Power & Partnering: Social Investment in Health & Social Care

A practical guide to support high quality collaboration and partnership around social investment in Health & Social Care

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Contents

We want to hear from you!

We are planning to update this document based on the feedback we receive. Please get in touch to share your insights and experiences so we can include them in the next edition of this guide.

Contact: **alice.birch@socialfinance.org.uk**

Glossary of Terms

By-and-for organisations: Non-profit or community-based organisations that are run by and serve a specific community or group, ensuring that decisions and actions are made with the direct input and involvement of those they serve.

Global Majority: The collective group of people from non-European, non-white backgrounds who together form the majority of the world's population. This concept emphasises the demographic reality that people of African, Asian, Latin American, and Indigenous descent constitute the majority globally, as opposed to the historically Eurocentric view which often positions white populations as the default or norm.

Intersectionality: Multiple areas of identity relating to discrimination and privilege interact to shape the overall experiences of individuals.

Learnt experience: The perspectives, insights, and skills gained through direct participation in activities, events, or processes. Unlike theoretical or academic learning, learnt experience is practical and often comes from hands-on involvement and real-world interactions.

Lived experience: The perspective and insights gained from personal experiences, particularly those related to overcoming challenges or navigating specific circumstances, often used to inform decision-making and programme development in social initiatives.

Outcomes-based contract/financing: A contractual arrangement in which payment is only made if predefined outcomes are achieved. Some social investments are structured in this way.

Outcomes framework: An outcomes framework is a structured approach to defining, measuring, and evaluating the impact of an intervention. It provides a systematic framework for identifying and articulating the desired outcomes or results that the intervention aims to achieve, as well as the indicators and metrics used to measure progress towards those outcomes.

Outcomes payor: An entity, such as a government agency (e.g. NHS, Local Authority, Central Government), insurance company or philanthropic organisation, that agrees to pay for specified outcomes achieved by a service provider or social program, typically as part of an outcomes-based contract.

Power differential: The unequal distribution of power or influence between individuals, groups, or organisations, which can impact the ability to collaborate and achieve desired outcomes.

Power sharing: The intentional distribution or sharing of power and decision-making among stakeholders in a partnership or collaboration, aimed at promoting equity, inclusivity, and mutual benefit.

Service provider: an organisation that delivers specific services or programmes to meet the needs of individuals, communities, or other stakeholders.

Social investment journey: The whole lifecycle of social investment; the process of seeking, developing, implementing, monitoring and sustaining or exiting a social investment partnership.

Social investment: Social investment is the use of repayable finance to help achieve a social purpose. Some social investment models also use grant funding in a 'blended finance' model.

Social investor: An individual or organisation that finance for social investment initiatives, seeking to achieve both financial and social impact objectives.

Terms of reference: A document that outlines the scope, objectives, roles, responsibilities, and expectations of stakeholders involved in a project, partnership, or initiative.

VCFSE: Abbreviation for 'Voluntary, Community, Faith, and Social Enterprise' sector, which encompasses organisations that are non-governmental, non-profit, and focused on addressing social, environmental, or community needs.

Part 1. Introduction

Social investment offers a unique opportunity to create deeper partnerships that dismantle typical power structures to drive and sustain lasting systems change.

To do this right, partners need to work hard to actively prioritise rebalancing power and invest in healthy partnership working. Social Finance have drawn on their own experiences working in this space, spoken to a range of people both practiced and new to social investment and drawn on wider frameworks to create this practical guide.

1.1 Purpose & Audience

Purpose

The purpose of this document is to support organisations and individuals who are exploring or using social investment in health and social care (HSC) to collaborate more effectively.

This document intends to create an awareness of power and its relevance to collaboration and partnership. It also aims to provide guidance on how to create effective partnerships in the context of the social investment 'life cycle'.

Audience

This guide is designed for people and organisations who are embarking on a new social investment journey or already in partnerships using social investment.

It has been written primarily for current and prospective social investors and commissioners of outcomes-based contracts but may be used more broadly. For instance, a voluntary sector service provider looking to have conversations on positive partnering with commissioners or funders may find this a valuable facilitation guide.

1.2 Power Dynamics in Social Investment Partnerships

Social investment partnerships require effective collaboration between stakeholders from different sectors, professional backgrounds and lived experiences.

Partners coming together to align their motivations around social and financial goals is a key benefit of social investment. This collaboration leads to greater collective impact through shared learning and risk management, and by pooling and aligning resources to deliver greater scale and efficiency. By drawing on varied perspectives, expertise and collective credibility, partnerships can hold a deeper understanding of complex issues and are able to develop meaningful ways of addressing them.

The Partnering Initiative calls this 'Collaborative Advantage', and defines it as **'the extra power, alchemy or 'magic' that allows a group of actors to collectively deliver more than the sum of their input parts.'**

While partnering around social investment offers these potential benefits, it is important to recognise that any collaboration or partnership can create or highlight power discrepancies.

An organisation, group or individual may hold power in one or more of the following ways:

- **Power of knowledge**: to leverage information and understanding to inform decisions and strategies.
- **Power of procurement:** to use resources to win funding and influence commissioners.
- **Power of funding:** to dictate how project funding is used.
- **Power of resources/assets:** to utilise financial resources to influence outcomes and initiatives.
- **Power of partnering:** to engage and secure funding with other organisations.
- **Power of management:** to shape project aims, activities, deliverables, and decisions.
- **Power of information:** to extract, analyse, and draw conclusions from data.
- **Power of voice:** to convene and provide opinions in a group and public setting.

Sources of power are deeply rooted in historical and societal dynamics, perpetuating systems of oppression. This can be seen in instances of discrimination based on ethnicity, sex and other protected characteristics. Efforts to understand and redress these imbalances must be grounded in this context, including accounting for the intersectionality of different factors.

Conversations with a range of organisations and individuals have highlighted how power differentials can negatively impact the productivity or quality of a discussion or collaboration by:

- **Excluding critical voices from decision-making:** When power is unevenly distributed across a partnership, differing views may be suppressed due to a fear of the reaction from others. This can lead to a culture of conformity and exclude valuable diverse perspectives from discussions. When certain voices are marginalised or ignored, trust will be eroded, and the group may overlook important considerations and fail to adequately address the needs of the partnership and project.
- **Reducing trust:** Trust is the cornerstone of effective and true partnership. Power differences foster mistrust by generating feelings of unfairness, lack of transparency, and limited accountability.
- **Reducing commitment:** If a partner feels disempowered or believes their resources are being used without their input, they are unlikely to be motivated to serve the aims of the partnership. For example, frontline staff may not be motivated to undertake data collection if they don't understand the purpose or if they were excluded from service and evaluation design decisions.
- **Making relationships unsustainable**: If a power imbalance endures and results in a partner not gaining value from the project, they may withdraw from the partnership. For example, an overly burdensome reporting requirement which holds little value for a small VCFSE in serving its beneficiaries, may overstretch their sparce resources to an unsustainable point.

Part 2: Power, an A B C D E

The following ABCDE guide outlines key considerations to foster high-quality collaboration within partnerships and overcome negative effects of power differentials.

A for Acknowledgement

Effective collaboration is underpinned by trust. One effective way to build trust is to actively acknowledge the real or perceived power imbalance that may exist in a social investment relationship (i.e. relative financial assets, organisational capacity, profile, scale, etc.). Power differences are perceived differently and will not be one directional; one stakeholder might hold power on one spectrum but not on another.

Acknowledging power differences can mitigate the negative impacts of power imbalances (outlined in the previous section) and can:

- clarify your motivations and intentions in partnering
- uncover otherwise hidden opportunities for alignment and collaboration
- start a partnership on a good footing by establishing transparent and open communication
- demonstrate respect for the perspectives of others and awareness of your own role and privilege

Practical advice around acknowledging power differentials includes:

Name to tame!

Start with a conversation. Discussing power dynamics can be uncomfortable but sometimes the most effective way of approaching a power difference is to explicitly acknowledge it. Bring humility to these discussions, listen and be thoughtful in terms of timing, language and delivery.

Reframe power positively

Rather than acknowledging what an organisation lacks, focus on the power and richness of expertise they are bringing to a discussion; particularly those from lesser-heard communities. Make space for that power to shape a discussion.

Remove roles & hierarchy from the discussion

Establishing a human-to-human dialogue rather than one based around professional titles and roles can enable more equitable and trusting partnership. This could involve asking people to introduce themselves by explaining why they are excited by the project rather than by their job title.

Acknowledging power can be particularly meaningful for smaller voluntary, community and social enterprises and grassroots groups who are often overlooked in terms of the value they bring.

This concept is brought to life in a **briefing paper** by **Imkaan**, a Black feminist umbrella organisation dedicated to addressing violence against Black and Minoritised women and girls in the UK.

" Organisations can experience themselves as struggling, fighting for funding, or having less voice than larger, well-funded charities. It can be difficult then to take a step back and acknowledge, where they do hold power. For example, where a larger, non-BME women's organisation may be privileged, in policy or commissioning terms, over a small local BME women's organisation. In such a situation, the achievements of the larger organisation may be viewed purely as reflective of the quality of services, the volume of work, or the organisation's leadership. On the other hand, there may also be a reluctance to recognise that a BME organisation with strong leadership, delivering excellent services, knowing its local community and working equally hard or harder will still be required to navigate the more complex landscape of interlocking oppressions (e.g. sexism and racism) that is likely to place them at further disadvantage. "

B for Balance

Partners should go further than simply acknowledging a power discrepancy and take proactive steps to redress it. This not only makes their partnership fairer but also helps them reach their goals better by removing obstacles to engagement.

Some areas where proactive steps to balance power may be appropriate include:

Financial compensation

Financial compensation for collaborators can reflect the value of the time and insights they are contributing. When engaging or convening groups around social investment consider the financial implications for participants. This is particularly important for individuals who are contributing in their personal capacity and on behalf of small organisations. Compensation may enable crucial but lesser heard voices, such as those with lived experience, to engage with social investment when time, travel expenses or childcare would have presented a financial barrier.

Time

Different stakeholder groups will have different availability in terms of time. Consider the time you are requiring of organisations and individuals you are engaging with. Steps to balance discrepancies can include:

- Being flexible about the timings of meetings, both in scheduling and duration (e.g. clinicians often have irregular/short/unpredictable windows of availability, so a drop-in session in their workplace can work well).
- Minimising pre- or post-meeting tasks and making them fully accessible to accommodate those with limited time.
- Finding alternative ways for people to contribute outside of structured meetings.

Expertise

If there is an imbalance in understanding of a certain topic it can stifle effective collaboration. Consider sharing briefing materials before meetings and setting time aside at the beginning of a discussion to establish a common level of understanding of an issue. This can facilitate open and enthusiastic engagement on that topic.

C for Communication

One of the most significant manifestations of power is in communication. Some key principles to consider include:

Inclusive discussion

The way we have discussions around social investment is important. Whether you're speaking as an individual or representing an organisation, it's crucial to think about how much space you take up in a conversation and how you create opportunities for others to participate. Often the loudest, most confident voices will lead a discussion to the detriment of genuine productive collaboration. One useful approach could be using formal chairing or facilitation techniques during group discussions.

Language

Efforts should be made to communicate simply and without jargon to avoid alienating others, especially around technical aspects of social investment. Be mindful of the impact of the terminology you are using, particularly in relation to minoritised communities. There's a more detailed explanation on the importance of inclusive language in **this blog by The King's Fund**.

Communication methods

Effective communication means considering the diverse experiences and access levels of individuals when choosing from the multiple communication channels available. Choose communication methods that match the skills, resources, and accessibility requirements of your audience to ensure everyone can participate fully.

For example, meeting in person is invaluable for building relationships but can be expensive and time-consuming for people who are geographically distant. In these cases, online meetings may be more practical. However, when partnering with individuals in the community, it's important to think about providing equipment and assistance for online meetings and/or meeting in community locations that are easily accessible.

D for Decision-making

Decision-making should focus on equity and ensuring those with the relevant expertise (including lived and learnt experience) are involved in decision-making rather than simply the loudest or most 'powerful' voices in a room.

Decision-making responsibilities and accountability in a partnership should be considered, logical and transparent. This can involve using well established processes and tools like a **RACI matrix**.

Including service user voices in decision-making

Social investment in health and social care presents an opportunity to shift decision-making closer to communities that hold deep expertise around the services, experiences and outcomes that they need.

Historically, lesser heard groups were commonly excluded from service commissioning and delivery, or 'consulted with' but not actively included in design and implementation.

By actively engaging with communities around the identification of issues and outcomes that a social investment project is trying to achieve, we can create more effective services and meaningful, trusted partnerships with communities.

It is important to be realistic and proportionate about the extent to which communities can be part of decision-making. It can be more detrimental to over-promise and under-deliver than to not engage at all.

The '**ladder of co-production'** can provide a useful framework on how to engage service users meaningfully in decision-making.

E for Equity, diversity & inclusion (EDI)

Incorporating EDI principles into social investment partnerships is not just a moral imperative but a strategic necessity. By prioritising these principles, social investors can build stronger, more impactful collaborations that drive positive social change across the whole of society.

Equity

The word "equity" means fairness and justice. It is about recognising we have different starting points and making adjustments to redress imbalances.

Social investors should take proactive steps to assess and redress inequities in who they partner with and how they partner. Social investors need to demonstrate that they are working to understand the inequities that exist in a particular issue area and are proactively committing investment to partners who are working to address them.

This is important because certain groups, particularly those from Global Majority backgrounds, face barriers to receiving and benefitting from social investment. Research by the **Commission on Social Investment** has found that people and organisations from Global Majority backgrounds:

- are less likely to receive social investment
- are less trusting of the sector
- are impacted by a lack of intermediary support
- have less access to inclusive funding products

Diversity

Diversity is about building a rich tapestry of perspectives; it is not about tokenistic representation. Insight, expertise and 'checking and challenging' from a varied range of collaborators can add great value for social investment projects.

Social investors should prioritise collaborating with individuals and organisations that have varied, broad and deep expertise and experience. This can include providing funding but also involves ensuring diverse representation on steering groups and among less formal collaborators.

Devolved governance – BD Giving

In December 2020, Barking and Dagenham Council transferred parts of the Neighbourhood Community Infrastructure Levy (NCIL) to BD Giving, initiating a Community Endowment Fund with £650,000.The fund is built on three core values: sustainability, inclusive stake, and governance; ensuring long-term funding, community ownership, and democratic involvement.

Since May 2020, BD Giving has driven community participation, distributing over £250,000 through innovative projects that challenge traditional charity funding and governance. BD Giving engages the community in deciding how the Fund is invested and managed, emphasising relationship-building across silos and organisations. BD Giving has a Community Steering Group (CSG) made up of twelve women, mostly People of Colour, all resident in Barking and Dagenham and including mothers and business owners. With support in the form of expert training, the CSG designed an investment policy balancing impact, risk, and return.

Inclusion

Inclusion is about creating environments where everyone feels valued and respected, regardless of their background or identity. Prioritising inclusion creates space for diverse perspectives and fosters a sense of belonging, empowering all stakeholders to contribute meaningfully to success.

Practically, inclusion requires ongoing commitment, including efforts to include diverse voices, facilitate collaboration, and maintain openness and transparency. It also involves being receptive to change and feedback.

Research with people living with dementia

Social Finance is working in Hounslow to understand the availability and quality of dementia care by focusing on accessibility and inclusivity, particularly for underserved groups. Our research process prioritised direct communication with people living with dementia.

We designed inclusive data collection methods, such as conducting interviews in accessible locations and using large cards for clarity. We collaborated with the Alzheimer’s Society to co-facilitate sessions, ensuring a safe and supportive environment. We benefitted from Alzheimer’s Society’s expertise in engaging with dementia patients, ensuring sensitive and effective interactions.

This direct engagement produced some valuable insights forming the foundations of our ongoing work in this space. Our learning around how to improve the inclusivity of the process even further was to provide materials in multiple languages and increase facilitator support.

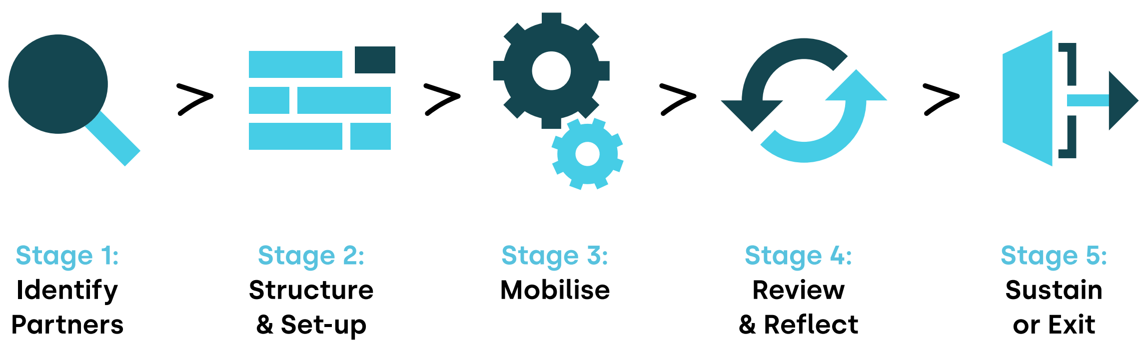
Part 3: Partnering on a Social Investment Journey

Social Investment Partnerships

Social investment partnerships can take various forms, but typical parties include:

- **Social investors:** to provide upfront funding e.g. philanthropic funders, charities, foundations, trusts or private companies.
- **Service providers:** to deliver services and positive outcomes for beneficiaries e.g. VCFSEs, NHS delivery organisations or social enterprises.
- **Commissioner or 'outcome funder':** in an outcomes contract, when the service provider achieves positive outcomes, an outcome funder (often the NHS or a Local Authority) pays a set pre-agreed amount either directly to the investor or via the service provider. Investors are repaid only if positive outcomes are achieved.
- **Intermediary:** Some social investment arrangements include intermediaries who can provide performance management support (tracking and improving outcomes), service evaluation or financial management.

This guide uses a typical '**social investment journey**' as a basis for exploring healthy and effective partnerships. Whilst there will be context specific differences between social investment arrangements, we have sought to capture some of the common elements in respect to partnering based on our experience.



Stage 1: Identify Partners

Context: Identifying the right partners is key to achieving collective advantage and delivering outcomes. Thoughtful and deliberate partner identification can be achieved in the following four steps:

Step 1: Define the parameters and objectives of your social investment.

Understand your organisation's motivations for investing - this may include creating social impact, seeking financial returns, delivering on philanthropic, strategic or ESG (Environmental, Social and Governance) priorities, or influencing policy. Clearly define the parameters and objectives of your investment, including:

- the amount of money you have available to invest and over what time period
- the level of return you expect and level of risk you're willing to take
- the level of support, engagement and collaboration you can offer a partnership
- the health and social issue(s) you are seeking to have impact in

Step 2: Identify potential partners.

There are many possible partners in a social investment contract. The simplest models will require a service delivery partner to receive investment. Outcomes-based contracts will also include an outcomes-payor. You may also work with others in formal and less formal collaborations throughout the course of the investment.

You can identify service delivery partners by engaging directly with communities, introductions via VCFSE alliances and leveraging existing networks. Conducting mapping exercises such as power, stakeholder and eco-system mapping in parallel can help facilitate an EDI lens to partner identification.

If the area you are interested in does not have many investment-ready organisations/ services, you may have to invest time and resource (directly or through an intermediary) in developing skills, capacity and investible projects. This could include running formal expression of interest calls and providing support to organisations in preparing their investment cases. As an investor, you can add a lot of value in this market building activity, but it requires appropriate planning, resource and skills.

When shortlisting potential partners, prioritise based on potential for impact as well as the robustness of the investment case. Partnering with by-and-for organisations to represent every community across a social issue may not be feasible, so you will need to prioritise groups where the need and potential for impact are highest. If you don't have a deep understanding of the tapestry of community organisations in the area, speak to VCFSE alliances, local networks and community champions to get a better understanding of who is already supporting specific groups and would be well placed to expand their reach/depth of work.

Step 3: Approach potential partners to establish compatibility.

Establishing some key compatibilities as follows, can build a healthy and effective partnership, and can also help anticipate and mitigate potential areas of disagreement:

- an understanding of each other's perspective and priorities
- alignment of interests and values
- a shared compelling vision
- the potential to create significant added value

Consider running a 'hopes and fears' workshop. This can act as a great leveller and shake out areas which might need further discussion.

When you have established compatibility, conduct appropriate due diligence.

This **tool** from the Partnering Initiative may provide a useful assessment for prospective partnerships.

Step 4: Partner!

What good looks like...

- Your parameters and objectives for social investment are clear.
- You have identified partners thoughtfully.
- You have established alignment and fit with potential partners.
- You have done due diligence.

Stage 2: Structure & Set-up

Context: Compared to other forms of funding, social investment can require more intense partnership working and rigour around data and performance management. This brings considerable benefits, but also means social investment partnerships require significant attention in the set-up phase. Creating fit-for-purpose governance, management, operational and reporting arrangements can be achieved in four steps as follows:

Step 1: Develop a funding model and investment vehicle which are fit for the purpose.

Developing funding models to suit the needs of several partners can be complex, requiring a period of negotiation to align priorities and individual requirements. Depending on your in-house capabilities, you may need to seek specialist advice from a social investment intermediary and/or legal counsel.

Some key questions to consider:

- What type of finance can you provide (i.e., debt, equity), over what time frame?
- What is the organisation receiving investment going to do with the money, over what time period?
- Are there any specific limitations or criteria around that investment?
- What are the funding flows between yourself and other partners (i.e. outcomes payor, intermediaries)
- What are the terms of repayment?

Answers to these questions will inform the creation of a 'cash flow model' showing the financial flows over time from the perspective of each partner.

To determine the vehicle through which the social investment will be delivered (e.g., limited company, charity, social enterprise, community interest company), take the cash flow model and marry it with consideration of:

- Financial regulation and compliance considerations.
- The resource-intensity of different vehicle in terms of set up and operation.
- The scalability and flexibility of the chosen approach.
- The market norms and best practice.

- An approach which can accommodate other sources of funding when your investment ends.

Practically, you need to get in place the key processes, licenses and documentation to establish that vehicle, including the constitutional documents of the vehicle that is delivering the investment.

The Equality Impact Investing Project and Bates Wells have created a set of **Equalising Deal Terms (EDT) Principles** to support investors to apply more equitable approach to the shaping of their investment deal terms, legal processes and documents.

Step 2: Define outcomes and measures of success.

If you are investing in an outcomes-based contract, you will need to work with partners to identify the 'payable outcome metric(s)' and the social and financial value attached to these. These payable metrics sit alongside wider outcomes and key performance indicators that will ensure the investment's commitment to EDI, working with VCFE sector and patient centred outcomes.

All stakeholders, including service providers, community representatives, and any likely sources of ongoing funding (i.e. an NHS body or local authority), may play a role in defining the outcomes that reflect both social impact and financial benefit. Ensure these outcomes are meaningful, realistic, and measurable, aligning with the partnership's mission and objectives and that they are valuable for all partners involved.

For example, some existing outcomes-based contracts in **end of life care** use a 'reduction in unplanned bed days' as the payable outcome. This aligns the desire of most patients to receive care and die in their usual place or residence (rather than hospital), with the priorities of the NHS to reduce demand for hospital beds and the high costs of hospital-based care.

Establish an outcomes framework and transparent reporting mechanisms to track progress towards outcomes and demonstrate accountability to investors and stakeholders. Regularly communicate progress, challenges, and successes to build trust and confidence in the partnership.

Recognise that outcomes-based partnerships may require flexibility and adaptation over time. Be prepared to adjust outcome metrics or strategies based on evolving priorities, feedback from stakeholders, or changes in the operating environment.

Step 3: Ensure governance processes are robust and efficient.

Given the complex nature of social investment contracts, governance needs to be robust. Processes and structures should be informed by the partnership arrangement, funding model and nature of the services delivered. Key aspects include:

- **Decision-making:** the partnership should establish where strategic and operational decision-making sits. Roles of governing groups should be outlined in Terms of Reference documentation and reviewed periodically.
- **The value of independent voices:** independent voices in advisory, steering or reference groups can add objectivity, specific expertise, diverse viewpoints, critical challenge and accountability.
- **Credibility:** governance processes and membership by independent experts can lend credibility and build trust in the partnership internally and externally.
- **Service user representation:** where possible and reasonable, governance and decision making should involve input from beneficiary groups.

Step 4: Lay the foundations of data sharing.

Social investment in HSC will typically require some form of data sharing with the NHS and other partners. Data protocols in the NHS vary and timescales can be lengthy. Here are our top tips for building in data governance considerations from the start:

- Seek clarity at project inception on what datasets need to be shared with and by partners to achieve project outcomes.
- Often a simple map of data flows between partners will help the project partners better understand the data governance required for the project.
- Be clear on the purpose and the reasons for requesting all data, in particular sensitive personal data.
- Make sure that you have the appropriate data processing or data sharing agreements in place before data is shared.
- Be clear on your processes for the receipt, storage, management of personal data and how you intend to destroy this data when the project ends.
- Consult your Information Governance Lead and read any company data governance policies before proceeding with your project.

What good looks like…

- Your funding model works for the ambitions of your partnership.
- You have agreed key outcomes and parameters with partners.
- You have established governance processes that will best serve the partnership to succeed.
- You have established data sharing protocols with partners.
- Discussion and documentation regarding structure and set up are transparent and jargon-free.

Stage 3: Mobilise

Context: Managing and nurturing healthy relationships during project delivery means creating a positive shared culture and coordinating people and tasks across multiple organisations without direct line management. Aspects of power sharing which are relevant to this phase are covered in part one of this guide. Healthy working partnership can be achieved in three steps:

Step 1: Build your partnership on trust and transparency.

Before the embarking on a social investment project, it's important to set yourself up for success by establishing a partnership dynamic that is built on trust and transparency. You also need to dispel expectations of a one-directional funder/recipient relationship and arrange formal reporting and contract review meetings.

Some key practical tips include:

- Meet regularly initially (in person when possible) to establish rapport.
- Meet in neutral and informal spaces.
- Talk about the 'elephant(s) in the room', be they around power, equity or pre-conceptions of other partners.
- Get to know each other on a more personal level. To facilitate this you could:
    - use 'double name badges' at initial group meetings which include both the name and a fact about who that person is outside of work. This is a great leveller and conversation starter.
    - play ice-breaking exercises, e.g. pairing people from different organisations and giving them five minutes to find five things in common.
- Consider bringing in an independent facilitator who has experience of social investment to share some of their successes and challenges and bring the concept to life.

Step 2: Prioritise collective problem solving.

Outcomes-based contracting requires a mindset change from a focus on a pre-agreed service delivery model to a focus on outcomes and flexing the delivery of a service to reach those outcomes. The partnership will need to come together regularly to problem solve. This is a unique opportunity for mutual learning but will need structure, planning, time and resource.

Work to build the foundations and conditions for partners (particularly those delivering the service) to be open and honest about challenges so that they can benefit from the support and insight of the wider partnership. Practical steps to achieve this include regular check-ins and communication channels where partners can openly discuss successes and areas for improvement. Encouraging a mindset that views challenges as opportunities for learning and growth can help mitigate the fear of failure and promote a culture of collective responsibility rather than blame.

Step 3: Create management & monitoring protocols that meet the needs of the partnership.

Partnerships should think carefully about capacity limitations particularly among VCFSEs and the NHS. Outcomes-based contracts typically have longer and more intense life cycles, requiring appropriate resource. Practical processes should have realistic budgets and resources assigned, and expectations need to be managed.

Although each project will differ in terms of the specific features necessary, in our experience we have found the following to be useful:

- Regular (monthly) working group meetings and informal catch ups to discuss the core operational issues.
- Regular (initially monthly but later decreasing to quarterly) steering group meetings to provide strategic overview, governance roles, accountability, escalation routes and check and challenge.
- Flexibility of these meetings in response to capacity and project 'pinch points'.
- A 'Terms of Reference' for each group.

It's important to note that the NHS and VCFSEs can experience high turnover of staff. Careful planning, good admin processes (i.e. recording of meeting notes) and thorough handover will help to retain partnership 'memory'.

What good looks like...

- Power imbalances are discussed openly before they become a problem.
- There is a spirit of curiosity or enquiry, rather than suspicion.
- There is good humour and energy in discussions.
- Challenging issues brought to the group are resolved collectively and openly.
- Meetings and governance structures work for all partners.

Stage 4: Review & Reflect

Context: Healthy partnerships embrace reflection and learning as they mature. By actively building a learning culture into your partnership, stakeholders can enhance collaboration, address challenges effectively, and maximise collective positive impact. These benefits can be realised in two steps:

Step 1: Reflect regularly.

Individuals, organisations, and the partnership group should regularly reflect on the health of a partnership. In practice this could include:

- Taking time after meetings to consider where a partnership could be strengthened and using that information to plan the next meeting.
- Picking up the phone to check in with partners about how things are going.
- Making space to run informal reflective exercises such as a sailboat retrospective.

Formal evaluation activities can methodically review a service/partnership impact, highlight achievements and build the evidence base for a service's sustainment. They can also generate valuable insight for the wider sector/policy area. Independent evaluation can present an objective account of impact which adds credibility.

Use trust-based reporting methods that respect partners' resources and capacities. Social investment requires technical reporting around data and outcomes; try to minimise the burden of this and streamline data processes. Plan for regular evaluations and ensure a clear reporting structure throughout the project's duration. Do not wait until the end of a project for formal evaluation and reporting, as resource pressures and staff turnover can be disruptive, and learning should be fed back into practice as early as possible.

Step 2: Establish processes for sharing learning.

Sharing learning internally and externally is crucial for achieving impact and a sustainable legacy. You should funnel insights from both informal and formal reflections back into the partnership through clear feedback loops and consider tools such as learning logs for tracking. Sharing learning externally results in a range of benefits including:

- **Building credibility:** by demonstrating commitment to transparency and openness; potentially attracting funders and collaborators.
- **Inspiring others:** by telling the stories of your partnership's successes, as well as its challenges and lessons learned, can inspire and motivate others working in similar areas.
- **Avoiding the duplication of efforts:** by sharing what worked and what didn't, others can build off these lessons and support a more coordinated approach to addressing social challenges.
- **Fostering accountability:** by sharing learning with your stakeholders, including the communities you serve.
- **Inviting valuable feedback and challenge:** to improve your partnership and project.
- **Advancing know-how in the sector:** to the benefit of wider social progress.

The Partnering Initiative (TPI) provides a partnership health-check which may be a useful reflective exercise.

What good looks like...

- You are regularly reflecting on your partnership formally and informally.
- Challenging topics can be brought to the table by all partners you work together to find solutions.
- Learning is shared regularly internally and externally (where appropriate).
- You can tell a story about your partnership; where you were, where you are now and where you want to go.

Stage 5: Sustain or Exit

Context: Social investments have typical lifespans of a few years; long enough to provide a runway to achieve positive outcomes, but short enough to incentivise sustainability planning from the start. Exiting a social investment contract well, and giving a service the best chance of being sustained can be achieved in five steps:

Step 1: Plan for sustainability from the outset.

A partnership should plan its exit and sustainability strategy from the start, identifying and engaging potential funding sources early in the project. Investors can play a valuable role in these discussions.

Understanding long-term funders' impact goals should guide outcomes selection and monitoring for social investment contracts. In HSC, the NHS and local authorities are key funding sources, so understanding the cost-benefit case for the system is crucial (including potential areas for 'cost avoidance' and 'allocative efficiency'). If you are working under an outcomes contract, it's important to test the robustness of the outcome payor's sustainability plans to assess if they are entering the partnership with shared long-term impact aims of ensuring the service is funded long-term.

All partners should share responsibility for keeping potential long-term funders informed of project progress. This could include sharing learning in real-time, data that gives insight about population needs, and personal stories of impact to win hearts and minds. Sharing challenges and success stories, helps build trust and a shared understanding of the hard realities of the task and the collective efforts to drive change.

The partnership should work to build capacity across partners throughout the life of the project. This means that key skills and capabilities (i.e. data collection and analysis, business planning, continuous improvement) are retained by delivery organisations when the funding period ends so that the services can be sustained without the investor or intermediary partners if new funding is found.

Step 2: Communicate.

Throughout the partnership life cycles, communicate regularly and clearly with all partners about expectations, hopes and ambitions for the end of the partnership. This can include formal aspects such as intellectual property, legal deadlines, reporting requirements, repayment mechanisms and timing, but should also include less formal communication and regular check ins. Both will contribute to a sense of collective responsibility, transparency and nurture goodwill for when the partnership ends.

Step 3: Plan to fail.

One of the values of social investment is being able to take a risk on innovative approaches. That means it’s likely that things will not pan out entirely as expected. It may take longer to get up and running. Services may fail to achieve the outcomes they set out to. Staff may leave without the security of knowing long-term funding is in place. System pressures or a change in priorities may mean a service can’t be continued even if it has demonstrated positive impact.

If partnerships have considered all the eventualities of where things could go wrong, they are in a stronger place to be aware of the greatest risks and put in place mitigations including for service users.

Step 4: Create a plan for a meaningful transition phase.

The partnership needs to co-create a meaningful transition plan which may include a specific budget line for transition activities when the core funding period ends (potentially including maintaining key staff while awaiting decisions on long-term funding).

An important aspect of transition is a plan for maintaining organisational and partnership memory and sharing tacit knowledge. Work with partners to make sure important details and aspects of the partnership management, learning and communications, are readily accessible and easily understood.

If a project is not likely to be continued, the partnership should consider its legacy, including any ‘assets’ that can be passed on to others including the community, and that it is closed responsibly.

Step 5: Amplify the project & offer non-financial support.

Investors can continue to support partners when an investment arrangement ends by amplifying the project’s successes as follows:

- Using communications channels like social media and mailing lists to build support for the project and provider.
- Nominating the project or service provider for awards or recognition.
- Inviting them to sector events or to speak on panels.

Be mindful of what partners are happy to share and ensure any shared outputs are agreed by all partners. Create a communications pack which is updated periodically with pre-agreed text, pictures, stories and quotes, so that partners can share information about a project without creating repeated ad-hoc asks.

Ongoing non-financial support could take various forms including:

- Opening your network to service providers.
- Providing mentorship.
- Providing informal feedback or critical challenge for example through a steering group/board membership.
- Facilitating networking between partners after the partnership has ended.
- Providing technical support and guidance around financial management, data analysis, bid writing, procurement, strategic planning and governance.
- Providing in-kind support such as use of office space or equipment, legal assistance etc.

What good looks like…

- Sustainability is built into your ambitions and ways of working.
- You have established a plan B if there is no funding prospect for the service after the project ends.
- You have shouted out loudly and proudly about the successes and learning of the project and partnership.
- You are leaving the partnership following the campsite rule; with each organisation in better shape than you found it, by embedding learning, upskilling and offering non-financial long-term support to partners.

This useful guide **Grantcraft: The Effective Exit (candid.org)** has some advice around exiting a grant-making relationship that is equally relevant for exiting social investments:

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Social Finance Ltd
87 Vauxhall Walk
London
SE11 5HJ
—
info@socialfinance.org.uk
+44 (0) 20 7770 6836

socialfinance.org.uk

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