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POLICY REPORT

CROSS-SECTOR COLLABORATION FOR BETTER SOCIAL OUTCOMES



POLICY REPORT

CROSS-SECTOR COLLABORATION FOR BETTER SOCIAL OUTCOMES

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1. CROSS-SECTOR COLLABORATION FOR BETTER SOCIAL OUTCOMES

We live in a world where social and environmental challenges are becoming more and more complex. Fortunately, this development is accompanied by steady innovation, a focus on building evidence of what works, and technological improvements providing decision-makers with a stronger analytical understanding and more varied, innovative and proven solutions to face these issues. However, the successful deployment of such tools to address complex challenges is often only possible if various actors with different perspectives cooperate in **cross-sector collaboration**.

Effective cross-sector collaboration enables new approaches and techniques to be deployed, with the aim of achieving better social outcomes. It encompasses projects where the public, private and social sectors collaborate in different ways (e.g. financially, operationally) but with the central aim of working towards common objectives and outcomes. The focus of this report is on cross-sector collaboration to achieve better social outcomes.

Who takes part in cross-sector collaboration?

- **The public sector** encompasses central government departments and local authorities that operate at regional / local level.
- **The private sector** is comprised of profit-seeking entities such as corporates, financial entities, small and medium enterprises as well as foundations.
- **The social sector** includes non-profit organisations, social enterprises, cooperatives, NGOs, voluntary and community-based organisations, among others.

Too often, the public, private and social sectors continue to operate in silos allocating their resources in a fragmented way. Yet there are good reasons why entrenched or complex social challenges benefit from partnerships across these sectors:

- **Complementarity of skills and resources.** Collaboration enables pooling of complementary skills and resources from various players, to improve the efficiency and effectiveness of services to the public through joint operations. This often involves blended funding (i.e., funding from both the private as well as the public and social sectors).
- **Multidimensional approaches.** When operating in silos, there are often limitations of scope that hinder the ability to fully achieve multidimensional outcomes. Cross-sector collaboration removes these boundaries and enables stakeholders from different perspectives to cooperate towards common goals and desired social outcomes.
- **Playing to strengths.** Cross-sector collaboration enables public service delivery to respond to social needs in a more effective and cost-effective manner. Through collaboration across sectors and support from private donors and investors, early stage innovations can be developed and tested. These innovations can involve risk-taking often avoided in public spending but can also provide better ways to respond to social needs. When proven, these innovations can be scaled by helping the public sector to refocus its spending on more efficient and effective responses to need.

By harnessing the skills and resources of different players, cross-sector collaboration brings additionality through innovation and implementation of new services that deliver better social outcomes. This holds true in situations where reform is required to refocus interventions to address social issues adequately and cost-effectively on a national basis.

The following chapters present a range of cases where cross-sector collaboration is the common denominator to achieve better social outcomes. This report draws on live cases to explore the implications of cross-sector collaboration, preconditions for success, governance arrangements, actionable learnings and key challenges.

2. EVPA CROSS-SECTOR LEADERSHIP PROGRAMME

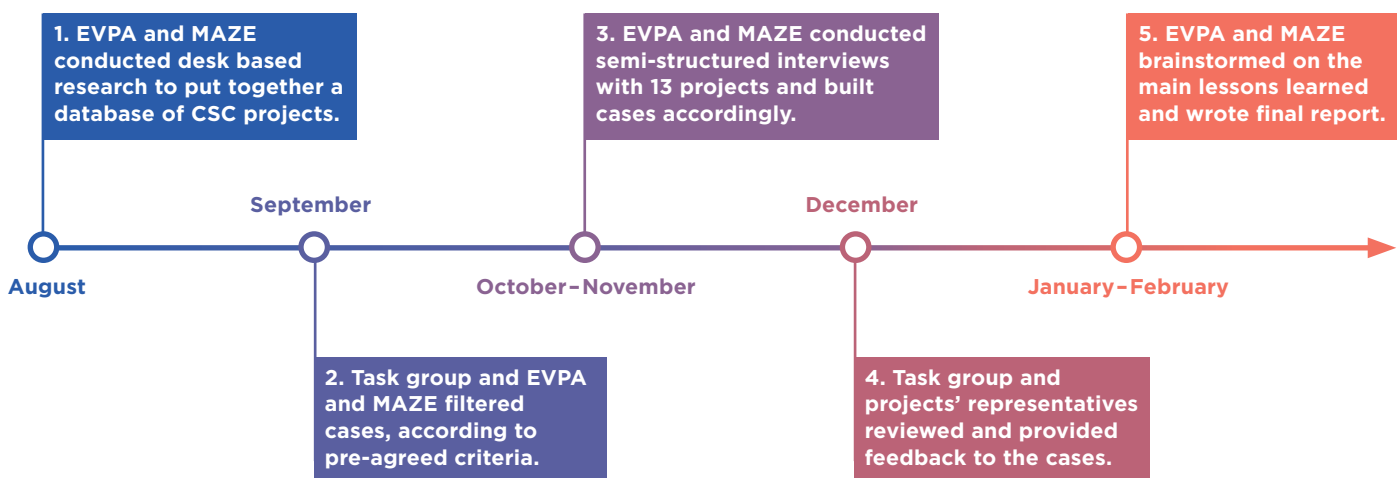
In early 2017, EVPA established a joint public-private leadership programme with the aim of fostering cross-sector collaboration (CSC) as a way of increasing resources and expertise to maximise societal impact and provide government with assistance to address challenges within a context of implementing policy. This work is supported by the BMW Foundation Herbert Quandt.

A task group composed of experts in the field was set up to supervise and steer the work. Madeleine Clarke (Executive Director at Genio), Markus Hipp (Executive Director at the BMW Foundation), Veit Bötsch (Finance Manager at the BMW Foundation), Katinka Leiner (Director at FERD Social Entrepreneurs), Jane Newman (International Director at Social Finance UK) and Karen Wilson (Senior Policy Expert at the OECD) formed the task group.

In August 2017 the task group initiated the analysis of different cross-sector collaboration examples throughout Europe. The project intended to study and understand how collaboration across the public, private and social sectors can help achieve better social outcomes.

The research work stretched from August 2017 to February 2018 and the main stages are summarised below. EVPA and MAZE mapped examples of European projects that are currently operating, or have been successfully implemented in the past, using a cross-sector collaboration approach. Projects were categorised using a set of pre-defined criteria and selected projects participated in an in-depth semi-structured interview.

Figure 1: Project timeline
(Source: EVPA and MAZE)



3. CATEGORISATION OF CROSS-SECTOR COLLABORATION CASES

EVPA mapped over 30 different successful examples of cross-sector collaboration throughout Europe. All projects are listed in an interactive database on EVPA’s website, using geo-references to illustrate the geographic distribution of the different examples across Europe. With the input from the task group, projects were categorised along two main pre-defined sets of criteria:

1. **Micro criteria** established the requirements for projects to be featured in the report;
2. **Meta criteria** aimed at guaranteeing a balanced selection of projects.

The Micro criteria were defined based on a literature review and the expertise of the task group. It was considered that for effective cross-sector collaboration to occur, there ought to be (1) a collaborative approach from the onset, (2) a track record of successful collaboration and (3) clear outcomes delivered.

Sub-criterion (3) “measurable outcomes” proved to be the most challenging, given that projects at an early stage could not fully meet it, despite delivering positive initial outcomes. After consulting with the task group,

it was decided to also feature projects with promising intermediate outcomes that present clear metrics which are monitored on an ongoing basis.

As a result of this segmentation exercise, a representative group of 13 cases was identified, and thus included in this report. This well-balanced group of projects represents:

- *Different levels of regional scope (national, regional and local projects):* national level projects being the most represented.
- *Eight different thematic issues:* including access to finance, domestic abuse and territorial cohesion. Unemployment is the most represented social issue, though the examples focus on a range of different target groups.
- *Representation of eight different countries:* mostly from northern or continental Europe.
- *A wide range and mix of funding sources:* often blending philanthropy, public funding and social investment in the same project.

Figure 2: Micro and meta criteria for project selection
(Source: EVPA and MAZE)

1. MICRO CRITERIA	Sub-criterion 1 - Partners upfront agreement to collaborate Sub-criterion 2 - Track record of successful collaboration Sub-criterion 3 - Measurable outcomes achieved	1ST FILTER
2. META CRITERIA	Sub-criterion 1 - Geographical scope (local, regional, national level) Sub-criterion 2 - Thematic variety of societal issues (e.g. health, education, ageing) Sub-criterion 3 - Geographical distribution, across Europe Sub-criterion 4 - Different financial support approaches (from philanthropy to investment)	2ND FILTER

It is acknowledged that this resulting group of cases is only a limited sample of collaborations that exist across Europe. EVPA hopes that by profiling a range of different examples and sharing the learnings from successful cross-sector collaborations, many more organisations will be inspired to engage in such partnerships.

EVPA conducted in-depth phone interviews with the shortlisted projects to learn about them in more detail. The team talked to a representative from each project to know more about conception and implementation, partnership arrangement, sustainability prospects and results achieved. To ensure that information would be

comparable, the same interview script was applied to all projects. Further review and validation by interviewees was gathered as the cases were developed.

The assessment of projects against the micro criteria is summarised below.

The following chapter presents each of the 13 cases in detail, highlighting specific elements such as the partnership structure and arrangements, the outcomes achieved, future outlook and key learnings and challenges. The projects are presented in alphabetical order.

Table 1: Assessment of projects against the micro criteria

(Source: EVPA and MAZE)

Project / Entity	Country / Scope	Thematic area	Partners agreed upfront to collaborate	Track record of successful collaboration	Measurable outcomes
Augsburg SIB	Germany / Local	Unemployment of vulnerable groups	•	No follow-up expected for the project	•
Big Society Capital	UK / Regional	Access to finance	•	•	•
Booklet for Cooperation	Norway / National	Lack of institutional collaboration	•	•	Early-stage but promising initial outcomes
Bridging Generations	Germany / National	Intergenerational disconnectedness	•	•	An impact evaluation is currently undergoing
The Drive Project	England and Wales / National	Domestic abuse	•	•	Early-stage but promising initial outcomes
Fundão Municipality	Portugal / Local	Territorial cohesion	•	•	Early-stage but promising initial outcomes
Genio	Ireland / National	Health	•	•	•
Inspiring Scotland	Scotland / National	Unemployment of vulnerable groups	•	•	•
Mental Health and Employment SIB	England / National	Health	•	•	Early-stage but promising initial outcomes
Migrant Integration SIB	Finland / National	Unemployment of vulnerable groups	•	•	Early-stage but promising initial outcomes
NEETwork	Italy / Local	Unemployment of vulnerable groups	•	•	Early-stage but promising initial outcomes
Robertson Trust	Scotland / National	Education	•	•	•
Social Capital Fund	Denmark / National	Unemployment of vulnerable groups	Local authorities became partners during the project	•	Early-stage but promising initial outcomes

• Fully meets criteria

■ Partially meets criteria

■ Does not meet criteria

4. LIVE CASES OF CROSS-SECTOR COLLABORATION FOR SOCIAL OUTCOMES





4.1. AUGSBURG SOCIAL IMPACT BOND¹

SOCIAL PROBLEM: Youth Unemployment

DURATION: 28 months, from September 2013 onwards

GEOGRAPHY: Augsburg, Germany

RESULTS ACHIEVED: 22 participants in sustained employment.

Launched in September 2013, the Augsburg Social Impact Bond was the first of its kind in Germany. The SIB was designed to test an innovative intervention model to support young unemployed people in entering the job market. The Bavarian Government played the role of the outcome payer, while a German foundation facilitated and coordinated the intervention.

The pilot project aims to break the dependency of youngsters under 25 years of age, coming from vulnerable backgrounds who have neither completed nor enrolled in an apprenticeship programme, do not attend school, are unemployed, have neither had contact with an employment agency nor participated in an agency's programme.

The Social Impact Bond structure coordinates a group of service providers that offer a series of support modules to young people, combined with appropriate employment or apprenticeship experiences. The intervention furthermore includes follow-on support to help self-manage and sustain employment. Juvat, a limited company with social purpose (gGmbH), initiated the Social Impact Bond in cooperation with the Bavarian government.

The SIB raised €0.3m from investors that would be reimbursed and would have yielded financial returns under the condition that 20 participants were placed in employment and sustained their job for more than nine months. Following the positive outcomes of the SIB, a single repayment of principal plus interest was distributed to investors.

KEY LEARNINGS



Collaboration between service providers must be real and allow for a mutual learning process. A strong operational cooperation can enhance the mutual learning and collective outcomes from the cross-sector collaboration.

The relationship with the public sector was smooth and agile since the beginning, although the response cycle was slower than desired. The project was only communicated a couple of months after kick-off to ensure a correct setup and to avoid any reputational risk.

To define a collaboration that suits all partners, the stakeholder management has to vary from partner to partner, according to their role and involvement in

the project. To successfully steer such partnership, all parties regularly gathered for meetings.

Having different service providers with balanced responsibilities did not work out. Instead, partners were subcontracted on a case-by-case basis and managed by a single entity.

Reporting to different investors of the SIB represented a significant challenge. The reporting and partnership management varied a lot between, for example, foundations and private sector actors.

1. For more details on SIBs, please see: **Gianoncelli, A.** and **Boiardi, P.**, (2017), "Financing for Social Impact – The Key Role of Tailored Financing and Hybrid Finance". EVPA., p.52 onwards.

PARTNERSHIP STRUCTURE



Public sector:

- *Bavarian State Ministry of Labour and Social Affairs, Family and Integration* – **Outcome payer**

Social investment intermediary:

- *Juvat gGmbH* (Non-profit subsidiary of Benckiser Foundation)

Private sector / Academia:

- *Law firm Spiegel RA WP Stab Partnerschaft mbB* – **Outcomes evaluator**
- *University of Hamburg* – **Process evaluator**

Social service provider:

- *Ausbildungsmanagement Augsburg*
- *Joblinge gGmbH*
- *Jugend und Familienhilfe Hochzoll*
- *Apeiros e.V.*

Investors:

- *BHF-BANK Foundation*
- *BonVenture*
- *BMW Foundation Herbert Quandt*
- *Eberhard von Kuenheim Foundation*

PARTNERSHIP IMPLEMENTATION



The pilot project was initiated by the *Bavarian State Ministry of Labour, Social and Family Affairs and Integration* together with *Juvat*, a non-profit subsidiary of *Benckiser Stiftung Zukunft*. *Benckiser Stiftung Zukunft* is a German foundation that is focused on addressing the needs of children and testing different financial instruments to promote social innovation in the country.

Benckiser Stiftung Zukunft primarily focused on finding an engaged public-sector partner that would identify a pressing social issue. After some iteration, the Munich-based foundation and the *Bavarian State Ministry of Labour, Social and Family Affairs and Integration* decided that the project should be supporting

NEETs² that were out of the local agencies' reach, in Augsburg.

After the intervention was designed, public and private partners looked for a group of providers that could deliver a series of services within the SIB. The target was to identify competent organisations that together would build a functional cooperation. *Juvat* led the negotiations of the contractual agreement with the public sector, raised the necessary investment, commissioned the social services and selected the independent evaluators. On a quarterly basis, investors received performance reports on outputs and outcomes of the project. Once per year, *Juvat* held a meeting with all the partners.

RESULTS ACHIEVED



The partnership commissioned a process assessment and an outcomes evaluation, conducted by a University and a Law firm, respectively. The underlying metrics of the SIB are binary: success was defined as placing 20 eligible participants into employment or apprenticeships and ensure that these positions were sustained for at least nine months.

The project fully met the objective: 22 participants were placed in jobs or apprenticeships and sustained their positions for nine months or more. Conclusively, the upfront investments were reimbursed to the investors by the public sector, plus the agreed amount of 3% interest over the duration of the project.

FUTURE OUTLOOK



Although the outcome targets of the Augsburg SIB were achieved, there are no signs of follow-on projects at this point. Investors in the project are not-for-profit entities, hence the funding will be reinvested for new charitable projects. In September 2015, *Juvat* launched the first SIB in Austria. This new project is based on

the lessons learned from the Augsburg SIB, although it involves new investors, Austrian service providers and the *Austrian Federal Ministry of Labour, Social Affairs and Consumer Protection*.

2. NEETs: Not (engaged) in education, employment or training.



4.2. BIG SOCIETY CAPITAL



SOCIAL PROBLEM: Access to finance by social purpose organisations

DURATION: Founded in 2012

GEOGRAPHY: United Kingdom

RESULTS ACHIEVED: Big Society Capital (BSC) unlocked more than £1bn, with £586m drawn down from BSC and 2.3x match capital from co-investors.



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Big Society Capital (BSC) was created in 2012 with the mission of improving the lives of people in the UK by connecting investment to charities and social enterprises that are creating social change. It does this by bringing together investment capital, expertise and a network of partners. BSC is a social investment wholesaler, investing in intermediaries, who then invest in charities and social enterprises to tackle social issues across the UK.

Big Society Capital is funded through capital that is drawn from dormant bank accounts and investments

from four Shareholding Banks in the UK. The organisation is set up with four founding principles – independence, transparency, self-sufficiency and assuming the role of an investment wholesaler. *Big Society Trust*, representing the interest of the dormant bank accounts, is the majority shareholder (60%) in *BSC*, while banks own the minority stake (40%). *BSC* is independent of government with a governance structure that involves *Big Society Trust* as the guardian of the mission and accountability of the organisation.

In its set-up, *Big Society Capital* is an innovative form of cross-sector collaboration because it was established by the *UK Cabinet Office* with support from the Shareholder Banks. To date, *BSC* has channelled most of its investments into asset-locked charities and social enterprises with a smaller proportion into non-asset-locked social enterprise or companies with strong social mission. As a wholesale investor, *Big Society Capital* invests in Secured and Unsecured Debt, Charity Bonds, Social Impact Bonds, Equity, Community Shares and Property.

KEY LEARNINGS



The main takeaway from the *Big Society Capital* case is that cross-sector collaborations have the potential to build market infrastructure and foster an entire ecosystem.

In the case of *BSC*, its catalyst intervention as a market champion has led to the creation of a strong social investment market in the UK. *BSC* is a very illustrative example of how market champions can support the development of very sustainable market ecosystems.

***Big Society Capital* was born out of an innovative government initiative.** *BSC*'s endowment is unlocked from British dormant bank account deposits.

Social investment is a growing market in the UK. In the ever-growing number of impact investment funds and intermediaries, strong emphasis must be placed on impact measurement in order to ensure mission alignment.

PARTNERSHIP STRUCTURE



Public sector:

- UK Cabinet Office as initiator of *Big Society Capital*

Social investment intermediaries:

- *Bridges Fund Management*
- *Resonance*
- *Big Issue Invest*
- *Social Finance UK*
- *ClearlySo*

Private sector / Academia:

- Some of the largest retail banks as Shareholders in *Big Society Capital*:
 - *Barclays*
 - *HSBC*
 - *Lloyds Banking Group*
 - *Royal Bank of Scotland*

PARTNERSHIP IMPLEMENTATION



Since its establishment, *Big Society Capital* has maintained a close working relationship with the government through advocating for Social Investment Tax Relief – a tax break available for individual investors when investing in charities and social enterprises. More recently, additional funds from dormant bank accounts have been made available for social investments, on top of the £400m originally committed by the UK Government back in 2012.

The legal set-up of *Big Society Capital* is a good example of cross-sector collaboration: while the public instituted the legal mechanism to draw upon dormant bank accounts, *BSC*'s legal set-up is independent from

the government. Further funding for *BSC* came via the Merlin Agreement between the Government and major UK high street banks which included a commitment for the four largest banks to invest £200m into *BSC*.

As an independent entity, *Big Society Capital* is not bound to directly report to the government. However, transparency is key to fulfil *BSC*'s role as a market champion and to build trust and awareness in the social investment market. *BSC* has recently published data to improve transparency around its social investment activity, including its own investments as well as transactions made by other social investors.

RESULTS ACHIEVED



Over the last years, *Big Society Capital* was established as a champion for social investment in the UK and its set-up has reached other jurisdictions that are replicating its model. As of the end of June 2017, *Big Society Capital* committed more than £1bn inclusive of match-funding from co-investors, with £586m drawn down from

BSC and 2.3x match capital from other investors by charities and social enterprises. Approximately 75% of the investments went into start-up intermediaries, teams or products.

FUTURE OUTLOOK



After *Big Society Capital*'s successful establishment as a market champion and investment wholesaler, *BSC* will shift their operations more and more towards impact and specific themes. *Big Society Capital*'s statement on that regard is that “we believe that we do best by focusing more tightly on the issues where there is clear

evidence or opportunity that social investment could have a strong impact.” Meanwhile the wide range of investment funds and banks in *BSC*'s portfolio will continue to make social finance available.



4.3. BOOKLET: A ROADMAP TO COOPERATION

SOCIAL PROBLEM: Lack of collaboration between social enterprises and municipalities

DURATION: Published in 2017

GEOGRAPHY: Norway

RESULTS ACHIEVED: Far-reaching publication of materials on how to effectively and sustainably set up cross-sector collaborations for social outcomes. Follow-on materials are already under development.



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The “Roadmap to Cooperation” is a booklet created to inspire and guide social entrepreneurs and municipalities that want to find more effective ways of collaboration to address the most pressing social issues.

The booklet is the output of an initiative driven by the *Norwegian Ministry of Local Government and Modernisation*, developed with the support of the most relevant stakeholders in this field in Norway. It is published in

Norwegian and featured on various websites, including the ministry’s website.

The booklet aims to help overcome barriers to cooperation and collaboration across sectors. It is a guide that is designed to facilitate the teamwork of different parties by addressing a wide range of questions, including: how to get a cross-sector partnership started? What are the different forms of collaboration? What are the variables to consider when thinking of the adequate financing form? How should impact measurement be approached? How to navigate through the procurement process?

After the booklet’s success, two of the stakeholders, *FERD Social Entrepreneurs* and *The Norwegian Association of Local and Regional Authorities*, made a second series of materials. The new materials address the implementation of projects in partnerships, and were used to facilitate a workshop to start the dialogue between social entrepreneurs and municipalities.

KEY LEARNINGS



It was crucial that the Ministry was the driving force and promoted the process.

The process was very open and invited all interested stakeholders to showcase successful examples.

The creation of a common understanding requires cooperation over time, including the participation and views of all stakeholders. The Ministry followed a bottom-up approach and created various different means to collect feedback, including a blog to inform and hear the actors engaged in the topic.

The booklet shows how local enthusiasts take action and achieve innovative results in collaboration with social entrepreneurs.

From the public sector’s perspective, a lot of challenges emerge when it comes to procurement. Public sector actors are often risk-averse and seek for rules and past examples to comply with and to follow, rather than experimenting with new ways of developing social services.

From the social enterprises’ perspective, it is very hard to enter into cooperation with municipalities. They often struggle to find the right level and department to discuss the subject.

PARTNERSHIP STRUCTURE



Public sector:

- *Ministry of Local Government and Modernization* – **Initiator**
- *The Norwegian Association of Local and Regional Authorities* – **Initiating the booklet and leading the development of the materials**
- Different Municipalities participating in the process, including the workshops

Leading content development for the booklet:

- *Ferd Social Entrepreneurs*
- *The Norwegian Association for Social Entrepreneurship and Innovation*
- *SoCentral*

Supporting content development for the booklet:

- Individual social enterprises

PARTNERSHIP IMPLEMENTATION



The *Ministry of Local Government and Modernisation* was interested in exploring how to sustainably promote collaboration between municipalities and social entrepreneurs in order to implement innovative interventions in public social services. A task force was created inviting multiple entities, including the *Norwegian Association of Local and Regional Authorities (KS)*, the *Norwegian Association for Social Entrepreneurship and Innovation*, *Ferd Social Entrepreneurs (FSE)*, a Norwegian private social investor and several social enterprises. The task force’s mandate was to conduct an open process to identify the obstacles to collaboration experienced by entrepreneurs and municipalities.

The task force reached out to a wide range of stakeholders to collect further insights. A blog was created to keep the contributors engaged in the process. The task force drafted a prototype of the booklet to be presented at a conference. This prototype was subsequently reviewed and extended as a result of the input by more than 250 people at that same conference.

In addition, the *Norwegian Association of Local and Regional Authorities (KS)* consulted several municipalities in order to identify obstacles and challenges to cross-sector collaboration and to collect feedback.

RESULTS ACHIEVED



While it is difficult to track the Booklet’s reach, it has created significant value for the Norwegian Social Economy ecosystem: all municipalities in Norway have adopted the booklet and the implementation materials. The Booklet was circulated digitally as of February 2017,

and it is now available on several websites to increase the likelihood of being consulted by interested parties. Furthermore, the booklet has sparked initiatives to further develop materials that help all stakeholders to effectively and sustainably set up cross-sector collaboration.

FUTURE OUTLOOK



Ten months after the booklet was published, the partners in the task force are still actively advocating collaboration on social innovation by spreading the booklet and the supplementary materials to municipalities and social entrepreneurs. In this follow-up stage, the *Norwegian Association of Local and Regional Authorities* and

Ferd Social Entrepreneurs are particularly focused on developing master classes, templates and showcase more successful case studies.



4.4. GENERATIONSBRÜCKE - BRIDGING GENERATIONS



SOCIAL PROBLEM: Disconnect between young people and the growing elderly population

DURATION: Initiated in 2009

GEOGRAPHY: Germany

RESULTS ACHIEVED: So far, 75 partnerships (150 cooperating partners) matched approximately 4,000 children and elderly.



© Generationsbrücke Deutschland

Back in 2009, Bridging Generations started as a private social initiative to connect young children with the growing elderly population in nursing homes to promote social inclusion for the elderly while creating awareness for young children on the challenges of current and future demographic changes. The vast interest of stakeholders in rolling out this concept led to the foundation of *Bridging Generations Germany (GBD)* in 2011.

With the initial help of the *BMW Foundation*, *Bridging Generations* started building a partnership with the German *Federal Ministry for Family Affairs*, which is one of the main financing partners for *GBD*.

Despite the long time it took to establish the partnership, the cooperation with the *Federal Ministry of Family Affairs* helped *GBD* on different fronts. First, the Ministry meaningfully contributed to the financial sustainability of the project through funding support. Second, securing a partnership on federal level helped to build the reputation and visibility of *GBD*.

GBD has since then experienced significant growth and adoption throughout Germany. To date, *GBD* has successfully established 75 partnerships in which approximately 4,000 children and eldercare institutions are engaged. At the same time, it continued and established partnerships with many important German players, such as *Caritas*, *BMW Foundation* and the *Federal Government*.

KEY LEARNINGS



***GBD* benefited from the partnerships developed in terms of increased outreach, visibility and access to networks.** Drawing on the networks of its partner institutions

(especially the ones of *BMW Foundation* and the German *Caritas*) was the multiplier that *GBD* needed to grow its intervention quickly.

Building a partnership that included funding with a *Federal Ministry* was a long and delicate process. It took over two years to establish the existing partnership with the *Ministry for Family Affairs*. In the

experience of the founders, negotiating a partnership with a ministry that involves funding was a long and enduring process.

The initiative grew out of a personal social initiative, illustrating that civil initiatives can scale very effectively and secure high-level partnerships. Today, reaching out to schools, kindergartens and nursing homes poses the largest challenge to growth for *GBD*. Scaling the *Bridging Generations* initiative poses challenges for a sound quality control, as the number of interventions grew faster than the staff of the venture.

PARTNERSHIP STRUCTURE



Public sector:

- German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth – **Partner and Commissioner**

Service provider:

- Generationsbrücke Deutschland (*Bridging Generations*)

Private sector / Academia:

- BMW Foundation Herbert Quandt – **Funding and Infrastructure Partner**
- Caritas Germany – **Funding and Infrastructure Partner**
- Koerber Foundation – **Infrastructure Partner**

PARTNERSHIP IMPLEMENTATION



Bridging Generations drew a lot of attention from different stakeholders in Germany. At first, more nursery homes contacted GBD to evaluate possible partnerships.

Soon after, GBD partnered with the BMW Foundation, which provided not only financial support, but also increased media attention and infrastructural support.

In 2016, GBD was able to formally partner with the German Federal Ministry of Family Affairs as a funding partner for *Bridging Generations*. Driven by GBD’s effort to raise awareness and increase media attention, the venture sought to partner with the public, especially leveraging high-ranking politicians to become ambassadors for the project. Alongside the access to a broader audience, the public partners contribute significantly to the financial sustainability of GBD:

the German Federal Ministry for Family Affairs, Senior Citizens, Women and Youth has committed to a three-year contract, paying €50,000 annually to *Bridging Generations*.

The goal, according to *Bridging Generations*, is the public adoption of their social service. Following the funding partnership with the German Federal Ministry of Family Affairs, this goal may be more realistic than expected. Alternatively, *Bridging Generations* is also exploring models in which schools and nursing homes voluntarily enter the programme, but receive subsidies and support from the respective government units.

RESULTS ACHIEVED



At this point, *Bridging Generations* only captured qualitative feedback from children, elderly, teachers and nurses. However, partnerships with academic institutions to evaluate

the impact are currently being developed. To date, GBD was able to establish successfully 75 partnerships (150 cooperating partners) through which approximately 4,000 children and elderly were matched.

FUTURE OUTLOOK



For the future, GBD has set clear goals for the initiative to take the next steps: the social impact evaluation is currently being handed over to an academic institution and work is being done to improve the quality control and continuous support of ongoing interventions.

As a long-term goal, GBD is evaluating the option of being adopted as a public policy or setting up a public incentive system for schools and nursery homes interested in adopting the service.



4.5. THE DRIVE PROJECT

SOCIAL PROBLEM: Domestic abuse

DURATION: 2016–2019

GEOGRAPHY: United Kingdom

RESULTS ACHIEVED: Despite the very early stage of the intervention, results of the Drive project look very promising.

***Drive* challenges perpetrators of domestic abuse. It develops, tests and evaluates an intervention model to fundamentally change perpetrators' behaviour and protect victims and families. The programme combines intensive case management with perpetrators, and local multi-agency work to disrupt abusive behaviour. Case managers employ a dual support and challenge strategy: this means supporting people to address issues that might contribute to their abusive behaviour while ensuring they experience the full consequences if they continue to be violent and abusive.**

The pilot programmes are delivered in Essex, South Wales and West Sussex in the UK by a cross-sector group of stakeholders and delivery partners. The Drive partnership is made up of *Respect*, *SafeLives* and *Social Finance*. It is funded by *Lloyds Bank Foundation for England and Wales*, the *Tudor Trust*, *Comic Relief*, local funding from *Police and Crime Commissioners* and the *Police Transformation Fund*, a central government fund.

Drive began as an initiative of *Social Finance's* Impact Incubator. The Impact Incubator is a collaboration between charitable foundations and *Social Finance* to develop scalable, sustainable models that transform outcomes in areas of acute social need. The foundation partners at the time were *LankellyChase Foundation*, *City Bridge Trust*, *Esmée Fairbairn Foundation* and the *Tudor Trust*.

The early research and development funding enabled central and local government partners to come in alongside philanthropic funding to support implementation. *Drive* is implemented in partnership with the public sector and funded by a mix of grants from foundations and public funding from local police commissioners, local authorities and the *Police Innovation Fund*.

KEY LEARNINGS



The strength of the *Drive Project* lies within the multi-agency working approach. However, a multi-agency working approach requires strong governance and systems for information dissemination in place. The collaboration between a multitude of public and private actors is a demanding challenge for the management of the initiative.

Innovative or disruptive intervention models require a shift in paradigm among service providers and commissioners. In the case of the *Drive Project*, the focus shifted towards working with high-risk/serial

perpetrators instead of solely supporting victims of domestic abuse.

An essential part of the set-up process of the *Drive Project* was to embed the services locally. Local service provision requires strong local ownership and governance. *Drive* case managers work with the full range of statutory and voluntary agencies involved with domestic abuse perpetrators and victims, using all levers available to disrupt abuse.

PARTNERSHIP STRUCTURE



Public sector:

- *Sussex, Essex and South Wales's Police Crime Commissioners* – **Funding local delivery costs**
- *Police Innovation Fund* – **Central Government Funding**
- Local authorities – **Funding local delivery costs; local governance and strategic project oversight**

Delivery partners:

- *Respect UK* – **Charity, Drive partner**
- *SafeLives UK* – **Charity, Drive partner**
- *Social Finance UK* – **Drive partner**
- **Service providers:** *The Change Project, Safer Methyr Tydfil, Oasis, DVIP, Hampton Trust*

Private sector / Academia:

- *University of Bristol* – **Independent evaluator**
- *Lloyds Bank Foundation* – **Philanthropic investor**
- *The Tudor Trust* – **Philanthropic investor**
- *Comic Relief* – **Philanthropic investor**

PARTNERSHIP IMPLEMENTATION



Fewer than 1% of perpetrators get a specialist intervention that might prevent future abusive behaviour and as a result there is a high level of repeat victimisation.

Research carried out by the *Social Finance Impact Incubator* into the issue of domestic abuse identified an opportunity to develop a new intervention for perpetrators that minimises repeat and serial patterns of abuse.

The *Drive Project* pilot launched in April 2016 and operates in three areas across England and Wales (Essex, South Wales and West Sussex) in the period 2016–2019. The approach was developed by a partnership of *Respect*, *SafeLives* and *Social Finance*, combining their respective expertise in working with both perpetrators and survivors of domestic abuse,

as well as the development and replication of new social innovations. In each area, the support provided by the *Drive Project* is delivered by local specialist charities and partners bringing together housing, substance misuse, mental health and police and criminal justice responses alongside support for victims of domestic abuse. A key part of *Drive's* set-up process was to embed the service locally through a multi-agency working approach. This requires strong local ownership, governance and systems for information sharing to be in place.

The intervention is funded through a public private partnership between foundations (private philanthropy) and public authorities (local police commissioners, local authorities) and the central government (*Police Innovation Fund*).

RESULTS ACHIEVED



In its first year, the *Drive* intervention addressed roughly 200 perpetrators across the three geographic areas. The *University of Bristol* released a report on first findings in late 2017. The emerging findings in terms of

impact on risk and abuse are encouraging, albeit on a small numbers of cases (n=30), reflecting the fact that relatively few perpetrators had completed the ten-month *Drive* intervention at this early stage of the pilot.

FUTURE OUTLOOK



The evaluation of the *Drive Project* will assess the costs and financial benefits as well as the social impact of the intervention and determine whether there is a humanitarian and economic case for national roll-out. If the intervention is proven to be effective, the ambition is that *Drive*

will be implemented more widely across the UK. There are also plans in place to further test the *Drive* model in five new areas from 2018. This replication testing phase will ensure the model is codified and there is sufficient evidence to support national roll-out.



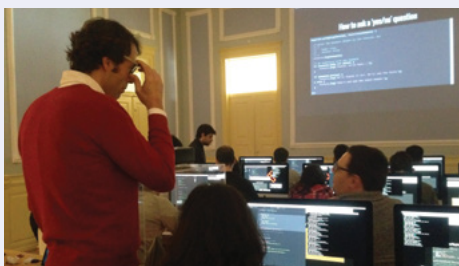
4.6. MUNICIPALITY OF FUNDÃO

SOCIAL PROBLEM: Territorial and social cohesion

DURATION: Initiated in 2013

GEOGRAPHY: Fundão, Portugal

RESULTS ACHIEVED: Over 500 IT engineers working in multinational and local IT companies have relocated to Fundão as a result of the collaborative effort.



© Academia de Código

Fundão is a city located in the centre of Portugal. With around 30,000 inhabitants, Fundão's main economic activities are agriculture-based which represent over €100m in revenues per year.

In 2012, the *Municipality of Fundão* defined clear policy priorities: create employment, attract investment and place innovation at the core of all social and economic activities of the region.

In order to meet these goals, the *Municipality of Fundão* devised a strategy in close partnership with its citizens, private players and other public-sector entities.

In 2013, implementation began. A nearshoring strategy was selected as the vehicle to achieve the policy objectives. Nearshoring is the reallocation of businesses, units or processes in countries/cities that are competitive (in terms of cost) and relatively close to main headquarters. In partnership with *Altran*, a French private company, *Fundão* initiated this strategy and was able to create 300 employment opportunities in the IT business. Today, following *Altran*, another 14 IT companies have established their offices in Fundão with more than 500 IT jobs created.

In order to ensure that the employment creation strategy worked for local inhabitants, the *Municipality of Fundão* has collaborated with *Academia de Código* (a social enterprise delivering computer programming courses), the *Employment Institute* and *Portugal Inovação Social* (central outcomes fund) to create IT training programmes. This has led to another form of cross-sector collaboration: a Social Impact Bond aiming at improving IT skills of local unemployed youth and placing them in the job market.

KEY LEARNINGS



Adapting the skills of civil servants and technical staff of the *Municipality of Fundão* was a challenge.

The staff had to move from being delivery partners to becoming salespeople oriented towards investors and multinational companies.

Attracting short-term talent is easier than retaining talent in the long term. The *Municipality of Fundão* is addressing that through multi-sector initiatives that improve the overall quality of living in the city, supporting young people in establishing their family ties in the region.

Even though the *Municipality of Fundão* established the overarching policy objectives of the project, the strategy results from a collaborative and participatory project with local citizens and private-sector entities. Throughout 2012, a number of town hall meetings and consultation meetings were held in order to engage with the wider community and ensure alignment with the policy objectives that were set.

***Academia de Código* is the service provider of the Social Impact Bond in Fundão. It delivers computer programming courses to 200 unemployed young adults.** Through a demand-led process, *Academia de Código* adapts the training programmes to the specific needs of local employers.

PARTNERSHIP STRUCTURE



Public sector:

- *Municipality of Fundão* is the creator of all initiatives promoting employment creation, investment mobilization and innovation incentives – **Project manager, funder and policy guidance**
- *Instituto de Emprego e Formação Profissional* (Employment Institute) is the interface between employers and the training programs focused on the skills that employers need – **Delivery partner and policy guidance**
- *Portugal Inovação Social* is the government outcomes fund for Social Impact Bonds – **Outcome payer**

Service provider:

- *Academia de Código* is the **main provider of training programmes** to unemployed youth, as part of a Social Impact Bond (SIB)

Private sector / Academia:

- IT Companies are the direct target of Fundão’s strategy in attracting investment and creating employment opportunities – **Delivery partners and beneficiaries**

PARTNERSHIP IMPLEMENTATION



The leadership team within the *Municipality of Fundão* defined the overall project and policy priorities. From the beginning, it set meaningful collaboration agreements with citizens, corporates, social enterprises and other public entities. Local inhabitants participated in a collaborative process organised through town hall meetings.

The *Municipality of Fundão* needed a first corporate champion to deliver a proof of concept for its near-shoring strategy. *Altran*, a French multinational IT company was the first target. *Altran* received a turnkey solution whereby the *Municipality* ensured the following: (1) basic infrastructure; (2) support in recruitment and training of local inhabitants; (3) welcoming of reallocated employees; and (4) tax incentives on VAT and corporate tax reduction (from 21% to 6%).

After *Altran* established its offices in Fundão and created 300 IT jobs, another 14 companies followed, resulting in the creation of more than 500 IT jobs. The *Municipality* felt the need to have an agile and flexible intervention that could adjust to the specific skill-needs of employers. *Academia de Código* emerged as a potential solution – a social enterprise that works with unemployed youth enrolling them in a 14-week programming course.

The *Municipality of Fundão* took advantage of the Central Outcomes Fund launched by the Government and initiated the structuring of a SIB in order to address the skills gap amongst young people in Fundão. It collaborated with *Academia de Código* and the *Employment Institute* that provided guidance on training programmes and the needs of employers.

RESULTS ACHIEVED



In 2012, Fundão was poorly ranked in the Portuguese municipal transparency index. Nowadays, it ranks top of the table with a score of 86/100 and aims at ranking first. In 2012, having 10 IT engineers in the city would be considered a good figure. Nowadays, there are over

500 IT engineers working in multinational and local IT companies. Around 200 unemployed young people gained access to computer training programmes in order to enhance their skills and improve their employment readiness.

FUTURE OUTLOOK



The policy goals of this project are still in the process of being met and the *Municipality of Fundão* recognises that more initiatives need to be in place in order to fulfil them. In the near future, the focus will be on improving infrastructural conditions such as education, health

and community services with the aim of ensuring that those who were attracted to reallocate to Fundão will create strong and sustaining ties. Only in the long term will the *Municipality* be able to assess territorial cohesion outcomes.



4.7. GENIO: TRANSFORMING SOCIAL SERVICES

SOCIAL PROBLEM: Social services insufficiently tailored to support people to lead self-determined lives in the community

DURATION: Founded in 2008

GEOGRAPHY: Ireland

RESULTS ACHIEVED: Over 8,000 people provided with personalised support; more than 19,000 individuals received training and information to promote the implementation of personalised social service provision.



© Genio

Genio is an independent non-profit organisation specialising in social service transformation. It was established in Ireland in 2008 by Madeleine Clarke, Founding Executive Director. Genio works closely with the government and philanthropy to transform social services to support people in leading self-determined lives in the community.

Internationally, philanthropy and governments invest significant resources every year to provide support to those in need, yet there is increasing demand for services and costs are rising. Citizens' expectations are also shifting towards services that are flexible and personalised. Personalised services address the unique needs of the individual and are delivered in the community, fostering inclusion and participation. International evidence demonstrates that this can achieve better

outcomes and cost savings. However, existing complex systems are difficult to reform. Philanthropy often tries to innovate in parallel to government services, resulting in limited reach or long-term impact. Conversely, stretched government resources are often locked into older services, leaving limited opportunity to innovate. By working in partnership, philanthropy can invest in innovation that is sustainable, scalable and ultimately has potential to impact whole populations of need.

Genio has developed a model for cross-sector collaboration that allows for innovation. Genio takes a phased approach across three stages: (i) early innovation; (ii) scaling innovation; and (iii) system-wide change. The organisation has spent the last ten years developing and implementing system change strategies in the areas of disability, mental health and dementia and is currently moving into the area of homelessness. This has involved facilitating an alliance between philanthropy and government using private funding as a catalyst to refocus public spending to produce better outcomes, cost effectively.

KEY LEARNINGS



Complex systems, with ingrained practices and vested interests, face major challenges in reforming themselves.

Philanthropic funding can be a catalyst in creating systemic change if targeted strategically.

Effective system change strategies need to take account of all of the key stakeholders. This includes addressing policy-makers, politicians, funders (philanthropic and public), public service commissioners, service providers and people who rely on services (and their families/carers), and identifying what each needs to do in order to bring about the required changes.

Scaling for systemic change may involve growing organisations but is more focused on changing mind-sets across multiple stakeholders and scaling practice across a range of organisations and agencies.

Funding alone is rarely enough to bring about change. Building capacity to implement change and measuring impact are also important.

Systemic change occurs over a trajectory that moves from (i) identifying early adopters to (ii) supporting scaling, through to (iii) creating the conditions for system-wide implementation.

PARTNERSHIP STRUCTURE



Public sector:

- Department of Health (An Roinn Sláinte) – **Funding partner and implementation partner**
- Health Services Executive Ireland – **Implementation partner**

Non-profit fund manager and capacity builder:

- Genio

Private sector / Academia:

- The Atlantic Philanthropies – **Funding partner**
- Individual private donors – **Funding partner**
- Various universities and research institutes

PARTNERSHIP IMPLEMENTATION



Genio’s approach to catalyse change in social service provision revolves around three activities:

Innovation Funding: Genio awards innovation funding, the majority of which is government funding combined with philanthropic support, to help bring about social service transformation. Funding to service providers is allocated on a competitive, performance-managed basis to service providers. Funding covers additional costs of moving from older models of service delivery to new models which are more cost-effective and produce better outcomes.

Capacity Building: Genio provides training, information and expertise to individuals, families, service providers and others who have a role to play in supporting people who are disadvantaged to live full lives in their communities.

Impact Measurement: Genio places a high priority on being accountable and on providing independently measured impact. Since 2008, the organisation

spent over €2m on research and evaluation, much of which has been undertaken by researchers at universities and research institutes. In addition, Genio has developed a comprehensive monitoring and evaluation system to extract and collate the learning from all projects funded through Genio.

Genio is currently co-managing a Service Reform Fund of €45m (€15m philanthropy, €30m Government) to reform services in a cost-effective and beneficiary-centred direction. Hence, Genio collaborates with the Government of Ireland and with additional philanthropic resources to build and invest in innovative social services, and rigorously measure outcomes in order to transform social service provision on a strong evidence base. At the moment, Genio works in Ireland in the fields of dementia, disability and mental health and are in the process of engaging with the Health Service Executive and the Department of Housing, Planning, Community and Local Government in order to apply the model to the area of homelessness.

RESULTS ACHIEVED



In the early innovation stage of the current programme areas, Genio had the opportunity to help demonstrate that supporting people in personalised ways produces better outcomes and is more cost-effective than traditional, standardised services. It took five years, almost €24m, numerous information and training events and 66 researchers and research assistants in eight

universities and research institutes to provide clear evidence that this is the case. Between 2010 and 2015, the Genio Trust awarded funding to 226 initiatives, supporting over 8,000 people with personalised services. Over 19,000 people, including family members and staff working in services, have received information and training to support the implementation of personalised supports throughout the country.

FUTURE OUTLOOK



Since 2015, Genio has moved into the ‘Scaling Innovation’ phase of its current programmes. Genio has continued to work with its government and philanthropic partners to increase the availability of opportunities for people to live the lives they choose through its dementia programme and through its partnership with the

government on a Service Reform Fund. Genio is now moving to apply the expertise they have developed, to new areas of need starting with homelessness in Ireland. Genio is also exploring the application of their model both within broader national as well as international contexts.



4.8. INSPIRING SCOTLAND



SOCIAL PROBLEM: Children, youth, education, health

DURATION: Founded in 2008

GEOGRAPHY: Scotland

RESULTS ACHIEVED: Inspiring Scotland has so far managed more than £120m across eight different funds. More than 300 charities received financial and/or non-financial support.



Inspiring Scotland, 14:19 Fund © Malcolm Cochrane Photography

***Inspiring Scotland* is an innovative venture philanthropy organisation designed and developed in response to the needs of Scotland's charities, which is working with a range of investors, all driven by a desire for social change, including the *Scottish Government*, trusts and foundations, companies and high net worth individuals. Alongside philanthropic funding, *Inspiring Scotland* also offers pro-bono specialists and an extensive network of volunteers.**

The different funds *Inspiring Scotland* is operating are raised from the national government, regional governments, private philanthropic investors as well as charities. Normally, investments are also matched with non-financial support provided by *Inspiring Scotland's* extensive network of pro-bono professionals as well as volunteers.

The partnership between *Inspiring Scotland* and the national and local governments has grown out of a strong trust in the performance of *Inspiring Scotland*. Instead of commissioning, the government is the lead investor for *Inspiring Scotland's* philanthropic funds (around 85%) to work on very specific social issues. In turn, *Inspiring Scotland* has shown reliable outcomes and rigorous impact measurement and reporting. *Inspiring Scotland* also cooperates closely with civil servants on the ground.

KEY LEARNINGS



The main learning for *Inspiring Scotland* was to manage expectations in such a way that everyone in the project is fully aligned and clear about the mission, approach and intended impact. *Inspiring*

Scotland learnt that it is key to document partnership agreements upfront and push back if and when arrangements are not respected.

Social organisations that did not perform as desired, despite a proper due diligence, or whose partnership behaviour deteriorates, had to be exited from

***Inspiring Scotland's* portfolio.** While it is not only acceptable, but also necessary to take risks at times, *Inspiring Scotland* did not shy away from facing difficult conversations to terminate any unsuccessful or difficult cooperation.

The partnership between *Inspiring Scotland* and the *Scottish Government* evolved on a strong basis of trust. To maintain the credibility and trust from both public and private institutions, *Inspiring Scotland* challenged to ensure the quality of their work and impact in every single project.

PARTNERSHIP STRUCTURE



Public sector:

- *Scottish Government, both national and regional units* – **Lead investor in Inspiring Scotland's thematic funds**
- *Scottish Civil Servants* – **Social initiative partners on the ground**

Venture philanthropist and knowledge partner:

- *Inspiring Scotland*

Private sector / Academia:

- *University of Cambridge* – **Independent evaluator**
- Various private sector investors – **Investors**

PARTNERSHIP IMPLEMENTATION



The partnership between *Inspiring Scotland* and both the Scottish National Government and regional subunits evolved on a strong basis of mutual trust. *Inspiring Scotland* was able to build its credibility through a rigorous impact focus, reliable reporting and efficient and rational performance management, which ultimately led to the public-private partnership between *Inspiring Scotland* and the government.

To this date, around 85% of *Inspiring Scotland's* total capital under management is composed of public resources provided by the national government. The investment is spread across eight different thematic funds that support the work on different social issues both through funding as well as knowledge transfer and expertise sourced from a large network of volunteers and pro-bono consultants. The underlying thematic areas of all funds are children and youth, education and health.

Inspiring Scotland is legally set up as a company limited by guarantee and a charity. The respective government units are the lead philanthropic investors in *Inspiring Scotland's* funds. The formal relationship between the government and *Inspiring Scotland* is established through a grant letter that clearly defines the use of the funds, the objectives and legal obligations. The investment of private investors usually follows a varying procedure, with individual contracts, a Memorandum of Understanding or letters of intent underlying the engagement.

The performance of the philanthropic funds is reported in biannual reports to both the government and the investors. Social service providers and charities that receive funding from *Inspiring Scotland* report financial and organisational performance as well as social impact data monthly. The performance is ultimately measured against what is defined in the grant letter. Evaluations are independently conducted by private partners or academic institutions, for example the *Cambridge University*.

RESULTS ACHIEVED



In total, *Inspiring Scotland* has more than £120m under management in eight different funds. To date, more than 300 charities have received financial and/or non-financial support. Across the different thematic areas,

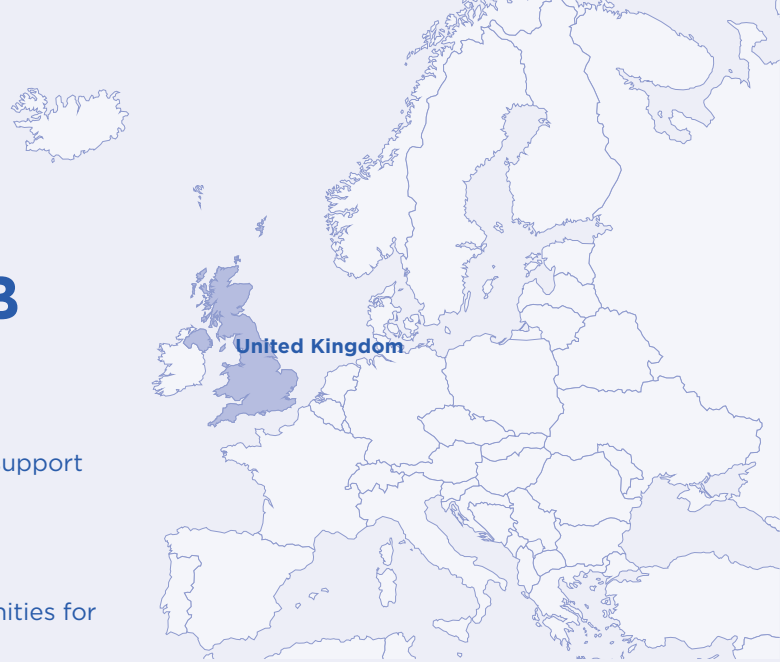
Inspiring Scotland's financial and non-financial support has achieved some great results: the "14:19" Fund has moved more than 25,000 young people into employment, education or training.

FUTURE OUTLOOK



Inspiring Scotland is starting to raise for a follow-up fund for their very effective "14:19" Fund, which supports some of the most disadvantaged young people aged 14 to 19 in Scotland who struggle to access employment, education or training, creating an opportunity for

them to transform their lives. Government's contributions today make up a major portion of *Inspiring Scotland's* funds. For the future, *Inspiring Scotland* wants to diversify its sources of funding for more independence.



4.9. MENTAL HEALTH AND EMPLOYMENT SIB

SOCIAL PROBLEM: Social services insufficiently tailored to support people to lead self-determined lives in the community

DURATION: 2016–ongoing

GEOGRAPHY: United Kingdom

RESULTS ACHIEVED: So far, over 200 employment opportunities for people with severe mental illness were created.



© Vianney Le Caer

The project was implemented as a Social Impact Bond (SIB) between the *MHEP* as the intermediary, two outcome payers (*Cabinet Office* and *Big Lottery Fund*), a social investor and the IPS service providers. *Social Finance UK* designed and incubated the Special Purpose Vehicle, *MHEP*, as the operating intermediary of the SIB.

The outcome payments to the service providers amount to a maximum of £2.9m based on the achievement of employment outcomes for up to 2,800 service users. The direct costs of designing the SIB from a standing start were £150k, granted to *Social Finance* from *Big Lottery’s Commissioning Better Outcomes Fund (CBO)*.

In April 2016, *MHEP* commissioned multi-year *IPS* service contracts with three public bodies, *Staffordshire County Council*, *London Borough of Haringey* and *Tower Hamlets Clinical Commissioning Group*, to kick off the operational intervention.

The Mental Health and Employment Partnership (MHEP) is a vehicle through which local commissioners can procure an employment intervention for people with mental illness known as Individual Placement and Support (IPS). IPS is designed to address the employment support needs of people with severe mental health conditions, based on having an employment advisor embedded in local mental health professional teams. Employment specialists are trained to provide people with support, coaching, resume development, interview training, and on-the-job support.

KEY LEARNINGS



Public commissioners have to be open to enter innovative commissioning models that disrupt the status quo of public service provision. It is very important that

incentives and objectives are well aligned in order to allow for effective and smooth cooperation.

The development of the SIB and building relationships with all relevant stakeholders took a long time. It is important that all involved parties have clearly defined reporting standards, where all critical metrics are defined and agreed upon by all stakeholders. Service providers were contracted on different target outcomes by the *MHEP*, which caused operational issues and increased management effort.

The MHEP Social Impact Bond is very well documented and communicated by the various stakeholders involved. The need for multiple reporting lines and standards has added a layer of administrative burden on service providers, but allows for greater transparency and collaboration.

The intermediary of the SIB, MHEP, is a special purpose vehicle that was founded and incubated by Social Finance UK solely to manage the intermediation of the SIB. This approach has helped to accommodate flexible contracting structures with service providers and a more efficient management.

PARTNERSHIP STRUCTURE



Public sector:

- *Cabinet Office UK*, Social Outcomes Fund (SOF) – **Outcome payer**
- *Big Lottery Fund*, Commissioning Better Outcomes Fund (CBO) – **Outcome payer, grantor**

Delivery partners:

IPS Providers commissioned by three public bodies:

- *Staffordshire County Council*
- *London Borough of Haringey*
- *Tower Hamlets Clinical Commissioning Group*

Private sector / Academia:

- *Social Finance UK* – **Incubator of MHEP**
- *Big Issue Invest* – **Investor in MHEP (equity and loan)**

PARTNERSHIP IMPLEMENTATION



Social Finance UK has designed and incubated the partnership that constitutes the foundation for the Social Impact Bond.

By integrating mental health treatment and employment advice services, opportunities for employment of beneficiaries are created in a more effective, synergetic manner. This way, the *Mental Health and Employment Partnership* will support commissioners to source and commission evidence-based programmes, support the management of these services and help to further scale successful interventions.

The *MHEP* includes the public sector on two ends. On the one hand, the *Cabinet Office* is involved as the outcome payer: it will pay up to £990k over the first two years of the contract, given successful outcomes of the SIB. On the other hand, the *MHEP* supported the commissioning of three-year IPS service contracts with three public bodies (*Staffordshire County Council, London Borough of Haringey, Tower Hamlets Clinical Commissioning Group*) and offered managerial support.

The partnership is implemented as a SIB. *Big Issue Invest* has supported the implementation of the *MHEP* vehicle with equity and a loan. The *MHEP* vehicle has been designed to allow for different commissioners to work with it in contracting with providers individually. This has allowed, for example, the structures for *Staffordshire and Tower Hamlets* to be different from each other whilst commissioning the same IPS service from respective providers. The open book philosophy of *MHEP* is perceived as very helpful for the providers.

Under the *MHEP* model, social service providers report formally on a quarterly basis with monthly updates and conference calls in between. All providers reported, even at this early stage in contract delivery, that following this model had significant impact on their approach because of the frequency of reviewing and reporting outcomes.

RESULTS ACHIEVED



At this point, the SIB and the interventions are still at a very early stage. So far, over 200

employment opportunities for people with severe mental illness have been created.

FUTURE OUTLOOK



Once independent evaluations of the intervention indicate the successful implementation of the *MHEP* Social Impact Bond, the intervention model can be rolled out and adopted by public policy. Furthermore, *MHEP* has already

added three new areas at a much lower development cost, facilitated by an additional £0.9m of outcomes payments from *Big Lottery Fund*. There is ongoing potential to further scale the model.



4.10. MIGRANT AND REFUGEE INTEGRATION SIB



SOCIAL PROBLEM: Migrant and refugee integration and employment

DURATION: 3 years, started in January 2017

GEOGRAPHY: Finland

RESULTS ACHIEVED: 17% of people that have started the programme have started paying income tax and stopped receiving employment benefits.



© The Finnish Innovation Fund Sitra / Miikka Pirinen

their skills and personal goals. After finding employment, participants receive on-the-job training and the assistance they need to make the most of the opportunity. The employer is involved from the beginning to help build the main requirements for the position and to provide constructive feedback to the trainee.

The intervention aims to provide the help needed for migrants and refugees to sustain jobs in Finland. The SIB is designed to support up to 3,700 people in moving from receiving social security benefits to becoming tax-paying workforce.

Investors have provided an upfront investment of about €14m, which they expect to redeem in 2023. The *Ministry of Economic Affairs and Employment* will return 50% of cost benefits to the investors. The impact is measured in two ways: less paid labour market benefits and increased tax income.

The Migrant and Refugee Fast Employment and Integration Social Impact Bond is the second SIB launched in Finland and the first of its kind in Europe. This initiative gathers a fund manager – *Epiqus*, *The Finnish Innovation Fund Sitra*, three private investors and the *European Investment Fund (EIF)* to finance an innovative intervention to better integrate migrants who arrive in the country.

The intervention offers migrants and refugees job-matching assistance between labour market needs and

KEY LEARNINGS



After the first SIB's success, the government and its ministries seem more and more interested in this mechanism. However, passing the enthusiasm on to public servants and the operational institutions has been difficult.

In this particular SIB, one of the key challenges was to overcome the inoperativeness of local labour agencies in finding immigrants for this intervention.

The biggest challenge to this point was to raise awareness of the benefits of cross-sector collaboration and to introduce the concept of Social Impact Bonds to public authorities.

Another major challenge is the public procurement of outcome-based projects. As there is hardly any

national precedent and the context of other countries is very specific, it is difficult to draw upon international best practice and apply lessons learned from other jurisdictions.

The outcome payer may not be the one who carries the economic cost. While the outcome payer in this SIB is the *Ministry of Economic Affairs and Employment*, the economic cost of migration is carried by the *Ministry for Social Affairs and Health*.

The EIF is one of the eight investors. It is the first time that an EU institution directly participates in a SIB. The *EIF* targets a 10% return on the investment. If the project is successful, the *EIF* wants to invest in further initiatives to support migrant and refugee integration across Europe.

PARTNERSHIP STRUCTURE



Public sector:

- *The Ministry of Economic Affairs and Employment* – **Outcome payer**

Delivery partners:

- *OrtonPro*
- *Arffman Housing*
- *Luona*
- *Opteam*

Private sector / Academia:

- *Epiqus Ltd.* – **Intermediary**
- *European Investment Fund* – **Investor**
- *Sitra* – **Investor**
- *SOK Finland* – **Investor**
- *Tradeka Finland* – **Investor**
- *Finland’s Orthodox Church, one private person, one foundation and one municipality* as **investors**

PARTNERSHIP IMPLEMENTATION



In 2015, the inflow of migrants and refugees drastically increased in Finland. The government was lacking an effective intervention to address the complexity and scale of the refugee crisis. The *Ministry of Economic Affairs and Employment* and *Sitra* decided to run a SIB to test a new innovative intervention.

A *Government Procurement Agency* was actively involved in designing the SIB’s legal arrangement. Although initially *Sitra* acted as an intermediary and gathered all the stakeholders to set the SIB up, it eventually stepped back to take exclusively the role of an investor. *Epiqus*, a Finnish impact investment fund manager, then played the intermediary role.

The *Ministry* was interested in setting up a limited partnership fund and ran a public procurement to manage it. *Epiqus* won the bid and became responsible for recruiting and managing service providers, managing investment capital coming from five different sources, managing and allocating funds to service providers, monitoring performance and reporting to the investors and the *Ministry*.

Epiqus collects and analyses operational performance data, as well as financial data, which it shares with the ministry and the investors on an annual basis. *Epiqus* has contractual agreements with the *Ministry for Economic Affairs and Employment*, with each of the eight investors as well as with the various service providers.

RESULTS ACHIEVED



Social outcome metrics in this SIB are based on the saved expenses for social security and increased tax income through the employment of participants. The average target IRR for the project is 8%. Social outcomes are monitored through an online system created and managed by the *Ministry*. Out of the roughly 600 people who were involved during the first year, about 100 people have

found a job so far. In other words, 17% of people who have started the programme have stopped receiving employment benefits and started paying income tax. The intervention phase ends in the end of 2019. Outcome payments will only be distributed in 2023, based on the saving between 2017 and 2023 with respect to programme participants.

FUTURE OUTLOOK



The first SIBs are understood as a test of concept. *Sitra* is working with other government departments on different areas, including families and children, ageing, environment and health, and is exploring potential cases

for further SIBs both in Finland and abroad. The size, commitment and efficacy of the Migrant and Refugee Integration SIB in Finland has received a lot of attention throughout Europe, with the underlying motivation to replicate the structure in other countries.



4.11. NEETWORK

SOCIAL PROBLEM: Youth unemployment

DURATION: Launched in 2015

GEOGRAPHY: Italy

RESULTS ACHIEVED: Around 500 traineeship opportunities were offered by approximately 250 non-profit organisations.

The *NEETwork* project was created in July 2015 and aims at engaging and re-engaging youngsters who left education prematurely, are excluded from the labour market and are not effectively reached by existing public initiatives related to youth unemployment.

Young people who are NEET – Not in Education, Employment or Training – include those who are aged between 15 and 29. In Italy alone, there are 2.2 million youngsters in this situation, of which 240,000 reside in Lombardy and represent 17% of the total population in that age group. In addition, there are two other issues in the region: on the one hand, despite the funding available through the EU Youth Guarantee scheme to tackle youth unemployment, only 30% of potential beneficiaries in the region are registered for support. On the other hand, non-profit organisations are not seen as potential employers for such youngsters.

The *NEETwork* project brings together the expertise of a group of entities from the private, public and social sector in order to recruit an increasing number of eligible youngsters for the Youth Guarantee scheme. It provides them with training support on hard and soft skills, and offers them a 4–6 month paid traineeship programme in a non-profit organisation.

The project aims to provide paid traineeships to 1,000 youngsters while building a better understanding about the NEET phenomenon and testing innovative ways of engaging with the target population. By January 2017, 500 traineeship positions had been offered by 250 non-profit organisations.

KEY LEARNINGS



The *NEETwork* project demanded a financial commitment alongside a close interaction and support to the implementation from the public sector. In this way, it

was ensured that incentives were aligned throughout the design and implementation of the project.

Using a customised approach to reaching out to youngsters through Facebook was fundamental in meeting the recruitment targets of the programme. Facebook campaigns led to as much as 1,400 applications in only few months with a much lower cost per conversion.

Data privacy issues concerning personal information on youngsters have been more complex than initially forecasted. *Fondazione Cariplo* contracted external

entities specialised in this field in order to ensure compliance with data and privacy regulations.

Balancing the eligibility requirements of the EU Youth Guarantee scheme and the high influx of applications proved to be tougher than expected. The bureaucratic exercise to verify eligibility criteria was a big effort, and the conversion rate was very low: over 40,000 youngsters have been reached, of which approximately 21,000 met the requirements, 11,000 have been contacted and 1,400 have been handed over to the matching process with hosting non-profit organisations.

PARTNERSHIP STRUCTURE



Public sector:

- *Lombardy Regional Administration* – **Responsible for providing access to eligible youngsters and for implementing the EU Youth Guarantee scheme**

Delivery partners:

- *CGM-Mestieri Lombardia* – non-profit employment service entity that **matches youngsters and non-profit organisations**
- Over 300 non-profit organisations as **employers**

Private sector / Academia:

- *Fondazione Cariplo* – conceived and promotes the project and is the **main funder with €1.6m**
- *Adecco Foundation for Equal Opportunities*: responsible for **the intervention model and engagement/eligibility check of youngsters**
- *Toniolo Institute* – responsible for **disseminating and building knowledge about NEET** and its causes in Italy.

PARTNERSHIP IMPLEMENTATION



This project was initiated by *Fondazione Cariplo* upon understanding that a number of important variables to address the NEET issue were not being connected: most prominently a lack of interest from youngsters, which demands innovative ways of engagement, but also employment opportunities in non-profit organisations that were consistently not perceived as potential employers.

The *Lombardy Regional Administration* is responsible for the implementation of the EU Youth Guarantee scheme in the region. The role of the *Lombardy Regional Administration* and its staff is to assess and validate the eligibility criteria of youngsters as well as to deploy the funding made available by the EU. Non-profit organisations involved in the *NEETwork* project fulfill two different roles. In one segment, *Adecco Foundation for Equal Opportunities* and *CGM-Mestieri Lombardia* are responsible for the provision of services under the EU Youth Guarantee scheme, the first contact with NEETs and the matching process. The other group consists of over 250 non-profit organisations that are available to offer traineeship programmes to NEETs.

While there was no separate and dedicated legal entity created for the *NEETwork* project, there is a programme manager employed by *Fondazione Cariplo* that is fully dedicated and responsible for the project. There is a Memorandum of Understanding signed by all parties in which each entity is assigned to specific actions, tasks and deliverables. An Advisory Board was established in order to oversee the project and provide strategic guidance, meeting on a monthly basis.

A number of Facebook campaigns were launched to target both youngsters whose profile meets the criteria of the EU Youth Guarantee scheme and mothers with children aged 18–24. Several learnings from these campaigns were incorporated in further recruitment processes. The Facebook database proved to be the one with the least overlaps, effectively reaching unaddressed youngsters, and the targeted approach to mothers resulted in a higher number of NEETs who registered.

RESULTS ACHIEVED



After the launch in 2015, over 40,000 youngsters have been reached, of which approximately 21,000 met the requirements, 11,000 have been contacted and 1,400 have been handed over to the matching process with hosting non-profit organisations. By January 2017, the *NEETwork* project had provided 500 traineeship

opportunities offered by 250 non-profit organisations. An impact evaluation of the *NEETwork* project is underway using a Randomised Controlled Trial in order to test the intervention quantitatively in terms of impact on employability, participants' attitude towards employment, and employment rates.

FUTURE OUTLOOK



Fondazione Cariplo and the partners of the *NEETwork* project are working on scaling the intervention. The first expansion, within Italy, aims to reach at least five regions in the southern part of the country.

Complementary to scaling geographically, the partners of the project are also looking at ways in which other groups of beneficiaries (currently unemployed) can be addressed and benefit from the programme.



4.12. THE ROBERTSON TRUST: MCR PATHWAYS PROJECT

Glasgow, Scotland

SOCIAL PROBLEM: Social services insufficiently tailored to support people to lead self-determined lives in the community

DURATION: 2015 onwards

GEOGRAPHY: Glasgow, Scotland

RESULTS ACHIEVED: At this moment, the MCR Pathways Project is awaiting evaluation of its outcomes. If successful, the pilot will be adopted as public policy.



© The Robertson Trust

MCR Pathways is a third-sector organisation which aims to embed a model of relationship-based mentoring across all 29 secondary schools in Glasgow for young people who come from disadvantaged backgrounds.

MCR Pathways funding partnership was established in Glasgow in 2015. The partners are: *MCR Pathways*, the delivery agency; *The Robertson Trust* and other independent funders, who have provided grant funding for the demonstration period; and *Glasgow City Council*, which has committed to continue funding the service should it prove successful. The demonstration period runs for three years (2016–2019).

A contract has been signed, committing the *Glasgow City Council* to sustaining *MCR Pathways* from 2019–2024, if the agreed educational outcomes are met. The agreed outcomes are: improved attendance and participation in school, higher levels of attainment, retention at school beyond 4th year, and positive destinations after leaving school (further education, higher education or employment).

The Robertson Trust is Scotland's largest grant-making charitable trust. Since it was founded in 1961, The Robertson Trust has donated more than £150m to charities. The Robertson Trust also provides financial support and a personal development programme for young people from deprived backgrounds in higher education.

In the years following the financial-economic crisis, *The Robertson Trust* has started to explore ways to put its grants to work in a way that would not only help to solve some of the most pressing social issues, but also influence public policy.

KEY LEARNINGS



Focusing on visible but intractable complex social issues that the public sector could not resolve on its own ultimately helped *The Robertson Trust* to

bring the right people together in order to achieve great outcomes. It is about choosing something small enough to make a difference but big enough that people care, so that meaningful partnerships emerge from aligned motivations.

Rolling out the concept of cross-sector collaboration to include multiple funders has proven difficult, due to different motivations. Decisions are not always

based on evidence as party politics, austerity and other distorting factors come into play.

The outcome-based approach to funding a demonstration period takes the risk of innovation off the government and enhances the potential of sustaining what works. The legal setup of the cross-sector collaboration around the *MCR Pathways* project was exceptionally light and allows for a lot of flexibility to adapt in different contexts. At the same time, this contractual set-up allows the Trust to prototype interventions that have the potential to shape broader public policy and practice.

PARTNERSHIP STRUCTURE



Public sector:

- *Local Authority – Glasgow City Council* – **Contractual partner: commits to implementing future interventions**

Service provider:

- *MCR Pathways*

Private sector / Academia:

- *The Robertson Trust* and others – **Funders of demonstration period**
- Independent evaluators from the private sector or academia – **contracted by *The Robertson Trust***

PARTNERSHIP IMPLEMENTATION



The Robertson Trust engages with both local and national government through partnerships on specific social issues. In most cases, once the policy area has been agreed, an appropriate service is co-designed to meet identified needs alongside third-sector partners and service users. *The Robertson Trust* agrees to fund an initial number of years of an intervention as a demonstration project. Within this partnership, the public sector commits to implementing the intervention for a further defined number of years if the demonstration period is considered a success on a predefined set of metrics. This way, this partnership allows the public sector to implement independently evaluated, proven interventions.

One particular intervention is *MCR Pathways* which had focused on reducing the attainment gap between school-aged young people from more affluent and disadvantaged backgrounds. The legal setup of the cross-sector collaboration around the *MCR Pathways* project was exceptionally light: one contract of only

four pages between the public-sector party, the initial funders, the third-sector service provider and an independent evaluator established the legal framework for the partnership.

The service providers on the ground report on their performance and impact to the funders and the public sector on a regular basis. At the same time, regular meetings between government, funder and third-sector service providers are held to build relationships, share learnings about what is and is not working, and make adjustments to the programme as required. During the demonstration phase, an independent evaluator from the private or academic sector also reports on both the qualitative and quantitative outcomes of the intervention. This report determines whether or not the success criteria have been met.

RESULTS ACHIEVED



The *MCR Pathways* Project is currently awaiting evaluation of its outcomes. If the project successfully tackles the school attainment gap

for the sample, the pilot programme will be adopted as public policy.

FUTURE OUTLOOK



At this moment, *The Robertson Trust* is engaged in two contracts that resemble this form of cross-sector collaboration. The Trust is now using the name “Social Bridging Finance” for this additional funding model. For the future, there are more contracts in the pipeline. While this concept

is home to the legal and regulatory framework of Scotland, the model is transferable to most countries in Europe and offers an interesting framework of cross-sector collaboration.



4.13. SOCIAL CAPITAL FUND

SOCIAL PROBLEM: Social exclusion and unemployment of vulnerable and marginalised populations

DURATION: Founded in 2011

GEOGRAPHY: Denmark

RESULTS ACHIEVED: Up to today the fund invested in eight companies and supported 52 ventures through accelerator programmes. Over 750 jobs for the target population were created.



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Estimates suggest that over the past years, more than 400,000 people had no or limited access to the labour market. The *Social Capital Fund (SCF)* initiative was founded in 2011 to test new solutions for social inclusion and employment of vulnerable segments of the population in Denmark.

Since its inception, *SCF*'s work streams have evolved towards offering a range of support services, including: (1) an impact investment fund that invests in Danish social ventures whose main focus is to create opportunities for marginalised groups; and (2) an acceleration programme for social ventures across all development stages with the aim of creating labour demand and employment opportunities.

As the acceleration programmes were very effective in creating opportunities for vulnerable unemployed people to enter employment, several municipalities approached the initiative in order to roll out the intervention in different areas on a payment-by-results scheme.

The programme is now implemented in eight municipalities and has created significant labour demand for vulnerable, unemployed beneficiaries.

KEY LEARNINGS



Multi-stakeholder partnerships take a long time to create, implement and manage.

SCF has reported to spend a lot of time in stakeholder management activities and acknowledge that it is a full-time job to manage the partnerships, the business cases and legal arrangements.

Since *SCF*'s payment-by-results scheme was the first of its kind in Denmark, the legal framework as well as local proof of concept was lacking. Furthermore, as the savings for avoided unemployment benefits allocate to different government bodies, it took a lot of effort to calculate the contribution of each department in the payment-by-results scheme.

This new acceleration programme relies on a robust and sustainable business model, in which municipalities pay for the outcomes achieved (payment-by-results scheme).

After the acceleration programme is set up in each participating municipality, the costs of the intervention are disbursed by the municipality in three instalments. The full payment is made if, and only if, the intervention hits the pre-defined success metrics, and the municipality therefore saves money.

The acceleration programme is continuously fine-tuned according to lessons learned from previous acceleration cohorts. *SCF* invests a lot of time in managing the performance of its intervention.

PARTNERSHIP STRUCTURE



Public sector:

- Several Municipalities – **Public-sector partners to implement the accelerator programme**
- Different central government bodies – **Outcome payer**

Delivery organisation:

- *Social Capital Fund* – **Acceleration programme**

Private sector / Academia:

- *TrygFonden* – **Foundation**
- *The Velux Foundation* – **Foundation**
- **Implementation partners:** *Accenture, Accura, Ernest & Young*

PARTNERSHIP IMPLEMENTATION



Despite Government’s multiple attempts to create incentives for companies to hire vulnerable people, only few small and medium-sized enterprises have done so.

In another attempt to tackle the issue, *TrygFonden* launched the *Social Capital Fund (SCF)* in 2011 with the aim of improving access to the job market for vulnerable people while yielding financial returns. As a result, *SCF* focused on supporting enterprises in growing their businesses, expanding labour demand and creating opportunities for those who struggle to find their way into the labour market.

After the very successful first implementation of the acceleration programme, several municipalities approached *SCF* to roll out the project on a payment-by-results basis, where essentially municipalities’ savings from lower social security expenses would pay for *SCF*’s intervention.

The project was the first of its kind in Denmark and the legal framework has been very uncertain initially. For a long time, municipalities were legally not allowed to cover certain costs of the acceleration programme, requiring philanthropic support. Only recently, new forms of payment-by-result frameworks have been established that allow for full public coverage.

The renewed legal framework changes the dynamics of the initiative significantly. *SCF*’s acceleration intervention model can now be operated as a commercially fully viable product with a strong incentive to perform well, given the underlying payment-by-results scheme. Interest by investors and private sector players is picking up thanks to the legal amendment and the promising outcome record.

RESULTS ACHIEVED



The *SCF* has invested in eight companies and supported 52 ventures through two different accelerator programmes, Social StartUp and the Social Growth Programme.

- Investments (2011–ongoing): eight investments. Results: 184 jobs created.

- Social StartUp (2014–2017): 20 social start-ups and businesses. Results: 49 jobs created.
- Social Growth Programme (2013–2016): 32 social enterprises. Results: 535 jobs created.

FUTURE OUTLOOK



The future outlook of *SCF* acceleration programmes is promising. Legislation has recently been amended to facilitate full municipality outcome payments. Potential private investors are approaching the sector, interested in learning more about this payment mechanism. *SCF*

believes that the programme is on track to scale to more and more municipalities, hopefully to all 98 municipalities in Denmark. What started as a private initiative, benefited from public sector collaboration in finding its route to scale and wider dissemination, reaching a much higher impact.

5. CONCLUDING REMARKS AND MAIN LEARNINGS

We have identified a number of **features** that are **common** to all of the cases featured in this report.

The most prominent common denominator is the underlying motivation to engage in cross-sector collaboration: the public, private and social sector actors collaborate to develop improved interventions by pooling complementary skills and resources. Similarly, most partnerships featured share having a long-term vision for their collaboration.

Based on the research work for this report, the following prerequisites for successful cross-sector collaboration towards social outcomes were identified:

Alignment: the design and implementation of cross-sector projects require a great deal of alignment and trust. Alignment is achieved through transparency regarding motivations, definition of responsibilities, definition of outcomes to be achieved and great mutual trust and appreciation.

Risk management: risk must be allocated efficiently between the public, private and social sectors. Cross-sector partnerships are more likely to happen when the risk is spread among the partners and commensurate to the potential impact and economic returns. Stakeholders have to be accountable for their responsibilities in the partnership.

Building Evidence: data is a core aspect for the development of effective solutions. Gathering relevant data is vitally important to the understanding of the root causes of social challenges and to the development and evolution of service provision models.

This report also identified a range of **success factors** that hold true for most cases:

Boldness: solving entrenched social issues requires a shift in paradigm. Tackling complex social challenges demands bold leadership, willingness to iterate and great flexibility to learn and adjust along the way. Successful projects generate momentum for a cross-sector partnership to engage in innovative or even disruptive strategies.

Responsible leadership in cross-sector partnerships: initiatives where the leading partner assumes an inclusive approach seem to achieve larger impact. Irrespective of its sector – social, public or private – the leading partner must be able to involve all other project partners in setting the objectives, implementing the action and measuring outcomes. This will increase the chances of success of the project and help it achieve greater outcomes.

Engagement and co-creation: the more each party is engaged in the process, the more traction it can generate. A strong sense of co-creation fosters a strong motivation and alignment of incentives. Taking time to build the relationship between all parties and building the case for collaboration from the outset is crucial before entering a project.

Making a match: initiators must find the right partners to cooperate with, in order to ensure a well-running design and implementation of cross-sector collaboration for social outcomes. Often, the right partners are not necessarily the most senior, but the most committed.

6. THE ROAD AHEAD

Great examples of cross-sector collaboration in public services are emerging throughout Europe, as corroborated by the cases featured in this report. However, some are still at a very early stage and conclusive impact reports are not yet available. Yet, the first results highlighted in this report are promising and underline the potential of cross-sector collaboration to promote social impact.

For most cases, scaling the intervention is on the agenda. Be it through adoption by public policy, national or international rollouts or amendments to legal and regulatory frameworks to promote social outcomes, cross-sector projects have the potential to trigger impact at scale and to develop trusting partnerships that can incorporate new projects.

EVPA is committed to promoting thought leadership and move the needle on cross-sector collaboration. As a result, it will work on the following action points going forward:

Launch of peer-to-peer networks: projects must communicate their learnings and practices to their peers, in order to scale successful models to wider contexts. Cases from this report have raised the desire to establish peer networks to accelerate the implementation and scaling of successful projects. This will be done through convening opportunities.

Dissemination of information: increase the availability of information and intelligence about successful cross-sector projects across Europe. EVPA will continue collecting and disseminating information on cross-sector partnerships. This report is the start of such commitment.

Focus on leadership: responsible leadership is a pre-condition for effective cross-sector initiatives. For it to happen, there need to be opportunities for in-person meetings, productive gatherings and engagement of experienced practitioners that have taken part in cross-sector initiatives. EVPA will foster meaningful connections amongst practitioners from all sectors that want to fast-track collaboration.



MAZE - Decoding Impact

Maze is a social investment intermediary, working together with ventures, investors and the public in order to scale effective solutions to the most pressing social and environmental challenges.

Based in Lisbon, Maze was established in 2013 as a market champion for social innovation and impact entrepreneurship in Portugal. To date, we accelerated more than 50 ventures and currently run three acceleration programmes in Lisbon and Porto. Maze launched four Social Impact Bonds and raised 3 million Euros investment for impact ventures in Portugal.

In order to build the market intelligence around social innovation in Portugal and across Europe, Maze supports both public and private institutions in various publications covering research, market consultation and case studies.

The European Venture Philanthropy Association (EVPA)

Established in 2004, EVPA works to enable venture philanthropists and social investors to maximise social impact through increased resources, collaboration and expertise.

EVPA's membership covers the full range of venture philanthropy and social investment (VP/SI) activities and includes venture philanthropy funds, social investors, grant-making foundations, impact investing funds, philanthropy advisors, banks and business schools.

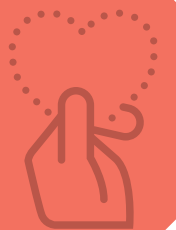
EVPA is committed to supporting its members in their work by providing networking opportunities and facilitating learning. Furthermore, we aim to strengthen our role as a thought leader in order to build a deeper understanding of the sector, promote the appropriate use of VP/SI and inspire guidelines and regulations.

<http://www.evpa.eu.com>

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