt that the application process suggested that BIG was not supportive of training (or capacity building generally) and one project suggested that some training elements had been disallowed in reaching their final grant offer.

A number of projects identified that the costs of training had exceeded their initial estimates, and that funding had had to be found from other sources to carry this out. In a small number of cases, the sums identified from BIG grants for training were intended to be matched with resources obtained from other funders.

The cost of training also proved to be a barrier in some cases to the extension of existing services to other clients groups. This was seen to be the case even where capacity to do this existed, but where some specialist training would be required to meet, for example, registration or insurance requirements.

The costs of training in rural areas were highlighted by some projects, particularly the costs of travel and subsistence for attendees (which can be considerable) and the costs of bringing trainers from the central belt. The lack of trainers in rural areas was also highlighted, as was the fact that training providers, particularly colleges are, for geographical reasons, harder to access.

Although in most cases, training was provided for employed staff, one project (the Princess Royal Trust Lanarkshire Carers Centre) noted that it was planning to fund specific training for therapists employed on a contracted basis to provide an additional service identified by clients.

Practical difficulties

One of the issues identified by some services was that it is difficult for a small organisation to organise training for staff where it provides a full time service. For example, some projects provided services five days per week to an established client group. In these circumstances, it was difficult to allow staff time to attend training (or other events such as conferences or seminars) as the service could not readily be suspended, and there may be no other staff to back-fill posts.

Some projects were able to manage this process through the use of experienced volunteers to cover staff posts, but this was not always possible (either as a result of the lack of suitable volunteers, or for reasons relating to registration, or insurance). In

these circumstances, capacity building was generally considered to be the lower of the two priorities.

One project noted that, while it had sought to encourage staff to undertake on-the-job qualifications, the lack of assessors in their area had made this difficult in practice.

Customised training

A number of projects suggested that, in an ideal world, all of their training would be customised, and specific to their needs. In most cases, however, this was not possible, largely for cost reasons. In some cases, some training relating to the core needs of the organisation was provided on a customised basis, while other training (for example, on computer or business skills) had to be purchased from other providers.

Most of the case study projects identified that, at some time, they had undertaken large scale training (i.e. covering most staff and/or volunteers) in some aspect of the work of the service.

Identifying training providers

The practical effect of this is that smaller voluntary organisations tend to have to rely on colleges and CVSs, as well as training providers which are themselves voluntary organisations, to meet most of their training needs. Some projects which participated in this research suggested that finding good quality training was difficult, and could be time consuming. The main sources of information on training used appeared to be CVS newsletters and websites, college newsletters and websites, and “Google” searches.

A small number of projects suggested that they had been able to access training provided largely for internal local authority or NHS staff groups, although this was not always advertised externally, and relied on link officers making the organisation concerned aware of this.

Investors in People

Investors in People (IIP) is a national standard which “provides a framework that helps organisations to improve performance and realise objectives through the effective management and development of their people”.

Although initially IIP was largely adopted by larger private and public sector organisations, increasing numbers of voluntary organisations, including some small organisations, have worked towards, and achieved the standard.

One small organisation provided with funding through the Developing Communities Scotland programme suggested that IIP had been valuable in helping them grow from having no employed staff to a position where, by the time of this research, 6 staff were in post. The primary benefits came from:

- having a clear structure for all employment related policies and practices
- having a clear structure for assessing training needs, and reviewing these
- the advice and guidance provided both by the documentation, and by the IIP advisor.

Types of training delivered

The most common form of training delivered using Developing Communities Scotland funding appeared to be computer training (in many forms).

It is important to bear in mind that, particularly for new organisations, staff, management group members and volunteers may have had little experience of e-mail, office software applications or the internet. One manager of a funded project described information technology as their “biggest area of learning”.

The main areas of training delivered through Developing Communities Scotland funding are summarised in the bullet points below⁷:

- management skills (e.g. finance; minute taking; managing volunteers; managing staff; making funding bids; business planning; employment law)
- presentational (e.g. presentation skills; public speaking; media training; report writing; public relations)
- technical skills (e.g. moving and handling; first aid; trainer training; British Sign Language; gastric tube feeding; catheterisation; anaphylaxis; health and safety; risk assessment)
- professional skills (e.g. counselling; therapies e.g. family support; youth work; working with older people with mental health problems / dementia; women into enterprise; anger management; self harm; person centred planning; facilitation; Mental Health First Aid; coping with bereavement)
- awareness (e.g. role of Community Health Partnerships and health bodies; community planning; welfare benefits; human rights; social economy capacity building; disability discrimination)
- interpersonal skills (e.g. listening; negotiation)
- legal requirements (e.g. child protection; food hygiene; employment law).

The Circles Around Dundee project used BIG funding to hold a training day for staff and management group members focussing on building the capacity of the organisation. A number of the respondents to the postal survey identified that they had undertaken away days, or, in one case, a residential weekend, focusing on the capacity of the organisation.

⁷ These are examples. Hundreds of individual training areas were identified. These give a good flavour of the areas.

Only a small number of projects (either from the case studies or postal survey) reported staff or volunteers having undertaken Scottish Vocational Qualifications (SVQs) through BIG funding.

Gaps in service when staff leave

One of the main areas of difficulty for many voluntary organisations, and a source of some frustration for funders, is that, in many cases, delivery of a service relies on a very small number of employees (or, in some cases, volunteers). When even one member of staff leaves, one or more of the services provided by the project may have to be suspended. In some cases, the **entire** service has to be suspended. It is clear from case files, that this happened in the cases of a small number of organisations which received Developing Communities Scotland funding. It has also been evident in evaluations of other funding streams.

It is very hard for voluntary organisations to make contingency plans. Generally, there are not enough staff to provide cover, and fair recruitment processes do generally take at least 3 – 4 weeks, and may take longer. However, a small number of projects had given some consideration to how to deliver a service if a key staff member left. Examples of the way this might be addressed included

- training one or more volunteers to a sufficiently high level to cover the post,
- identifying ways that another staff member with the skills to carry out the role could be released from their own post (for example, by using volunteers, or increasing the hours of other staff)
- identifying another organisation which could provide the service on a temporary basis.

2.10 Harnessing the power of volunteers

Most of the projects which participated in this research used volunteers in some way. Among the roles adopted by volunteers were:

- service delivery (although this is not always possible, for example, where care commission requirements specify minimum qualifications)
- administration
- fund raising
- liaison with other services.

Recruiting volunteers

A common theme running through case studies, and an issue identified by a number of postal survey respondents, was the apparent difficulty projects, and voluntary organisations generally, face in recruiting volunteers.

A small number of projects identified that the BIG funding had allowed them to be more proactive in recruiting volunteers, through, for example, advertising, and by improving links with volunteer bureaux. Some projects, where volunteering opportunities had previously been restricted to office hours, had benefited from extended opening hours funded through the BIG grant to enable volunteers to participate at other times to suit their own needs.

A number of projects identified that the **nature** of their work made the recruitment of volunteers difficult. For example, where work with a service user requires a specific set of skills, or where there may be licensing or registration issues, the available pool of volunteers may be relatively small. This was also the case in some rural areas, where the small population base impacts on the size of the available pool.

Existing and previous clients were identified as being a source of volunteers by a number of projects working across a range of client groups. The Cranhill Arts project, for example, had recruited a number of volunteers who had first come into contact with the project through referrals from other service providers.

Overall, previous clients were viewed as a good source of volunteers, in part due to their evident commitment to the organisation, but particularly as most have personal experience of the issues facing service users (although they may require specific skills to allow them to be effective as volunteers).

The fact of Disclosure Scotland checks remains an issue for some projects in recruiting volunteers.

One project identified that the Developing Communities Scotland funding had allowed them to consider the development of a volunteering strategy, focused on identifying ways in which volunteers could contribute to the project, how they might be recruited, managed and rewarded. Previously, neither this project, nor its parent organisations, had used volunteers to any extent.

Supporting and retaining volunteers

In this context, **retaining** volunteers was identified as a key consideration. Among the ways in which projects addressed the retention of volunteers were:

- providing training (whether certificated or not)
- providing events (see later in this section) as a means of recognising the contribution of volunteers
- seeking external recognition for volunteers, either individually or as a group.

A key issue, in the view of one interviewee (supporting the views of others) was for the project to meet the aspirations of the volunteer. One service, which had grown rapidly in terms of recruiting volunteers, noted that it had made a conscious decision to scale back recruitment, as many of its volunteers were being called upon only one or two times each year, and it did not consider that this was providing a rewarding

experience. It was also noted that the number of “live” volunteers made it very difficult to provide effective training, or even to provide regular information.

Another project recognised that, as demand had increased, developmental work with volunteers had been put on hold, even though the manager concerned recognised that this was likely to be detrimental in the long term. As with comments in relation to a number of other capacity building issues, this service considered that meeting its targets was its short term priority (acknowledging that this could also be viewed as meeting the needs of its clients, although at the risk of undermining the longer term sustainability of aspects of the service).

A number of projects identified that they provided some form of support for volunteers, usually through a staff member, but a small number of examples of other forms of support were noted. LAMH, for example, does not discuss volunteers’ mental health issues with volunteers directly, but facilitated the development of an informal support network. This also provided social interaction, which helped to combat the isolation a number of volunteers experienced, as well as offering peer support.

Training for volunteers

Most organisations working with volunteers provided some form of training. In some cases, there was no distinction made between staff and volunteers in terms of training – all training events were open to all of those associated with the project regardless of role. Much of the training provided for volunteers was similar to that provided to staff, and will not be set out in detail here.

Some projects, however, identified that specific forms of training were provided to volunteers, in some cases linked to specific roles which were filled only by volunteers.

In the case of Dyslexia ScotWest, new volunteers roles were created (such as advocate mentor volunteers who were trained to assist people in the community and carry out outreach work) requiring a formal training programme to be created. Advocate mentor volunteers, for example, received 3 months of training before commencing their role.

In some cases, the training provided was designed to help volunteers sustain **each other**. One project, for example, facilitated access to an interpersonal skills module for volunteers. In this, the volunteers were providing support to each other. Allied to this, another project identified that it had provided trainer training to volunteers as a way of helping to build their pool of volunteers.

The Princess Royal Trust Lanarkshire Carers Centre identified that it had provided aromatherapy training to volunteers. This was seen to have two benefits. The first was in terms of the service itself benefiting from having a wider pool of people available to deliver services. The second, specific to this type of service, was that carers (as the recipients of the training) were then able to use the skills at home with the family members for whom they provided care. The service manager also identified that some

carers (in their twin roles as service recipients and volunteers) had undertaken additional training in other forms of complementary therapies and relaxation.

Events for volunteers

A number of projects identified that they had arranged events specifically for volunteers. In some cases, these were described as being a “thank you”, while in others, having a “team building” focus. In most cases, these appeared to be funded through the main BIG project, although in a small number of cases, projects had sourced additional funding (for example, through the Voluntary Action Fund’s former Valuing Volunteers programme).

Some of the projects which participated as case studies had received awards for volunteering practice.⁸

The management of volunteers

Some projects developed new volunteering policies as a result of BIG funding. There were a number of examples of good practice in the management of volunteers identified. It is clear that at least some of these came out of the development of new policies, or from development work undertaken by the project as part of its BIG grant. Among the examples identified were:

- the use of “pre-volunteering” as a way of helping potential volunteers decide if they were suited to the work
- the use of visits, open days and work shadowing
- an induction programme for all volunteers
- mentoring of volunteers in the early stages of their work with the project
- the development of volunteer information packs, used as part of the induction process
- the development of a volunteer skills register
- Dundee Hearing Voices noted that it had undertaken a training needs analysis for volunteers, which it intended to use as the basis of a training action plan for the service
- the development of personal action plans for volunteers.

One project suggested that it had specifically included within its updated volunteering policy that:

“... volunteers should be fulfilled in their role, and derive job satisfaction from it.”

The impact on volunteers

⁸ As it is likely that some projects which received awards would not have made the research team aware of these, it was decided not to provide specific examples.

Among the volunteers spoken with as part of this research, there was a high level of satisfaction with their experience. One group, for example, provided a range of examples of ways in which their own skills had developed through their association with the project, and the impact this had had on their levels of confidence. Of wider relevance was the fact that this group also felt that this had led to wider benefits in terms of, for example, being able to live independently, and in their dealings with public bodies over services, benefits etc. As one volunteer from this group noted:

“It’s not just about the end product, it’s also about the process, getting from not knowing what you could do to getting to the point of being able to do tasks. It has changed lives. It has changed my life.”

The manager of another project (working with isolated older people) noted that many volunteers were actually older than the service users, and faced many of the same issues, but happened not to be isolated as a result of family contacts. In these circumstances, the manager concerned believed that volunteers gained many of the same benefits as service users.

One project (The Dundee Hearing Voices Network) suggested that the BIG-funded project had facilitated the involvement of previously excluded groups in volunteering, specifically in this case, people with mental health issues. It was suggested that this was a supportive environment in which to do this, and was also important in terms of assisting in the recovery process. This example covers only one of a wide range of often excluded groups provided with volunteering opportunities by BIG- funded projects.

A number of projects were able to identify examples of volunteers who had moved into employment or training, at least in part as a result of their time with the project. In some cases, this was linked to training undertaken (whether certificated or not) or “work” experience gained.

Some projects, where part of the reason for volunteering was therapeutic suggested that a key outcome for them would be volunteers moving on to other organisations. One project noted that it routinely provided volunteers in these circumstances with transferable skills, such as basic computing, in order to assist in this process.

One service user who was also a volunteer suggested that they would have been “in a bad way” without their level of contact with the project, but that they had also appreciated being able to give support and advice to other service users, and valued the friendships they had developed with members of the organisation. A fuller discussion of some of the impacts on service users will be set out in Section 3.

2.11 Efficient and effective operations

There were a wide range of examples identified of ways in which projects had improved the efficiency, or effectiveness of their operations.

Premises issues

One of the main problems facing some of the projects which participated in this research was finding suitable premises to operate from. Although this was particularly an issue for the group of projects which grew rapidly as a result of BIG funding, there were also a wide range of more established projects which faced constraints.

The Developing Communities Scotland programme provided capital as well as revenue funding (which is not always the case with funding for the voluntary sector). The proportions of the overall funding accounted for by capital and revenue was very variable.

One of the issues identified by a number of projects which participated in this research was how to deal with outgrowing current premises. In some cases, this had not been envisaged at the time of the BIG application, and no provision had been made for this.

Examples were provided of staff working from a wide variety of locations, including their own homes. Two projects in rural areas noted that they had rented desk space from their local CVS on a month to month basis, and that this had proved cost effective.

Within some projects, there was evidence that an assessment had been undertaken of current and future premises needs at the time of submission of the BIG application in terms of:

- office accommodation for staff
- a location for meetings (large enough for a management group)
- sufficient space to deliver the service to the maximum number of service users specified (bearing in mind that some services may have to be provided simultaneously)
- appropriate premises across the whole operational area
- having appropriate access and facilities to meet the needs of service users.

Equipment

The extent to which BIG funding was used to purchase equipment to increase the capacity of the organisation varied largely (but not exclusively) by the nature of the organisation when the funding was granted. In general terms, **new** organisations were generally funded for basic office equipment, furniture etc. Among more established organisations, computing equipment appeared to be the most common purchase.

There were some examples of projects which had not taken account of some additional costs associated with computing in their original application, and which had had to find funding from elsewhere. Among these items were:

- training costs
- maintenance costs
- annual software license costs (e.g. for anti-virus software)
- replacement costs.

Among the other equipment identified by projects as having been acquired as part of a BIG grant were:

- games equipment, including Playstations etc
- digital cameras
- books
- display boards
- musical instruments and audio recording equipment
- art therapy and craft materials.

The positive impacts of computer equipment

One small project based in a rural area described the introduction of e-mail as the single most important way in which the capacity of their organisation had been strengthened. In this case, with staff working from various locations, and a wide pool of volunteers, the introduction of e-mail has allowed information to be circulated much more quickly and reliably.

Effective Policies

Case study organisations, and those who responded to the postal survey identified a wide range of areas in which new policies had been developed.

Employment policies

One of the most common areas for policy development was in the broad area of employment. As might be expected, this was most common among organisations which were new, or which employed staff for the first time on the award of a BIG grant.

One of the issues raised by some organisations was the perceived difficulty in sourcing standard policies, and in seeking advice on employment issues. Others suggested that their local CVS had been helpful in this regard, so it seems likely either that CVSs vary in what they can do, or, arguably more likely, new organisations are not always aware of the assistance a CVS can provide.

Among the specific areas of employment in which policies were identified as having been created were:

- recruitment
- drugs / alcohol
- discipline
- lone worker.

Coping with legislative changes

A common thread running through a large number of case studies (and identified in a number of postal responses) was the need to cope with legislative change.

Most of the organisations which participated in this research (and all of the case studies) worked with adults or young people who are, in some sense, vulnerable. The need to review and renew policies in relation to vulnerable adults and children was identified as one of the more difficult areas for some projects (particularly among respondents to the postal survey, more of which were working directly with young people). The main difficulty facing these projects was accessing definitive information about the implications of legislation, or sourcing sample policies.

Disclosure Scotland policies

None of the projects identified any difficulties with Disclosure Scotland, or with disclosure checks generally from the perspective of both having enough information to be aware of what to do, and coping with the administrative processes.

Other areas where policies were developed

Data protection policies were also developed by a number of organisations, again, primarily new organisations. None of the organisations concerned expressed any specific difficulties in relation to data protection.

A small number of organisations reported that they had developed **equalities policies**. In some cases, it appeared that these had been developed in response to specific requirements imposed as a result of applying for funding from, or seeking contracts with public bodies.

As might be expected, many organisations developed, or improved **volunteering** policies or handbooks generally, and in terms of issues such as youth volunteering. This was identified earlier in the section dealing with volunteering.

There were a range of other, more specific policies identified, including:

- referral procedures
- what constitutes informed consent
- various aspects of befriending practice.

One project manager noted:

“We’ve been able to implement an action plan for working with disabled clients, which we could not afford to do before.”

Monitoring and evaluation

Some projects clearly found the monitoring and evaluation regime imposed by BIG to be daunting.

Some projects were positive about monitoring beyond recognising the credibility benefits mentioned earlier. One noted:

“We found the end of grant report helpful, because it was interested in how it had achieved things – there was an opportunity to prepare a very reflective report.”

One project manager noted that the monitoring requirements and end of year reports for the BIG grant had posed a “huge learning curve”, as none of the members of staff, nor the management group, had any prior experience of monitoring in this form. The project had previously received a Voluntary Action Fund (VAF) grant, and it was suggested that the support available from VAF had a positive impact, but that the same level of support was not available from BIG, and that the end of year report forms were not “user-friendly”.

The impact of the monitoring and evaluation regime on securing funding will be explored in the next sub section.

2.12 Ensuring sustainability

None of the projects expected their work to cease with the ending of the BIG grant. All identified a range of ways in which they expected either to mainstream the work undertaken through BIG funding, or develop it further. Some projects were already clear about their medium term funding. However, as might be expected, many projects were concerned about the consequences of the ending of BIG funding. It is clear that, in some cases, a pessimistic view was taken of longer term sustainability. One BIG-funded project manager noted:

“Longevity of projects here is very difficult. I don’t know how we will cope with the ending of Big Lottery funding. Local funders here have not money for the voluntary sector”.

It was noted that it is increasingly difficult for projects providing services which, in the context of local authorities or NHS bodies, are non-statutory, to secure mainstream public sector funding. It was suggested that this was as a result of general funding cutbacks, and the perceived need for public bodies to focus on the delivery of statutory services. The danger in this, identified by some projects, was that already marginalised client groups could become more marginalised.

These effects were identified by a number of projects which had, over the life of their BIG funding experienced cuts in other parts of their organisation’s funding. One noted, for example, that the organisation as a whole was “on standstill” as a result of annual cuts in local authority funding, and that this had changed the relative importance of the BIG-funded project over time as other strands of the organisation’s work were cut back. In these circumstances, projects generally were not particularly positive about the longer term prospects for sustainability.

Accessing other funding during the BIG grant period

In the view of some funded projects, the **fact** of having had BIG funding was considered by other funders to be positive. One described it as being like a “reference” or “endorsement” (although clearly, in a literal sense, it is neither).

Some projects considered that the BIG application process, and particularly the monitoring process, better equipped them to access other funding. One voluntary organisation manager noted:

“The demands the Big Lottery places on us in terms of monitoring and evaluation are actually very helpful. It isn’t that we wouldn’t do it otherwise, it is just that this is more rigorous.”

The Shirlie Project noted that the BIG project had helped develop its credibility to bid for, and win contracts from public bodies:

“The Jobcentre Plus standard questionnaire is about your track record, and it’s one of the things that helps, especially with the mental health focus.”

Some projects identified that they had had to seek match funding as a condition of their grant. It was suggested that seeking match funding may be easier than seeking basic funding, again, as a result of the involvement of BIG.

It would be impossible to provide a definitive list of other funding sources accessed by projects, but examples of these included:

- Local authorities
- NHS bodies
- Community planning partners
- European Social Fund and Equal
- Lloyds TSB
- Comic Relief
- Esme Fairbairn Trust
- Robertson Trust
- Scottish Executive
- Communities Scotland (mainstream and FutureBuilders)
- Scottish Enterprise, Highlands and Islands Enterprise and local enterprise companies (LECs)
- Coalfield Regeneration Trust.

Accessing other funding after the end of the BIG grant

As noted, many projects considered that the experience of their BIG grant would be valuable in seeking future funding.

One project, which considered that its experiences of the BIG grant had been mixed, nonetheless suggested that it would be in a “better position” to bid to other funders and that the process had “taught them a lot” about issues such as assessing costs,

identifying cost-related risks and allowing for funding activities to build and sustain the capacity of the organisation.

Another project, however, described the process of seeking funding as “draining the resources” of their management group, and a diversion from their core business of providing a service. As a means of addressing this, this organisation was intending to become involved in a potential partnership embracing a number of similar organisations to try to seek funding on a collaborative basis (hence reducing the impact on individual organisations). A project (working in a different sector) also described working towards a collaborative bid with other service providers.

One project identified that it had already secured funding from a local authority Social Work Department in order to continue the project once the BIG funding ends. The project manager was clear that they would not have secured the social work funding without having had the BIG grant to develop the project, demonstrate the need for it and the benefits of it. The project manager also suggested that having an external evaluation done of the project was beneficial in securing this funding.

This was echoed by one of the postal survey respondents who noted:

“... it is now easy to demonstrate what would be missed if the funding came to an end and local people have been very supportive about lobbying their local council to obtain support for the project.”

Transformation to a social enterprise

It is clear that, as a result of the increasing focus on social enterprises in Scottish Executive policy, a number of projects were considering this as a way forward. It was equally clear, however, that for some at least, this consideration was at an early stage.

One of the main areas of difficulty in terms of developing a social enterprise model in providing services for disabled people and people with learning disability is that the main consumer of these services would be local authorities and the NHS, rather than service users. Given the strictures on public funding, and the focus on statutory services, it is difficult to envisage many ways, other than direct contracting of services from public bodies, that a social enterprise model could be adopted successfully.

The small number of projects funded within the disabled people and their carers strand which were already operating as social enterprises were, in effect, using service users as volunteer labour (not in any negative sense, and with clear health, social and economic benefits) in providing a commercial service. This model is unlikely to be transferable to, for example, advocacy, befriending or most therapeutic interventions.

Overall, therefore, the likely scope for projects funded through this strand of the Developing Communities Scotland programme to adopt a social enterprise model appear limited.

2.13 The next section

This section has summarised a wide range of findings relating to the internal capacity building work undertaken by projects. The next section will deal with three main areas: the views of other stakeholders about the capacity and credibility issues they see as important and the extent to which BIG-funded projects addressed these; the extent to which BIG funding allowed projects to engage with others at a wider strategic level; and the nature of the impacts which increasing capacity delivered for the projects themselves, service users and both public and voluntary sector organisations more widely.

SECTION 3 : LINKAGES AND CREDIBILITY

This section will deal with three main issues. Before considering both the extent to which BIG-funded projects were able to engage with wider strategic structures, and the impact increased capacity had on a range of participants, the views of stakeholders on the capacity and credibility issues inherent in their relationships with voluntary organisations will be summarised.

3.1 Factors in determining credibility

There was a high level of agreement among public and voluntary sector stakeholders about the factors seen to be important in establishing the credibility of a voluntary organisation. These are summarised in the subsections below.

The “irrelevance” of sector

Some stakeholders were clear that, in their view, the *sector* of a service provider should not be a factor. As one public sector stakeholder described this:

“I’d expect the same from a voluntary organisation as I would from a public sector, or a private sector organisation. There should be no need for allowances.”

Commonality of purpose with the public sector

One senior social work manager suggested that, for them, a key element was the extent to which services could work well together. The basis of this includes, for example, the extent to which the voluntary organisation concerned was aware of the priorities and needs of the public body. This also extended to, for example, helping the public body meet their own reporting requirements. This was one area in which the disciplines of BIG funding were seen to have been helpful in some cases, as this meant that organisations were “conditioned” both to gathering information on performance, and to reporting this to their funders on time, and in the manner specified by the funder.

A number of public sector interviewees mentioned the fact of some voluntary organisations being on their list of “approved” contractors as being both evidence of their effectiveness, and a demonstration of this in terms of credibility.

The efficiency and effectiveness of organisations

One of the key strands running through the views of public sector stakeholders related to the efficiency of the voluntary organisation. The expression of this ranged from returning calls and e-mails, to being effective in delivering contracted services. It was suggested that the increase in resources available as a result of a BIG grant could help in this, but that it did not necessarily follow that a bigger organisation, providing more services, should be more efficient. This was one of a number of issues which broadly focussed on communication issues.

Another key strand related to the “professionalism” of staff and volunteers. This was an area where the training funded by the Developing Communities Scotland programme was seen to have made a difference. It was suggested that stakeholders had been aware that staff in some voluntary organisations were up to date in terms of their understanding of issues, and embracing of new approaches. One stakeholder also suggested that this was important for staff to “look” professional, perhaps representing one of the oldest culture clashes between the public and voluntary sectors.

This was also seen to extend to, for example, a commitment to issues such as client confidentiality, ensuring Disclosure Scotland checks are in place, and generally making the organisation open to scrutiny.

A number of stakeholders also stressed the importance of service standards, and the fact of an organisation either adopting, or working towards accepted service standards was seen as important.

The nature and functioning of the management group

A number of public sector interviewees stressed the need for a “strong”, “effective”, “inclusive” management group. It was also suggested that the organisation, through its management group, needs to show “commitment” to the issues.

Governance

Clearly, for some public sector partners, governance issues were important, with management groups being assessed on the extent to which they were representative of their client groups (or communities of interest) and responded to this.

A number of interviewees identified ways in which they perceived specific policy areas to be important, including, for example, fair and open recruitment practices, transparency of accounting and good management practice in relation to volunteers. Although none identified adherence to good equalities practice as a key issue, it may be that this was being taken as read.

The importance of feedback

A further key theme was the views of **clients** about their experiences in being referred. For one stakeholder interviewed, this was the key determinant, and they took steps to obtain feedback from all of the clients they had referred. In this context, echoing comments made by other stakeholders, the interviewee also identified the importance of the voluntary organisation concerned providing feedback to the referrer about the work they had done with the client, and any issues which had arisen.

Relating to this, the empowerment of service users, by involving them in the management of the organisation, was also noted by one respondent.

3.2 Participation in wider structures

There were a wide range of examples of ways in which projects had, as a result of BIG funding, been able to extend the range of ways in which they could participate in strategic forums.

Formal participation in planning structures

While, as might be expected, most examples were related to community planning or social care, a small number of projects identified that BIG funding had enabled them to participate in other forums. The Shirлие project, for example, had been able to participate in the Highland Employer Coalition⁹. This was viewed by the project to have been beneficial in a range of ways.

As noted, most of the projects were found to participate in structures relating to community care in some form. As with other aspects of their work, some of these involvements pre-dated BIG funding, while others were more recent. (As will be set out later, the increases in capacity funded by BIG were considered by many projects to have made these forms of participation easier). A wide range of examples were identified, and only a selection are set out below:

- a Health Improvement Network
- a local Community Health Partnership
- a group undertaking a review of neurological services
- a community safety partnership.

A number of projects also noted that they were now more likely to be asked to participate in case conferences about individual clients, either by social work or health services. One project noted that, as a result of the expansion of its service, a representative was routinely invited to GP practice meetings.

The project manager of the Rutherglen Community Carers project noted that they had been invited to speak about the project at a number of conferences, by the local authority and by Alzheimer Scotland. The manager was also asked to develop a

⁹ The Highland Employer Coalition is a partnership which works with employers, and links with training providers, to optimise job and career opportunities for people not currently in employment, improve links between training providers and employers and promoting fair and effective recruitment practice.

presentation on the issues involved to the Scottish Executive. This was also identified by a number of postal survey respondents. One noted that they had spoken at 5 separate conferences about their BIG-funded project.

Another of the ways in which projects have been “involved” is in contributing to the development of wider strategies. In some cases, BIG-funded projects may be the only, or one of only a small number of services working with particular groups, or in particular areas. In the light of this, it is not surprising that projects were able to identify a range of ways in which they had actively contributed to strategy formulation (rather than having passively commented on strategies at a draft stage).

Some projects also identified a side benefit of this level of participation, that they were more likely to hear of new funding opportunities through being “insiders”.

Being consulted

One of the common themes running through this research was the extent to which projects identified that, since receiving BIG funding, they had been consulted by public bodies. In some cases, this was part of wider consultative events. In other cases (as described above), staff or management group members (and in a small number of cases, volunteers or service users) had been invited to participate in representative groups.

Some services considered this level of “exposure” to be something of a mixed blessing. It was noted that no funding is generally provided to voluntary organisations to participate either in consultation, or in strategic partnerships. In some cases, projects had had to decline most or all of these opportunities in order to ensure that service delivery was uninterrupted.

Most services also suggested that they were more often consulted by staff members from public bodies seeking information or advice about issues relating to individual clients, or about the issues facing their core client group. In two cases, examples were provided of projects providing advice and some practical assistance to groups in other areas wishing to establish projects dealing with the same client groups.

Joint projects

A number of examples were identified of projects planning, or currently working on joint projects with local authority or NHS bodies. One example of this was the Circles Around Dundee project, which is currently working with the NHS on a joint project to set up a friendship resource for people with learning disabilities. This is one of many examples identified through this research.

Delivering services under contract

A significant minority of projects provide services under contract to public bodies. In some cases, these pre-dated the BIG funding, but in other cases, these contracts have arisen as a result of the capacity developed through this funding. Clearly, winning contracts from public bodies is one of the key ways in which projects can achieve

longer term sustainability. A number of postal survey respondents identified that, as a result of BIG funding, they had been able to secure service level agreements with their local authority or NHS body.

Receiving referrals

Among organisations participating in this research, receiving referrals was arguably the most common way in which increasing contact with public sector organisations was manifest. (It is worth noting that another impact for some projects was identified as being an increase in referrals from other voluntary organisations.)

One local authority stakeholder, for example, noted that, prior to the BIG-funded project, they would have been unwilling to make referrals for their clients. With the establishment of the project, at least a third of clients of the service had been cross-referred to the voluntary sector provider.

It is clear from discussions with both public sector stakeholders and BIG-funded projects that these relationships evolve over time. Several interviewees from both groups noted that the **fact** of the existence of a service would not in itself lead to referrals. Public sector referrers (and referrers from other voluntary organisations) indicated that they had to be content about the credibility (however defined) of the organisation before considering making a referral, and be satisfied with the performance of initial referrals before establishing a longer term relationship. One local authority service manager commented:

“I am responsible for the people I refer. I don’t want a situation where they are ringing me saying the service was bad, or they hadn’t got what they expected”.

One case study project indicated that initially, it had felt pressure to accept all referrals made by public bodies, and that this had stretched the capacity of the service to cope. Over time, the manager had recognised, however, that it was possible to be more selective, and put in place a clear referral policy which was then circulated widely. The service concerned believed that this had actually improved their standing, at least in the view of some stakeholders, as it demonstrated more clearly that they were able to manage the balance between capacity and service usage.

In another case study, however, both the manager, and two stakeholders considered that the project was suffering as a result of having too open a referrals policy, and being unwilling to either refuse or defer referrals.

Promoting events

A number of projects identified that they had undertaken the promotion of events as a way of raising awareness of the issues facing their service users. These also had the effect of helping to promote the organisation.

3.3 The impact of increased capacity

The final part of this section will address the extent to which increased capacity funded by BIG has had an impact (or in some cases, will have an impact in the future). This will be considered in terms of a number of linked areas: the services of the project itself and any parent organisation; service users; other public and voluntary sector organisations; and the wider community.

Impact on projects' own services

The impacts on projects' own services were considerable and wide ranging. These will not be detailed here (as this would require many pages of description), but in broad terms, impacts were identified in the following areas:

- higher numbers of service users from the same client groups
- additional service users from other client groups
- extending the geographical area of coverage
- extending opening hours
- extending the range of services available
- providing services more efficiently, or more effectively.

Clearly, within these broad categories are a myriad of potential improvements.

In some cases, the impact was on the wider services of the parent organisation. For example, other projects under the umbrella of Highland Community Care Forum were able to use the expertise (and tap into the volunteers) of the video production team to carry out work in their own areas. The Shirlie Project identified that work undertaken to develop knowledge and expertise in the broad area of mental health had been cascaded out to other services run by the project, and was now seen to be integral to its operations.

In a number of cases, the BIG-funded project was, in effect, acting as a gateway to the wider services of the parent organisation.

Impact on service users

As with the impact on project's services, the impact on individual service users was, taken as a whole, considerable. Clearly, for some, the impact would have been minimal, while for others, the impact would have been life-changing. This was not an evaluation of the services delivered by BIG-funded projects, and, for this reason, this section provides at best a partial summary of some of the ways in which projects made an impact, as identified by project staff, volunteers and service users.

Given the client group, it is not surprising that one of the main impacts identified was in terms of helping support independent living. The chair of one project's management group noted:

“We've helped people stay at home who would have had to go into care, with all that that brings. It is hard to say what would have happened if we hadn't been here”.

A number of projects worked in the broad area of befriending, providing either one-to-one opportunities, group-based, or peer-based opportunities. These services were provided to a broad client group, including adults with learning difficulty, and vulnerable and isolated older people. The impact of these services was demonstrated clearly in discussions with service users undertaken as part of this research, and by materials (largely testimonials of some sort) provided by projects.

One project manager illustrated the impact on some service users in the following terms:

“Our client group experience depression, low self esteem and isolation, as well as illnesses. Friendship is a means of recovery.”

For a number of projects working to deliver services to groups who receive some services from local authorities or from NHS bodies, there was a recognition that their work could add value to those services for clients. For example, a number of projects working with older people and with disabled people (as well as their carers) identified that they offered an alternative (in some cases) and a supplement (in other cases) to mainstream day centre provision. In this context, one service user suggested that the relaxed, informal atmosphere at the BIG-funded project contrasted with other agencies they had used (such as day centres), which he felt to be “too regimented” and unsuitable for his needs.

A number of projects identified that their service may be the first a client has contacted to attempt to deal with their issues. For example, in the broad area of mental health, as noted earlier, clients may find it easier to begin the process of seeking help through the voluntary, rather than statutory sector. One project, working the clients with the medical condition ME, suggested that:

“The implementation of an ME awareness pack on treatment has increased service users confidence due to having a factual information pack to assist them during care assessments, housing reviews and benefit application / appeals. This pack not only informed service users but has been used by many health and social care service providers to assist them plan clients future care package.”

Some BIG-funded projects identified that one of their key roles was in addressing the attitudes of members of the public, as well as some service providers, to make it easier for service users through reducing the risk of stigma driven by prejudice and ignorance.

Some projects worked with groups whose needs may often be overlooked, or for whom provision previously was patchy. Among the examples of this were the small group of projects (among case studies and postal survey respondents) providing support, both directly and indirectly, to carers. It was noted by public sector stakeholders that one of the key benefits of these projects was in making others aware (in some cases for the first time) of the issues facing, and consequent needs of these groups.

Some projects, largely working with disabled people and older people, were able to identify a range of health and social benefits for clients. A wide range of these were identified, including:

- increased levels of activity
- improved socialisation
- improved concentration
- decreased stress levels
- increased confidence.

In a number of cases, the impacts on clients were viewed as being still more fundamental. One project, working with older people for example, identified that a significant group of its clients were widows or widowers, who had often moved into that area relatively recently. In these cases, the impact of the project was seen to be in terms of helping, through socialisation, to give clients “something to live for”.

Through the support provided by the Rutherglen Community Carers project, it was identified that people with an early diagnosis of dementia could be better prepared as their condition deteriorates, for example, by informing people about using power of attorney to make financial arrangements easier. An interviewee from South Lanarkshire Council social work department identified that they were aware of no other group offering this type of support to this client group.

Continuing on this theme, one of the postal survey respondents noted:

“We have 6 workers in 6 geographic areas. Many of these areas suffer substantially from a lack of provision for young people. This project can demonstrate that a wide range of activities for young people have been organised and developed in rural areas ... Many of these small youth groups are the only provision for young people outwith school. The project has supported many of these groups to remain open and active at times of considerable legislative changes which have caused many voluntary youth groups to close.”

There were also benefits identified to service users’ families. In some cases (for example, the North West Sutherland Care Alliance), this was the stated objective of the project, in others, it was an anticipated, but secondary benefit.

At a wider level, a number of the postal survey respondents had been provided with funding to develop community facilities, generally village halls. In these cases, the benefits were described in terms of, for example, improving community cohesiveness, allowing generations to mix more readily and providing a focal point for community events. One suggested that the impact was “inspiring”.

A number of projects identified impacts on services users primarily in terms of their being able to take up employment or volunteering opportunities.

The impact on other services generally

In some cases studies, it was clear that the impact of increased capacity was not only of benefit to the project itself, but was also of wider benefit. A number of examples of this are provided in the paragraphs below.

One of the key issues identified was that projects may be able to effect change in ways that individual service users may find difficult. Much of the work of projects in this strand of the Developing Communities Scotland programme worked with service users who would normally be unlikely to have a common voice, or who would be unlikely to be proactive in seeking to bring about changes to better meet their needs. This was a common thread running through the views of both projects and the public sector stakeholders interviewed as part of this work. One project suggested that one of their key successes, as a result of their increased capacity and credibility, was that it had encouraged service users to have a voice, and persuaded service providers to listen.

Some projects appear to have taken a pro-active role in promoting their success as a role model for others. One project, for example, noted that it had developed a series of case studies which it sent to other service providers, illustrating ways in which they could work with the project's core client group.

Impacts on local authorities, NHS and other public bodies

A number of projects believed that they had brought about change in aspects of NHS policy or practice.

The Highland Community Care Alliance project, for example, developed a number of film sequences initially to provide information to service users about attending hospital. These were shown to representatives of the NHS, and were adapted to form a teaching aid for staff in better meeting the needs of patients with learning difficulty. Overall, the project considered that the NHS had been very receptive to joint working. One volunteer noted:

“There is awareness, and it's growing – it's a gradual process and it spreads as a ripple. And we expose other problems.”

Another example was provided by the Circles Around Dundee project which identified that a number of service users wished to move into their own home, but were experiencing difficulties in achieving this. The organisation worked with Dundee City Council to change its housing policy to enable adults with learning disabilities and additional support needs to gain their own tenancies.

Another project had, as a result of its BIG-funded project, identified difficulties facing its client group in attending hospital, and had been successful in securing funding on a pilot basis to provide hospital escorts for vulnerable clients. The benefits of this were seen to be to the client, but also to the medical team, as the client was likely to be more relaxed, had someone who could remind them of the questions they wished to ask, and who could take notes to ensure that key messages delivered by health staff were not lost.

One NHS manager, supporting the views provided by the project itself, suggested that some people may find it easier to begin to address mental health problems via a supportive voluntary organisation rather than first approaching a GP or Community Psychiatric Nurse. In these circumstances, the close relationship between the organisation and the NHS meant that the confidence of service users in NHS services could be built, and, where required, a staff member or volunteer from the voluntary organisation could accompany the service users to appointments. This was described by the NHS manager as extending the reach of health services to clients who might otherwise be difficult to reach.

In some cases, the impact was on other public services. One, for example, working to develop employment opportunities for people with mental health issues, considered that their direct work with Job Centre Plus staff had contributed to a more positive attitude among advisors as to the capabilities of the client group, with corresponding benefits in terms of the nature of the opportunities which they would present to clients. A similar change was noted by the manager of Clydesdale Community Initiatives, which suggested that the model of social inclusion employed by the project had had a positive impact on service providers attitudes. It was suggested that service providers might not have initially felt that their clients had the capacity to participate in a project, however, feedback demonstrates their increased awareness of how much service users are in a position to contribute.

Some projects were able to provide support to statutory services in other ways. The North West Sutherland Care Alliance, for example, was able to supplement the services available through Highland Council social work and NHS Highland across a wide geographical area through providing respite for carers. One local stakeholder also identified that the project was helpful in alerting the social work service to emerging issues and problems (which was seen as particularly helpful in an area where few social work staff are located).

Another project (Contact the Elderly) was identified by the social work service as being able to provide a service to clients unable to access day care through, for example, pressure on places. This was seen as being both valuable to the council, and beneficial to the clients concerned. The Visibility project noted that it filled a gap between a diagnosis of sight loss, and receiving support from other services, as the waiting time for social work support was, at the time of the fieldwork around six months. It was suggested that, as some service providers have a restricted remit, such as health professionals who are only in contact with an individual at the point of their sight loss diagnosis, they benefit from being able to refer individuals to the project and know they will receive the support and information required.

Awareness training provided by organisations was also identified as making service providers aware of other work carried out by organisation. For example, a training package was prepared for social workers in South Lanarkshire by Visibility, and training was also delivered to nurses, dentists, and architects (regarding the design of buildings).

A number of projects provided direct training to local authority or NHS staff, particularly in cases where the organisation was involved in specialist areas relating to mental health, mental illness or specific impairments. As well as training, some also

indicated that they had contributed to raising awareness of previous unrecognised, or under-recognised issues. For example, staff in the Princess Royal Trust Disabled and Carers Information Centre in Dundee suggested that health professionals working in primary care had become more proactive in terms of identifying carers. There has been a significant increase in the number of carer identification forms returned to the project via GP surgeries. Dyslexia ScotWest identified that its work had contributed to a better understanding of dyslexia among those providing mainstream literacy and numeracy training. Stakeholders commenting on the Circles Around Dundee project also noted that it had done a great deal to raise awareness among staff of statutory services not only of the issues facing their client groups, but also of new, or emerging ways of addressing these. These are only a number of the examples provided by projects which participated in this research.

3.4 The next section

This section has summarised the findings of this research on issues relating to credibility, linkages between projects and the public sector, and the impact of projects across a range of potential beneficiaries.

The final section will draw together these findings and provide comments on each of the three research questions posed in Section 1.

SECTION 4 : DISCUSSION AND SUGGESTIONS

The final section will briefly draw together the findings set out in Sections 2 and 3 in providing a commentary on each of the three questions set for this research. At the end of the section, a small number of suggestions will be offered about ways in which BIG could promote capacity building in future funding streams.

As far as possible, the points made in this section will not repeat evidence presented in the preceding sections.

4.1 Discussion of the research questions

The research gathered a great deal of information about the ways in which projects funded by the Developing Communities Scotland programme developed their capacity to deliver services, and interacted with others.

Question 1

Has BIG funding enabled organisations to grow, develop and change? In what ways have they done so?

Overall, there is no question that BIG funding enabled organisations to grow, develop and change. It would have been more remarkable had this not been the case. There are, however, a number of issues which have arisen in relation to this question which will be addressed here.

The Developing Communities Scotland programme was focused on service delivery. Its purpose was to make a difference to client groups experiencing disadvantage across a number of defined policy areas. This was not an evaluation of the programme, so it is impossible to estimate the extent of this, or to quantify the impacts. It is also impossible to assess wider issues such as value for money or additionality. At a basic level, however, on the basis of the evidence provided as part of this research, that it did make a difference to these groups is unarguable.

The question for this research, however, was not about the impact on **clients**, but rather about the impact on **organisations**. As noted above, the Developing Communities Scotland programme was not a capacity building programme. Capacity building was not a specific objective of the programme, nor were applicants asked to specify the range of activities they intended to undertake as part of their project. The routine monitoring process did not ask projects to account for their capacity building activities.

The net effect of this is that some of those who participated in this research believed that BIG, through this programme, was at best ambivalent towards capacity building, and at worst, unsupportive of it. As set out in Section 2, there was a view among some projects that capacity building was viewed by BIG as a secondary priority, and that service delivery was of paramount importance.

Clearly, this view was not taken by all, or even by a majority of projects. However, many projects which did not take issue with the place of capacity building in the programme generally did not undertake any capacity building through their funding. Among the projects as a whole (covering both case studies and postal survey respondents) a significant minority undertook no staff training. A larger number (more than half) undertook no development work with, or provided training to management group members. Fewer did not undertake work with volunteers, but this is not surprising given the inevitable turnover in this group.

That said, a very large amount of capacity building work was undertaken by projects, including:

- strategic development
- action and business planning
- management group development
- staff and volunteer development.

There is no question that the capacity of projects was greatly increased in terms of their ability to deliver projects. One of the key areas in which capacity was developed was in projects' ability to apply for other funding. There was a clear view that the strictures of BIG application and monitoring processes were a good preparation for seeking funding from others. As will be described more fully in the commentary to question 2, the **fact** of a BIG grant appears to bring credibility in the eyes of at least some funders.

The role of BIG in bringing about these improvements in capacity is less clear-cut. There is no question that a good voluntary organisation will seek to increase its capacity at every opportunity. This is at the heart of the continuous improvement models widely adopted throughout the sector.

Some projects which had planned to undertake some capacity building work did not properly cost this at the outset. It is also clear that some projects, on realising that they needed to undertake capacity building work, discovered that they had no budget to pay for it. In these circumstances, some projects (albeit a minority) reported that they had had to make external funding applications to pay for this work.

It seems reasonable to conclude that many of the improvements in capacity came about as a result of the initiative of the projects concerned, rather than as a response to policy leadership through the programme. This is not to minimise the role of BIG staff as, in the view of many projects, they made a significant contribution to the overall success of projects, but rather that, in the specific area of capacity building, the Developing Communities Scotland programme represented something of a missed opportunity.

With hindsight, even two relatively simple changes, specifically, asking projects to specify how they intended to ensure that they had the capacity to deliver their programme, and asking them to account for the capacity building work undertaken, would have been likely to have led to an increase in the amount of work of this nature undertaken. At the very least, projects would have been forced to consider the issue,

and those project staff who considered BIG at best ambivalent towards it, may have been encouraged to undertake more capacity building work.

Question 2

How are organisations viewed in terms of visibility, reputation and perceived effectiveness? Has this changed as a result of BIG funding?

It is quite clear that being awarded a BIG grant is a significant stepping stone for some projects. While this is clearest for new organisations, it was also identified as significant by some more established organisations. In some cases, particularly among larger organisations, the impact of the fact of a BIG grant was correspondingly smaller.

One of the most positive views about BIG to emerge from this research was that it is prepared to fund projects developed by new organisations, or organisations with a limited track record. It is clear from the case studies that, in most cases (and on the evidence available), this faith was justified, as these projects appear to be successful.

About half of all case studies, and a significant minority of those responding to the postal survey contended that the fact of having had a BIG grant meant that their organisation was viewed as more credible by others. This was supported by interviews with other stakeholders. While “credibility” is hard to define in isolation, the fact of so many organisations taking this view suggests that there is substance to this. The components of this are, in some ways, easier to identify. For example:

- BIG is recognised to have strict criteria in terms of accepting applications, and a rigorous assessment process.
- Similarly, BIG is recognised as having a strong approach to diligence and governance, providing a “shortcut” to reassurance on these issues for others.
- The application process, the need for record keeping and the production of regular monitoring returns were also seen to provide evidence of good organisation, and the ability to operate within a contract compliance framework.

As noted in the commentary to Question 1, one of the key ways in which BIG funding was perceived to develop the capacity of organisations was in terms of applying for other funding, either during the period of the grant, or subsequent to it. It is clear that some projects found the application and monitoring processes difficult. In some respects, it would have been more remarkable if this had not been the case. It is also worth noting at this point that a number of interviewees were very positive about the help they had received from BIG staff both prior to application, and while completing monitoring returns.

Both project staff and interviewees from other organisations were clear that participation in the Developing Communities Scotland programme had improved the likelihood that a project would be able to apply for funding successfully. There is clear evidence that most had already been successful in sourcing funding during the

period of the BIG grant, and some had even secured longer term funding to continue the service after the end of the BIG grant.

It is also clear from the views of stakeholders that efficiency and effectiveness are also important in assessing credibility. Again, although the evidence is inevitably partial (as this was not an evaluation) there was a general view that projects were indeed more efficient and effective as a result of their BIG grants. There was evidence of a wide range of improvements in service delivery. The more detailed views of some stakeholders are interesting here. Improvements of this kind in isolation would not be enough in themselves to develop credibility. In effect, increased credibility relies on improvements across a range of areas.

As set out in Section 2, some stakeholders also focused on the need for projects to promote good governance, and to adopt appropriate practices across a range of areas, including, for example, recruitment, volunteering, data protection, and the protection of vulnerable groups. There was a good deal of evidence of projects undertaking work (both policy development and training) to address these issues. (Many other projects would not have been required to do this, either as a result of work previously undertaken, or because of their association with a parent organisation.)

Overall, it is reasonable to conclude that BIG funding has led to an improvement in the visibility, reputation and perceived effectiveness of funded organisations. The extent of this clearly varied across organisations, and was, in part, a result of their starting point.

It would also be fair to suggest that, in general terms, on the basis of the evidence from this research, the impact of BIG was proportionately greater on new, and very small organisations. In essence, these organisations, prior to receiving a Developing Communities Scotland grant would have been unlikely to have operated within a contractual framework similar to that operated by BIG, and which would have allowed them to demonstrate their effectiveness in relation to, for example, governance, monitoring and contract compliance.

It is also worth noting that securing funding for capacity building (as well as funding for service development) has been a consistent difficulty for organisations working with equalities groups, including those working with disabled people and their carers (which was the main focus of the case studies within this research). The fact of funding from the Developing Communities Scotland fund, and the associated improvements in service delivery, capacity and credibility brought about by this, could, therefore, be argued to have had a disproportionate impact on this sector. The same issues are likely to apply to organisations working with ethnic minority communities, and those working to address poverty at a local level.

As with the commentary to Question 1, there is a question mark over **how** these improvements came about. In relation to the expansion of services, there is no equivocation. The BIG funding was responsible for a massive increase in the service delivery potential of these organisations. In terms of their efficiency and effectiveness, the evidence is more mixed. There is no doubt that, from the point of view of governance, accounting and monitoring, the approach of BIG would have matched the existing standards of the best organisations, and raised the standards of

those previously less good. From the perspective of other issues, such as recruitment policy, the effective use of premises and volunteers, the role of management groups and the development of good practice in areas such as equalities, it would be reasonable to conclude that these were largely as a result of the initiative of individual organisations, rather than as a result of policy leadership by BIG. In essence, this is the same conclusion as that to Question 1.

Notwithstanding this caveat, the impact of receiving Developing Communities Scotland funding on most of the organisations which participated in this research in terms both of their effectiveness, and their perceived credibility, was considerable.

Question 3

Does increasing organisational capacity via a BIG grant help to improve the organisation's service delivery and ability to engage more effectively in relevant strategic agendas?

There are two parts to this question. The first deals with service delivery, the second with strategic engagement. While they are, in some ways, linked, it is best to address them separately.

It is important to bear in mind that this was not an evaluation of individual services. A definitive view on whether or not individual projects' services improved as a result of BIG funding could only come from an evaluation. That said, the evidence gathered for this research points strongly to this conclusion. All of the case studies were able to point to ways in which they had been able to reach more service users, different types of service users and to do so in ways which were, in their view, more efficient and effective.

This is supported by the evidence provided in Section 3 dealing with the impact of individual projects on service users. While this evidence is hardly definitive, again, it points strongly to impacts across a wide range of service users facing an equally wide range of issues.

There is clear evidence from the research that increased capacity has led to projects being much more likely to be asked to engage with others at a strategic level. This was true of virtually all of the case studies, and, where this could be ascertained, most of the respondents to the postal survey.

The nature of this engagement is interesting in that it takes a wider range of forms than might at first have been envisaged. While some projects have been asked to take a direct role in higher level "strategic" forums, such as community plan partnerships, or community safety partnerships, inevitably, these are in a small minority. In reality, few individual organisations are members of such strategic groups. Generally, the voluntary sector is represented by CVSs. It would be unreasonable to expect that many Developing Communities Scotland funded projects would operate at this level. Those that did were either very specialised, or worked in specific geographic areas.

Most of the projects which participated in this research operated at a level below this. There was evidence of, for example, projects representing their sector on Community

Health Partnership management groups. There were many examples of projects being asked to participate in strategic reviews of services. Similarly, projects reported that they were significantly more likely to be asked to provide responses to consultations.

The significance of this should not be underestimated. Small organisations, particularly those working with equalities groups have traditionally struggled to be viewed in this way (in effect as partners) by public bodies. The fact of organisations being asked to contribute to policy development is likely to have an impact over time in two main ways. The first is in terms of the likelihood that they will have an influence on the visibility of the issues facing their clients, and through time, on the ways they are addressed. The second is in terms of the visibility of the organisation. There is some evidence from this report, as well as from other research, that organisations which are more visible to funders are more likely to, for example, be told about new funding streams, or to be considered for participation in joint projects, all of which is likely to help their longer-term sustainability.

It is also clear that, in some cases, projects were supporting the delivery of public services in a wide range of ways, including providing support to clients from groups not otherwise receiving a service, clients who were waiting to receive a service, and, in some cases, their families and carers. Interviewees from NHS bodies also identified ways that projects were providing a bridge to people seeking to deal with their problems for the first time.

At a more basic level, virtually all of the projects which participated in the case studies reported that their rates of inward referral had increased.

Taken together, there is a significant amount of evidence that BIG funding led to an increase in the extent to which services were able to engage with other bodies on a wide range of levels.

4.2 Suggestions for action

It is clear from the evidence summarised above that the Developing Communities Scotland programme brought about a significant increase in the capacity of funded organisations, whether directly or indirectly. To some extent, however, it may be argued that the programme missed some opportunities to maximise this as a result of failing to focus specifically enough on the development of organisational capacity.

One of the perceived strengths of the Big Lottery is its willingness to take risks. Evidence from the Developing Communities Scotland programme shows that it is prepared to fund new and very small organisations to undertake projects which require a step change in the scale of their operation. Again, it may be argued that some opportunities were lost to help ensure the longer term sustainability of these organisations through supporting capacity building as a specific strand of the programme.

BIG has, through the scale and breadth of its funding streams, the opportunity to make a significant impact on the capacity of the voluntary sector. However, to do this would require a more explicit acknowledgement of this than was evident through the Developing Communities Scotland programme. The suggestions set out below would

not require a significant change in BIG funding policy, and are, in some cases, already being taken forward in new programmes.

The first suggestion is that BIG should make clear its support for, and commitment to capacity building through all of its funding streams for the voluntary sector. This should encompass both the capacity to deliver the funded project, and also the need to ensure the longer term sustainability of the organisation. This commitment should be set out clearly in material published to describe funding streams, and in guidance documents.

The second suggestion concerns the development of materials to assist voluntary organisations funded through BIG programmes. It may be helpful for organisations seeking to apply for funding (as well as for others more widely) if BIG (perhaps working with NCVO or SCVO) was to commission (or adapt) materials setting out the key areas in which voluntary organisations need to be effective (including, for example, governance, strategic direction, financial control, the skills of management groups, staff and volunteers, equalities issues, monitoring and evaluation) and how capacity in these areas could be developed¹⁰.

Flowing from this, and building on the positive experiences of some other funders, BIG could consider promoting some workshops aimed at developing the capacity of its funded projects. This could be done on a pilot basis in the first instance.

It is suggested that, at a practical level, all BIG application processes should require organisations to do at least two things. The first would be to provide a short assessment of the current capacity of the organisation in a number of key areas, and to identify any risks to the project which may arise from under-capacity in any or all of these areas. The second would be to require applicants to set out how they intend to develop capacity over the life of the project. Capacity building activities should be identified clearly in relation not only to costs, but also in terms of appropriate milestones. This would provide a clear indication of the importance of capacity building within the project delivery process.

It is further suggested that monitoring processes (both reporting by the project and visits by BIG staff) should require projects to identify the capacity building activities they have undertaken, such as the development of new strategies or policies, any training delivered and work to develop management groups. Where planned activities have not taken place, it is suggested that the reasons for this should be explored in the same way as shortfalls in service delivery performance. Similarly, where necessary, remedial action should be identified.

Finally, it is clear from this research that one of the key difficulties facing organisations funded through the Developing Communities Scotland programme (in common with many others) is in identifying and securing funding to sustain both the organisation, and the work, beyond the funding period. In order that the longer term impact of the work supported by BIG is maximised, it is clearly important that as

¹⁰ Examples of general capacity building materials are provided on SCVO's website. Examples of more specific materials on a wide range of relevant topics (in this case, aimed at voluntary organisations involved in sport) are available through the sportScotland "information for clubs" service.

many projects, and as many services as possible are either mainstreamed, or at least continued in some form through non-recurring funding from other sources. It is suggested that BIG could consider the development of a limited funding strand to which projects could apply in the final year of their grant specifically geared towards undertaking work either to inform the future direction of the project, or to support the identification and initial development of future funding applications. This could be viewed as taking the basic idea of Investing In Ideas and applying it towards achieving improvements in the longer term sustainability of work developed through a BIG grant.