



Making funding work for people facing multiple disadvantage

Second report: Roundtable write up

August 2022

Introduction

Recent years have seen the development and implementation of a significant number of government programmes directly or indirectly supporting people experiencing multiple disadvantage. These focused programmes – and the funding they distribute to local areas – are important and welcome. Many were delivered during the Covid-19 pandemic under incredibly difficult circumstances.

However, work by MEAM has found that the way in which government funding streams are traditionally designed, offered, coordinated and monitored can limit the collective impact they have for people facing multiple disadvantage. These findings were based on the views of local areas from the MEAM Approach and Fulfilling Lives networks and published in a [report](#) in January 2022.

This briefing is the next step in this exploratory project. It is informed by interviews with civil servants working at the Home Office, the Ministry of Justice, the Department of Health and Social Care, and the Department for Levelling Up, Housing and Communities. MEAM brought this group together at a roundtable in May 2022 to discuss the challenges of cross-departmental work and to identify solutions to the challenges identified in the previous report. The discussion focused on three of the most pressing issues:

- A: Coordination between programmes and gaps in provision
- B: Remit of funding programmes
- C: Nature of funding allocation

The briefing summarises our findings from the previous report, sets out what we heard at the roundtable and offers a series of recommendations and next steps directed at those within and outside government interested in leading change.

A: Coordination between programmes and gaps in provision

What did the report find?

Recent years have seen a notable increase in government programmes directly or indirectly supporting people experiencing multiple disadvantage. However, the **level of coordination between government departments has been inconsistent.**

Some local areas have perceived a “siloes” approach by government departments, resulting in **duplication of government programmes** that focus on the same cohorts of people experiencing multiple disadvantage, often with similar objectives.

Local areas also recognised the restricting effect of departmental structures and the challenges of rapidly responding to Covid-19, **which increase the risk of duplication.**

Lack of coordination at the national level creates system challenges at the local level. Local authorities, working within constrained bidding windows for funding, and uncertain of which bids will be successful, **find it hard to engage partners in detail on how different programmes will be joined up locally.** This can lead to a duplication of work, where commissioners from different parts of the system develop bids for similar interventions that will support similar cohorts. Areas are then left to deal with any duplication only after the funding has been awarded.

Some areas noted that while there may be duplication across some funding streams, conversely **there are also gaps in funding leading to a lack of specialist support for some cohorts.** This issue was raised in particular for women experiencing multiple disadvantage, and for black and racially minoritised groups.

What did we hear at the roundtable?

- Attendees largely accepted the findings of the report around coordination, stating that these were problems they were aware of and actively engaged in trying to remedy. Examples were given of duplication both within and across departments.
- Duplication is a well-recognised issue among officials, but their capacity to address it is frequently curtailed by the demands of a reactive political context and its effect on the policy development process. There is significant pressure from ministers to action funding programmes on topics within their core responsibility at pace, to distribute programme funding, and to report back on results. There is limited political incentive for ministers to engage with other ministers on joint programmes or to share accountability.
- Even initiatives set up to address this problem, such as the Shared Outcomes Fund projects, can still lead to duplication, with ‘cross-cutting’ programmes being led by singular departments and with a single minister with overall responsibility. This speaks to the deep, systemic factors at play and that by its very cross-cutting nature, multiple disadvantage does not have a natural departmental “home.”
- Some duplication can be managed through processes developed between the grant recipient and the departments. However, these are short-term solutions that do not address the problem of longer-term planning across departments.
- Despite the challenges and constraints raised, there was some recognition of the opportunities to push for change. The Changing Futures programme and the Joint Combatting Drugs Unit are still relatively new initiatives with cross-departmental coordination firmly on their agenda.
- The structural changes to the health system also present an opportunity (as well as a risk) to better coordinate support for people experiencing multiple disadvantage.

Recommendations and next steps:

Government and interested stakeholders should:

- A1. Explore the short-term fixes currently deployed by civil servants to curb the problem of duplication and determine whether they could be used more routinely, effectively or across a wider set of programmes.
- A2. Engage a wider cohort of civil servants working on issues of programme coordination and duplication, including from the Cabinet Office and the Treasury.
- A3. Work with the Changing Futures programme and the Joint Combatting Drugs Unit to better understand how current ministerial and departmental accountability structures lead to coordination and duplication in funding programmes and consider changes that could be made to adapt structures to enable and incentivise a different approach.
- A4. Look at how multiple disadvantage is framed and understood within departments to see if this unlocks the potential for better coordination of programmes.

B: Remit of funding programmes

What did the report find?

Overall, the report found that the **specific remit of funding programmes limited reach and access**. The specific focus of some funding programmes did not provide local areas with the flexibility needed to support people experiencing multiple disadvantage or to focus on systemic change. Funding prospectuses can often set strict criteria as to who can access support under a funded programme and for how long.

In the research for the report, we heard examples of people supported through some programmes who were expected to engage in a manner or timeframe that meets the specific requirement of the funding, rather than in a way that is realistic and tailored to their specific needs. This means that programmes often **require individuals to fit the system, rather than the other way around**. However, we know that supporting people with multiple disadvantage requires flexibility, trial and error.

The report also found that there was a **lack of specific support for the 'infrastructure' needed for systems change**. Systems change requires strong cross-sector partnerships, including people with lived experience, with sufficient time, resource and flexibility to trial new ideas and engage a wide range of local stakeholders. Embedding system-wide changes and ensuring they are sustainable long-term is difficult, often taking place incrementally and over a long period of time. In the context of the barriers described in the report, systems change remains an ongoing challenge for many local areas.

What did we hear from the roundtable?

Programme design

- Attendees agreed that most programmes have a specific focus and that this can limit flexibility in local areas. They pointed to the need for government and ministers to be able to set and measure outcomes as one reason for this. It was noted that there have been some positive changes around funding programme and policy design, but there is more to be done.
- Attendees noted that it's important to consider where funding programme design happens and why. Often, national departments lead on design, as it's then easier for officials to agree it with ministers and to monitor outcomes. However, this then means that local areas are constrained. Attendees considered how they can enable local areas, frontline services and people with lived experience to play a greater role in programme design.
- Attendees are engaged in cross-government work but admitted there is not enough of this and that a top-down approach is often still adopted. Officials tend to set frameworks and structures and ask for contributions.
- Ministers like detail on funding programmes. It was felt that they prefer data from frontline professionals, but there is a challenge to resource this across all areas receiving funding.

Support for systems change

- Attendees questioned how national government understands and articulates its role in driving systems change and the flexibility of funding streams, and how it relates to local government.
- Linked to this, there is a tension between departments and ministers wanting to have clear control and accountability for programmes, which requires a focus on delivery and set outcomes, and the flexibility that local areas need to drive systems change. There is less interest from ministers in programmes focused on less tangible outcomes such as developing systems leadership capacity, or in cross-cutting programmes where outcomes fall across systems. Attendees explored how best to deal with these issues of control and accountability.
- Officials also noted the challenge with how short-term programmes fund system-level changes. Although programmes can drive delivery with short one or two year funding, it is hard to drive, and recruit for, system-change on such a short time frame.
- Attendees agreed that there's a tendency to focus on new announcements and new policy design (or to redesign existing programmes to fit with new announcements) rather than improve quality and coordination of existing provision. This reduces the value and evaluation of any progress already made.

Recommendations and next steps:

Government and interested stakeholders should:

Programme design

- B1. Develop a cross-departmental approach that creates flexibility and allows renegotiation of priorities in all funding programmes.
- B2. Promote the roll out of successful programmes rather than continual re-design.
- B3. Consider how local areas can play a greater role in programme design and how government and ministers can be supported to reduce the focus on numeric outputs and take a wider view of programme success.
- B4. Create opportunities for greater involvement of the voluntary sector, people with lived experience and front-line staff in designing funding programmes, creating a more bottom-up approach.

Systems change

- B5. Clearly articulate and promote the government's role and focus in enabling systems change.
- B6. Commit to all programmes with a focus on systems change having financial support built-in for the local infrastructure needed to drive change; and challenge programmes that are focused on systemic change without the financial resources to support local areas to lead in this space.
- B7. Consider how government can fund and lead longer-term programmes focused on systemic change and develop specific programmes that have a clear focus on increasing the capacity for local systems leadership.

C: Nature of funding allocation

What did the report find?

The **nature of competitive bidding** means that local areas are more likely to put forward bid proposals that will support the largest number of people. Areas reported that bids for larger-scale services for whole-population groups were seen as being more successful, rather than focused bids for specific services for individuals facing multiple disadvantage, or bespoke interventions for groups with specific characteristics.

There was a perception that application **timeframes are too short**. Local authorities found it difficult to meet very tight deadlines and extensive application and reporting requirements for what are often short-term funds. This can impact on the quality of bids and lead to less input from people with lived experience in the process. Some

commissioners told us they have considered not bidding for funds because they don't have capacity.

Short-term **funding timescales and the uncertainty over which bids will be successful** means that there's not enough time or incentive to engage in cross-system, strategic planning. It also affects recruitment and staff retention, with uncertainty for staff and for people using services at the end of a funding period.

What did we hear from the round table?

Competitive bidding

- Competitive bidding is often being used inappropriately in funding allocation/ procurement for core services instead of where it is most effective – testing new and innovative areas of work.
- Attendees suggested that competitive bidding can sometimes be used by government in funding programmes because departments do not hold the data necessary to determine resource allocation by other means. This is a particular issue around multiple disadvantage where national data is limited.
- The system's bias towards larger contracts may be deterring smaller third sector organisations from bidding for funding, for example those organisations working with targeted audiences, such as women and people from racially minoritised communities. Local authorities should provide training and support for smaller VCSE organisations on how to engage with funding opportunities.
- Attendees agreed that successful bids may not be in the areas with most need. Those who already have most funding are often the most successful at bidding because they have the capacity to write better bids.
- It was recognised that local authorities find it almost impossible to coordinate funding streams if they're not sure which ones they're going to win. Areas will bid for all funds and patch together the funding to provide services afterwards.

Short timeframes

- Local authorities can struggle to meet the requirements of a grant within time, so may come close to breaching procurement requirements, stay with existing providers or directly appoint new providers.

Short-term funding

- The limitations of short-term funding are understood across government.
- Many funding opportunities are reactive, in response to pressure from ministers and departments which want to see measurable outcomes and impact in the short-term. This means that in many cases it is difficult for officials to create change on this issue.

- Government systems such as the Spending Review and Treasury functions encourage short-term funding. The Treasury has started thinking about how to introduce more flexibility in funding allocation/procurement.
- Short-term funding programmes can drive delivery, for example in one and two year contracts, but there is no flexibility or time built in to support the infrastructure and coordination needed for more radical systems change.
- Short-term funding hinders the procurement process at local government level, for example, in recruitment and workforce retention.
- The Shared Outcomes Fund programmes, including Changing Futures, are keen to move forward the debate about how to better coordinate funding across government.
- There is reason to be optimistic in the health, social care, and public health context, with opportunity for more flexible commissioning within Integrated Care Systems.
- Covid and emergency funding streams changed the funding environment, however, it's not clear if the changes will be permanent.ⁱ
- There is a need for continued, focused and long-term funding for people facing multiple disadvantage and related services.

Recommendations and next steps:

Government should:

- C1. Make the case for longer funding periods to the Treasury before and during the next Spending Review.
- C2. Provide support and guidance for departments on the most appropriate allocation process to follow depending on the purpose of the funding.
- C3. Introduce a minimum application period for grant programme applications and work to ensure that there are not multiple programmes open at the same time without coordination.
- C4. Ensure that funding processes do not require (or are seen to require) local authorities to undertake competitive bidding where this is not in the interests of the programme.
- C5. Consider how to improve data availability, data sharing and data quality across government, particularly in the context of multiple disadvantage to reduce the need for pure competitive bidding as an allocation process.

Summary of recommendations and next steps

A: Coordination between programmes and gaps in provision

Government and interested stakeholders should:

- A1. Explore the short-term fixes currently deployed by civil servants to curb the problem of duplication and determine whether they could be used more routinely, effectively or across a wider set of programmes.
- A2. Engage a wider cohort of civil servants working on issues of programme coordination and duplication, including from the Cabinet Office and the Treasury.
- A3. Work with the Changing Futures programme and the Joint Combatting Drugs Unit to better understand how current ministerial and departmental accountability structures lead to coordination and duplication in funding programmes and consider changes that could be made to adapt structures to enable and incentivise a different approach.
- A4. Look at how multiple disadvantage is framed and understood within departments to see if this unlocks the potential for better coordination of programmes.

B: Remit of funding programmes

Government and interested stakeholders should:

Programme design

- B1. Develop a cross-departmental approach that creates flexibility and allows renegotiation of priorities in all funding programmes.
- B2. Promote the roll out of successful programmes rather than continual re-design.
- B3. Consider how local areas can play a greater role in programme design and how government and ministers can be supported to reduce the focus on numeric outputs and take a wider view of programme success.
- B4. Create opportunities for greater involvement of the voluntary sector, people with lived experience and front-line staff in designing funding programmes, creating a more bottom-up approach.

Systems change

- B5. Clearly articulate and promote the government's role and focus in enabling systems change.
- B6. Commit to all programmes with a focus on systems change having financial support built-in for the local infrastructure needed to drive change; and challenge

programmes that are focused on systemic change without the financial resources to support local areas to lead in this space.

- B7. Consider how government can fund and lead longer-term programmes focused on systemic change and develop specific programmes that have a clear focus on increasing the capacity for local systems leadership.

C: Nature of funding allocation

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- C5. Consider how to improve data availability, data sharing and data quality across government, particularly in the context of multiple disadvantage to reduce the need for pure competitive bidding as an allocation process.

ⁱ For example, see Clinks (April 2022), State of the sector 2021, How voluntary organisations emerged from a year of criminal justice reform and the Covid-19 pandemic. Available at <https://www.clinks.org/publication/state-sector-2021>. This report explores how the criminal justice system has fared in the pandemic and highlights the fear in the sector that the emergency funding which helped organisations to adapt their services and plug gaps in income will not be available in the future.