



**Cass Business School**  
CITY UNIVERSITY LONDON



## Evaluation Report Summary

The Nationwide Foundation's Strategy  
Money Matters, Homes Matter, Families Matter  
2009 – 2013



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Centre for Charity Effectiveness

Intellectual leadership: developing talent, enhancing performance



## The Foundation's approach

Through its strategy, the Foundation sought to be a leading funder and to use its grants to address all sides of a social issue. It did this by conducting initial research to identify the root causes of a problem and to find the best practice to tackle it. The Foundation's principles were:

- To look up river to identify and research issues which are new, cutting edge and not well recognised or supported
- To offer long term, core, development and project funding which is flexible, complemented by small grants
- To build the robustness and financial resilience of the charities it supports.

It used these principles as a platform to

- Achieve wider influence
- Seize opportunities to build the capacity of the space being operated in, not just of the charities within that space
- Embed learning and development as good practice.

## The strategy

The Foundation's strategic aims were:

- To tackle financial exclusion among vulnerable groups in the UK
- To tackle housing issues among vulnerable groups in the UK.

The vulnerable groups supported were older people (particularly from BME groups, those with dementia and those living in rural areas) and people (mainly women) who had experienced domestic abuse.

There were two grant making programmes:

- Ten large 'Investor Grants' of around £300,000 each over three years
- Small grants of up to £5,000 for charities with incomes under £500,000.

## Our findings on approach and strategy

- The strategy was somewhat ambiguous, mixing a wider impact approach with service delivery aims. Outcomes were underdeveloped. There was no definition of 'financial exclusion'. This led to a programme in which the bulk of the funding was devoted to providing services to vulnerable individuals so that welfare advice to a large number of clients became a proxy for specific financial inclusion measures (such as good financial decision making and accessing appropriate financial services or products)
- The Foundation's wider impact goals were ambitious and the structure of the programme did not fully lend itself to the funding of work that might have achieved wider impact. Wider impact is, anyway, a complex and long term process with evaluation and attribution difficulties
- Funders have a responsibility for meeting the overhead costs associated with a project and the Foundation met this responsibility with unusual generosity by contributing also to wider organisational elements such as leadership, governance, financial management, fundraising, staff training, data collection, marketing, research and evaluation
- The strengths of the small grants programme was its ability for the Foundation to achieve UK geographical coverage, the enhancements it provided to existing services and the opportunity for some small charities to pilot new approaches.

## Adding value through the Daisy Model

A key part of the Foundation's strategy was the adoption of the Daisy Model where each petal of the daisy represents additional support to the grantee charities and projects. A series of interrelated interventions (petals) were designed to:

- Build the organisational resilience of the grantee charities and offer them exit strategy consultancy so they could prepare for the end of grant term; this included extensive bespoke consultancy by the Cranfield Trust which was taken up by most of the charities
- Bring the projects together, in quarterly 'learning and sharing' forums to exchange news and explore partnership and collaboration opportunities to enhance outcomes
- Harness the expertise and resources of the Nationwide Building Society to help projects tackle financial exclusion and housing issues and influence policy and practice

- Hold a special reserve fund to cover any risks arising and take advantage of new opportunities
- Commission independent evaluation to provide feedback throughout
- Communicate the strategy, its achievements and the lessons learned to other funders in an end of programme event.

## Our findings on adding value

- The Foundation has a strong value base and is committed to building the resilience and increasing the capacity of the charities it funds. We found its 'adding value' strategy, summarised by the Daisy Model, to be exemplary in terms of its comprehensiveness, its management and its generous budget (£345,000)
- Some interventions worked better than others; the grantees were most appreciative of the learning and sharing forums and the building resilience interventions. There was a surprisingly low take up of the offer to help with exit strategies
- Although the Daisy Model did not achieve all of the Foundation's high expectations, it contributed as much, if not more, than many other 'added value' models and those organisations that embraced the support on offer benefited far beyond the value of their grant
- The Foundation is very highly regarded by its grantees and compares extremely favourably with other funders in terms of its relationship building, its commitment to keeping in touch on a regular basis, its willingness to offer additional support and help in a timely manner, and the flexibility of its grant management processes. The Foundation staff were particularly commended for their interpersonal skills, being described as friendly, approachable, responsive and supportive at all times.

## The large investor charities/projects

There were originally ten UK projects: four within national charities and six within local charities; seven projects for older people and three projects working with victims of domestic violence. One national project was withdrawn in the second year.

Each of these projects had its own approach to tackling financial exclusion and housing issues for older people or victims of domestic abuse, but because they were responding to a strategic programme their outcomes, although variously worded, could be categorised as:

- Outcomes for individuals
- Practice outcomes for other service providers
- Policy outcomes (wider impact outcomes).

The outcomes for individuals were of three broad types:

- Improved income or housing
- Increased financial capacity (understanding and management)
- Improved well being.

## Our findings on project performance

- Projects performed best in the core business areas of the parent organisations so that, for example, nearly £3m was raised in extra benefits, grants and debt reductions (equal to the grant investment). The projects also delivered an impressive range of research papers, campaign materials, toolkits/guidance and media packages
- However the project outcomes, taken together, were mixed or indeterminate (indeterminate as a result of poorly designed surveys and/or poor responses to those surveys):
  - financial and housing outcomes for clients were good
  - increased financial capacity outcomes were disappointing
  - well being outcomes were indeterminate
  - practice outcomes were indeterminate
  - policy/wider impact outcomes had some promising indicators.
- The design of projects was not always linked firmly enough to outcomes and a significant number of project staff (and sometimes their managers) had a poor understanding of the link between the work they were doing, the outputs and the final outcomes. The Foundation arranged a seminar on outcomes and their measurement but although all the project participants found this helpful, some continued to display a low level of understanding
- We found a number of instances where project staff hadn't been properly briefed on the outcomes to be delivered, especially where job descriptions were organisational standards rather than specific to the project. Some staff didn't have the experience or the range of skills required to deliver across a hierarchy of outcomes and, in some charities, projects seemed to work in silos without sufficient access to staff with appropriate specialist skills such as publicity, campaigning, or report writing.

## Issues for funders

Funders should keep their change ambitions in check when designing programmes. Change for individuals, organisations or society, is a lengthy, complex and multi-faceted process, with accompanying evaluation and attribution difficulties. A theory of change approach to the design of change programmes would help to map the causal pathway between the status quo and the clearly articulated change that the programme hopes to bring about. Although not a panacea, it provides a specific and measurable description of the building blocks that need to be in place and which form the basis for strategic planning, on-going decision-making and evaluation.

There is an inevitable tension between a funder's impact vision and an open grants programme into which applicants may shoe-horn their own goals. Assessment processes should take more account of the applicant organisations' basic competences (their core business) and be more questioning about their capacity to move beyond these into other fields.

Funders should scrutinise project design more carefully to ensure that it is fit for purpose in terms of being strong enough to achieve the stated outcomes. Bearing in mind that projects are rarely carried out by those who design them, funders should pay attention to who is going to deliver the project, that all the necessary skills are covered, that job descriptions are explicitly outcome focussed, and that managers (who may not have been involved in the project design) fully understand the link between activities and outcomes.

Evaluation depends upon measurable outcomes and baseline (starting gate) data. Many projects lacked one or the other or both. Funded organisations are required to collect data for a range of funders with varying requirements and are not always able to adapt these to a specific programme without considerable time and cost. Data collection systems are therefore not always fit for the purposes of a specific funder. Funders might consider, as did the Foundation, building in the costs of data collection for specific programme outcomes.

***The strategy was evaluated by an independent consultancy team (Dr Peter Grant, Julia Kaufmann OBE and Jon Fitzmaurice) at the Centre for Charity Effectiveness, Cass Business School.***

***Copies of the full evaluation report are available (July 2013) from Lisa Suchet, Chief Executive, The Nationwide Foundation.***



## Cass Centre for Charity Effectiveness

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Cass Business School is ideally placed in the City of London, close to the Bank of England, and at the heart of the capital's charity triangle. The School's research output is ranked as world-leading and internationally excellent. Cass is triple-accredited by AMBA, EQUIS and AACSB, placing it in the elite of global business schools.

The Centre for Charity Effectiveness at Cass (Cass CCE) is the leading nonprofit and philanthropy centre in the UK and has significantly enhanced the performance of hundreds of organisations and thousands of individuals across the nonprofit sector.

Our world-class blend of academic research, postgraduate programmes, talent development and consultancy services deliver leading-edge thinking by combining extensive practical experience with best practice, theory and research.

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#### **Cass Business School**

In 2002, City University's Business School was renamed Sir John Cass Business School following a generous donation towards the development of its new building in Bunhill Row. The School's name is usually abbreviated to Cass Business School.

#### **Sir John Cass's Foundation**

Sir John Cass's Foundation has supported education in London since the 18th century and takes its name from its founder, Sir John Cass, who established a school in Aldgate in 1710. Born in the City of London in 1661, Sir John served as an MP for the City and was knighted in 1713.