

# Social Investment and Finance: Developing opportunities

Mini-Seminar for UUSIA Network and  
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# Definitions: what are we talking about .....

.....and can you measure it .....?

# What do we mean by “social”...

## Definitions from the GECES report

[http://ec.europa.eu/internal\\_market/social\\_business/docs/expert-group/20131128-impact-measurement-subgroup\\_en.pdf](http://ec.europa.eu/internal_market/social_business/docs/expert-group/20131128-impact-measurement-subgroup_en.pdf)

Social	Relating to individuals and communities, and the interaction between them; contrasted with economic and environmental.
Social Outcome	Social effect (change), both long-term and short-term achieved for the target population as a result of the activity undertaken with a view to social change taking into account both positive and negative changes.
Social Impact	The reflection of social outcomes as measurements, both long-term and short-term, adjusted for the effects achieved by others (alternative attribution), for effects that would have happened anyway (deadweight), for negative consequences (displacement), and for effects declining over time (drop-off).



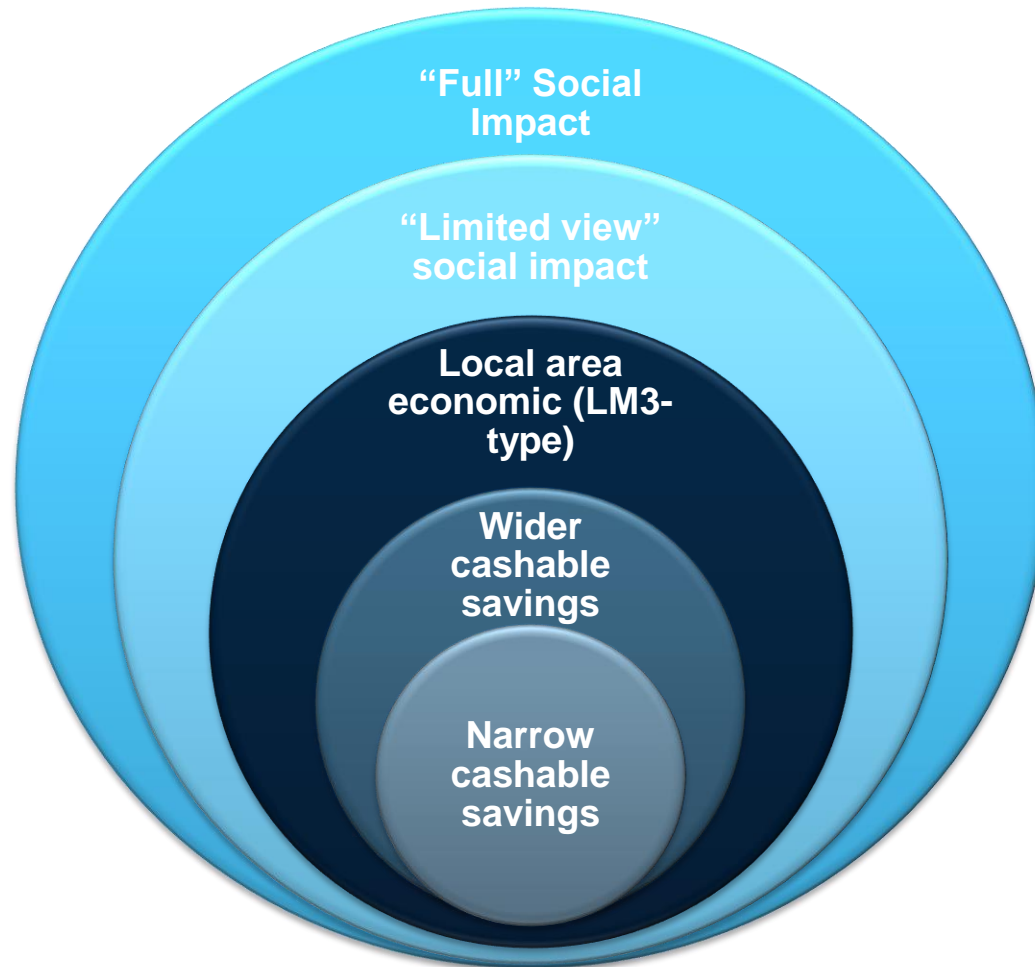
# What is social impact.....?

Views from Maas and Liket “Do we know what we are talking about” at ARNOVA 2011

## Four key elements :

- Value created as a consequence of someone's activity (Emerson, Wachowicz & Chun, 2000)
- Value created is that experienced by beneficiaries and all others affected (Kolodinsky, Stewart, & Bullard, 2006)
- Impact is the sum of both positive and negative effects (Wainwright, 2002)
- It must be judged against a benchmark of what would have been the status without the activity (Clark, Rosenzweig, Long, & Olsen, 2004)

# Categorising Financial Measures of Social Impact

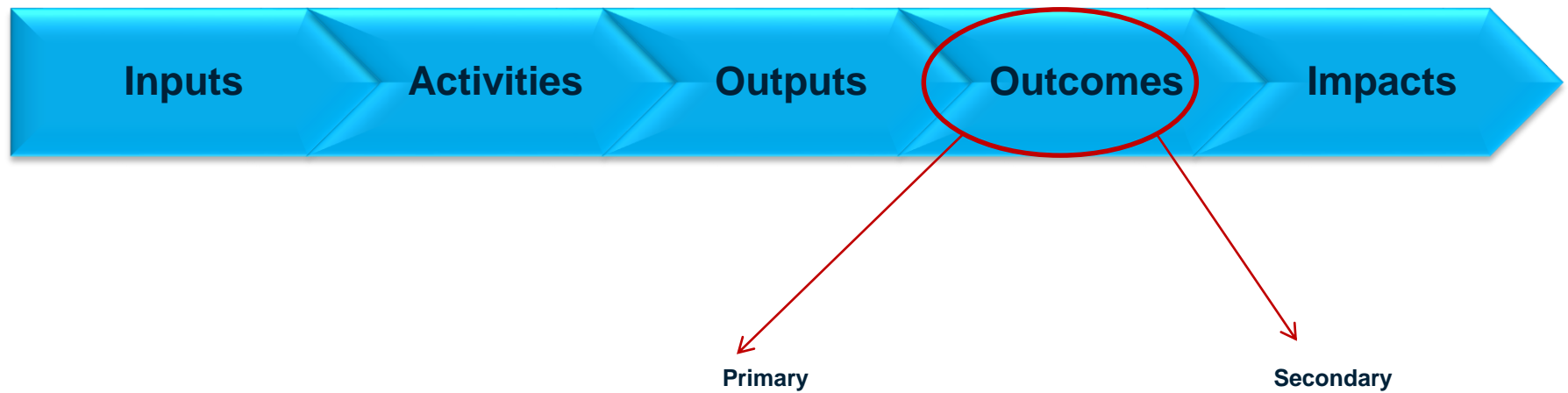


## THINK

- Timescale and measure
- Viewpoint
- Purview

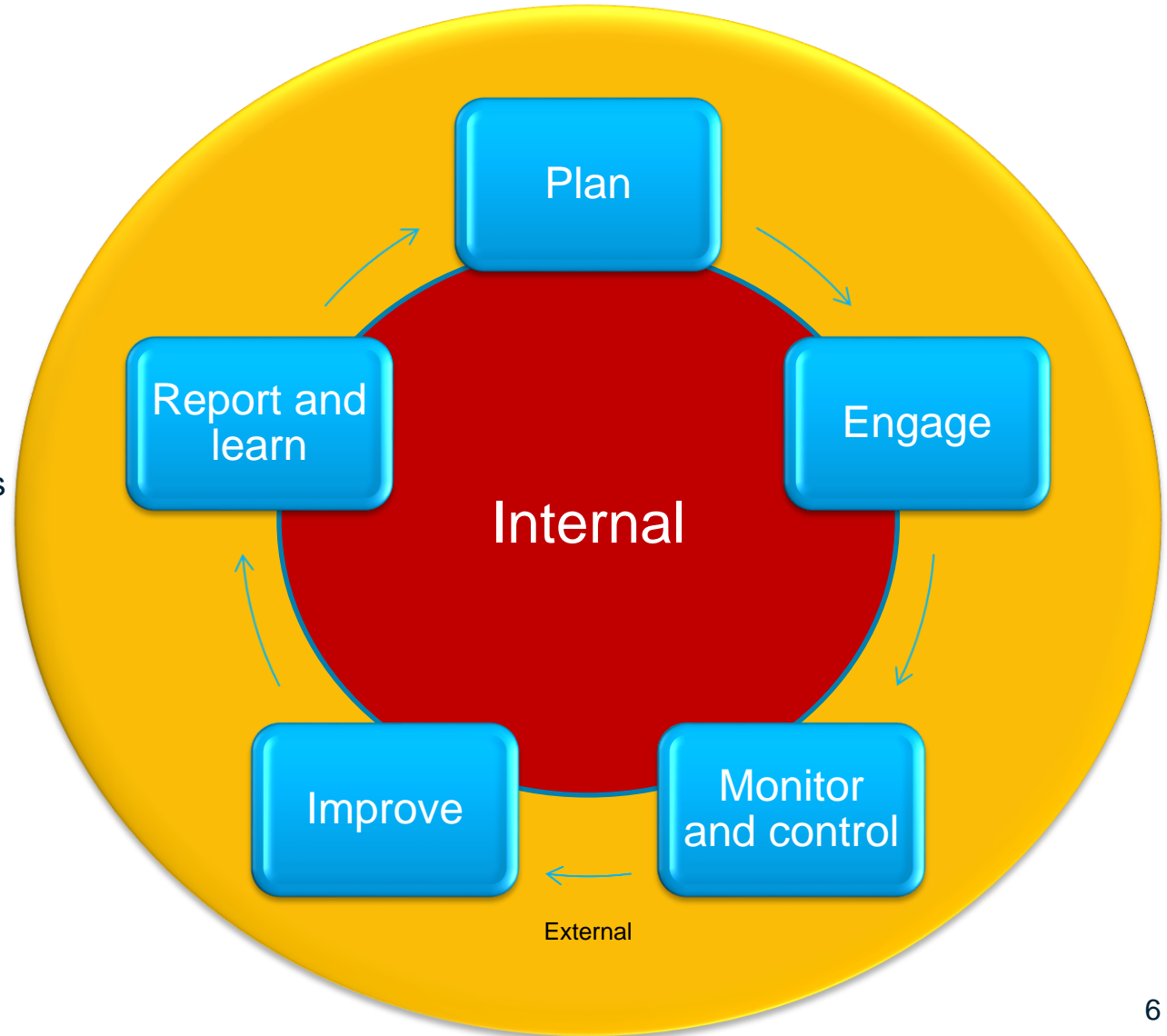
© Clifford 2013

# Where do outcomes fit ?...



# Why measure .....?

- For funders (commissioners) in  
Government
- In emergent EU legislation
- For prioritisation decisions
- For delivery measures in contracts
- For effectiveness and its  
improvement
- For philanthropists and grant-  
makers
- In social finance/investment





# Social Impact measurement – in context

	Financial Accounts	Social Impact
They measure	Economic transactions: the cash flows, assets and liabilities	Social transactions: the difference we make, to whom, and how we make it
Why we want to know	Manage our finances	Manage the effectiveness of our work
How we measure it	Cash flow forecasts; I&E accounts, balance sheets; financial or proxy KPIs	SROI Social Accounting Total cost accounting
So we can.....	Manage resources Influence funders and partners Assess our ability to fund our work Explain our finances	Improve effective delivery Focus resources where most needed Influence funders and partners Explain our work



# Impact measurement: How does it work ?

$$\text{Impact} = \sum \text{Outcomes} - (\text{deadweight} + \text{alternative attribution} + \text{displacement})$$

## Deadweight

The outcome that would have happened anyway

## Alternative attribution

The outcome that arose as a result of other interventions – importance of recognising the work of others

## Displacement

The disadvantage or reduction in positive outcome, or social cost arising as a consequence

# What is “good” measurement.....

For measurement to be effective it must be:

- **relevant:** related to, and arise from the outcomes it is measuring;
- **helpful:** in meeting the needs of stakeholders’, both internal and external;
- **simple:** both in how the measurement is made, and in how it is presented;
- **natural:** arising from the normal flow of activity to outcome;
- **certain:** both in how it is derived, and in how it is presented;
- **understood and accepted:** by all relevant stakeholders;
- **transparent and well-explained:** so that the method by which the measurement is made, and how that relates to the services and outcomes concerned are clear;
- **founded on evidence:** so that it can be tested, validated, and form the grounds for continuous improvement.



# Some detailed measurement

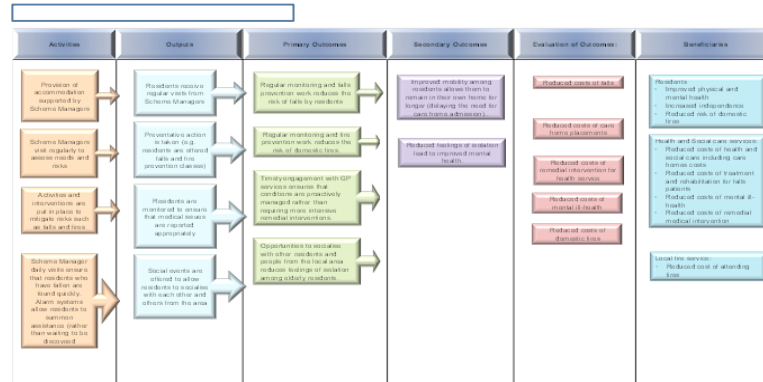
## Example 1

ATSW Efficiency savings	Assumption	Benefits (£m)
Saving per site (£)	367,000	
Total acute/independent theatres	381	
Proportion adopting ATSWs project in year 1	5.5%	
	<u>7,690,485</u>	
Proportion of benefit due to development partner	35%	
Projected annual cost saving achieved post roll-out	5.0	
Duration of savings (years)	10.0	
Discount rate	3.5%	
Annuity factor	8.3	
<b>Present value of savings for year 1 roll-out</b>		<u><u>41.6</u></u>

# Example 2- A view of lives changed.....

Falls risk	Assumption	Calculation	Evaluated gain (£)
Number of tenants attending falls prevention classes per annum	60		
Increased risk of falls	10%		
Cost of a fall (per incident)			
- Paramedic costs	248		
- A&E costs leading to admission	114		
- Inpatient costs (assume one week non-elective stay)	586		
- Reablement care cost (based on two weeks in LA care home)	2,085		
Total cost per episode		3,033	
Adjustment factor for delayed medical intervention	2	6,066	
<b>Annual cost of falls</b>			<b>36,396</b>
Increased risk of early admission to care home	5%		
Number of years by which admission is accelerated	3		
Average annual cost of LA care home	53,560		
Discount rate	3.5%		
Annuity factor		2.80	
<b>Present value of cost of early admission to LA care home</b>			<b>450,167</b>
<b>Total annual cost due to increased falls risk</b>			<b>486,563</b>

# A view of lives changed.....



Falls risk	Assumption	Calculation	Excluded gain (£)
Number of tenants attending falls prevention classes per annum	60		
Increased risk of falls	10%		
Cost of a fall (per incident)		248	
- Paramedic costs		114	
- A&E costs leading to admission		98	
- Reablement care cost (based on two weeks in LA care home)		2,085	
Total cost per episode		3,033	
Adjustment factor for delayed medical intervention	2	6,066	
Annual cost of falls		36,396	
Increased risk of early admission to care home	5%		
Number of years by which admission is accelerated	3		
Average annual cost of LA care home		53,560	
Discount rate	3.5%		
Annuity factor		2.80	
Present value of cost of early admission to LA care home		450,167	
Total annual cost due to increased falls risk		486,563	

Area of work	Total gain (£'000)	Deadweight	Alternative attribution	Gain to be attributed (£'000)
Supported Housing	3,019	5.0%	30%	1,963
Lifetime Housing	6,729	10.0%	25%	4,374
Welfare Reform	17,240	30.0%	40%	5,172
Homelessness - responsive	9,398	10.0%	40%	4,699
Homelessness - preventative	3,479	10.0%	40%	1,740
ASB	3,723	5.0%	40%	2,047
<b>Total</b>	<b>43,589</b>			<b>19,995</b>

# Example 3 – PACT Permanence report

## Summary Table for PACT Adoption

NPV (£)

Additional capacity achieved per annum	17,135,903
disruptions	1,351,233
Increased educational attainment	262,586
Reduction in NEET population	2,832,987
Displacement: Loss of tax revenue from fostering	-1,022,805
<b>Total evaluated</b>	<b>£20,559,903</b>

## Incremental gain on replacements for State approvals from reduced disruptions

40			
-2			
-18	Couples taking two children	50%	
20			
-17			
3	Equivalent multiple to get number of children placed	150%	4.5
	Less: disruptions in PACT placement (assumed)	5%	-0.225
			4

The evaluation is focussed on the completed placements from those that would otherwise have disrupted assuming State adoptions disrupt in 40% of cases, that is an incremental disruption rate of 35% ....and the quicker placement for the whole population

### 1.4 Incremental disruptions (care costs)

assuming an age at placement of  
assuming an age at disruption of

Giving:	4 years			
	6 years			
	0 years of the	under 3	band of	0
	2 years of the	Age 3-8	band of	62,707
	4 years of the	Age 8-12	band of	264,144
	6 years of the	Age 12-18	band of	623,458
	Aggregate per child			950,309
Less:	Incremental costs of placement supervision			0
	Present Value per child			950,309
	Cost for whole cohort of incremental disruptions			1,330,433

4 quicker placements than would be possible in State system 10 weeks

Additional LAC care costs

age 4 at 5200 for each child giving: 13,20,800

Total for alternatively sourced placements

**£1,351,233**



January 2011

**PACT Domestic Adoption and Fostering**

**SROI Evaluation**

# Example 4 – Alana House

## 4 Overview of evaluated activities

### Overview of evaluation services

- 4.1 The services selected for analysis were Alana House's combined four-tier offering, as outlined in section 2.16 above. These combine, in the way described in Corston and Unlocking Value, the report on Asha House and Centre 218, to create real change in the lives of the women attending the centre.
- 4.2 From review of the published material on the other women's centres, from early-stage feedback from clients, through the Centre's managers, and from stakeholder feedback in the focussed interviews, it has been possible to form an impression of the change that can be made.
- 4.3 In essence that change enables the clients to achieve a significant movement in life course from a cycle of repeated offending, driven largely by family, financial, and personal circumstances, to a less chaotic pattern, with stabilised housing, regular work, and relative financial stability. Outlining this we have used life course analysis, an approach used successfully in a variety of other research reports such as Godfrey, Hutton and Ors (2002<sup>5</sup>), for outlining mixed social, educational and employment consequences of a social or health intervention or lack of it.
- 4.4 This theme of a change in life course has been picked up in the approach to the analysis used in this report. From the work in and around the Action Research group it has become apparent that there are two principal life courses that emerge as alternatives for women who attend and buy into the Alana House programmes:
- the work is fully effective in enabling them to escape from their chaotic lifestyle of reoffending;
  - the work is partly effective in doing so.
- 4.5 In either case the patterns emerging in each woman's life, and for her children and those around her, have been considered under headings which correspond closely to those in the nef study "Unlocking Value". They are shown in the following table, which summarises the primary outcomes under each heading for each of the life courses. It then goes on to indicate the expected secondary (longer term or indirect) outcome, and how that might be measured financially for the purposes of this report.

Life course	Immediate Effect (Primary Outcome)	Measure for Costing Secondary Outcome
1. Alana House input is fully effective: return to stability	Alana House input is fully effective: return to stability in financial housing, health, family and criminal activity	Alana House input is fully effective: return to stability
2. Alana partially effective: limited chaos in lifestyle	Housing of intermittent stability	Some losses through rent arrears Some periods of higher housing cost whilst in temporary accommodation
	Occasional employment, but limited	Some productivity from working
	Children move in and out of care	Poor long-term prognosis for children. Care costs for children combined with an exit from care into being NEET and possibly to offending
	Occasional drug and alcohol abuse	Longer-term health effects - self and health services (but overlapping with the generally poor eating and personal care
	Periodic minor criminal activity	Disruption of thefts: losses in terms of damaged or lost property and costs of policing
	Depression and other mental health problems are less inclined to emerge	Costs of depression and related illness for some small proportion of the cohort - to health service and earnings
	Some poor eating, and some lack of early	Costs of poor eating and health care - to health service and

<sup>5</sup> Godfrey, C., Hutton, S., Bradshaw, J., Coles, B., Craig, G. and Johnson, J.. (2002). *Estimating the cost of being "not in education, employment or training" at age 16-18*. York: Social Policy Research Unit.

Alana House: summary of effect of one year's work		Assumptions	Evaluated outcomes (£000)
Total number of clients per annum		205	
		Present Value per person for a ten year period (£000)	
Mix of outcomes for Alana House clients			
Life course 1: fully effective		29.00	50%
Life course 2: limited chaos in lifestyle		109.39	50%
Blended value (average)			-69.20
Mix of outcomes for general population	Life course 1: resolved without additional support	48.94	5%
	Life course 2: frequent reoffending	708.66	80%
	Life course 3: chaotic, but staying out of detention	476.58	15%
Blended value (average)			640.86
Net value brought over a ten year period from work with one person			571.66
Net value brought over a ten year period from work with this year's clients			117,191
Less:	Alternative attribution	50%	-58,596
	Need for future work with them, treated as attribution	20%	-23,438
Net value generated for this year's work			35,157

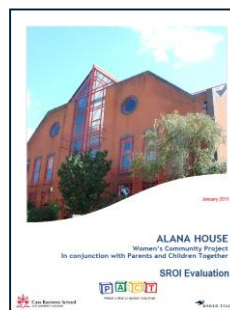
- 1.15 This is a very substantial impact as it stands. However it is arguable that, without Alana House or its equivalent as a catalyst, none of this change would be possible. If this line, of seeing Alana as a catalyst for change, is taken, then the attributable value is arguably in excess of £93m: it includes the attribution to others.

- 1.16 This evaluation recognises deductions for:

The time value of money – that is it uses a discounted cash flow approach to discount flows in later years to achieve an equivalent current value

Deadweight – recognising, in offender life course 1, that some of this group may manage to move away from their chaotic lifestyle without Alana House's support

Alternative attribution – where other agencies, including friends or family, may support the woman in escaping from the cycle of reoffending, and so it cannot be said that all the gain is attributable to Alana House, albeit it is widely recognised as the catalyst for change. A second area of deduction for attribution covers the point that many of these women will require more than a year's support to escape effectively from this cycle: hence some of the gain is attributed to work outside the year for evaluation.





# Example 5: StepChange

109,397 StepChange clients in the groups reviewed (47% of total)

Action Research:

- using the experience of debt counsellors
- to examine the stories of changed lives for four groups:

Group	Profile	Client numbers	Average unsecured debt
Beyond Means	18-24, single, no dependents	16,848	£4,574
Going Under	18-59, sole parents	38,673	£11,898
Juggling Life	40-59, couples	40,316	£26,860
Limited Means	60+	7,916	£16,662



# Telling the stories....spotting the gains

Improved mental health	Reduced creditor recovery cost
Improved physical health	Reduced risk of debt recycling
Reduced likelihood of being NEET	Reduced risk of children being taken into care
Reduced risk of losing home	Reduced risk of relationship breakdown
Cost of residential care	Reduction of unemployment
Increased employment	Reduced risk of crime

# Gains to the State and economy

Gain for the state				
Segment Type	Beneficiaries	Totals	Total Gain	Average Gain
<b>Beyond Means:</b> 18-24 no dependents	Clients	£7.2m	£7.3m	£431
	Parents	£45k		
<b>Going Under:</b> Sole Parents	Clients	£42.0m	£42.1m	£1,087
	Parents	£49k		
<b>Juggling Life:</b> 40-59 Couples	Clients	£32.2m	£47.7m	£1,038
	Partner	£1.9m		
	Children	£3.9m		
	Employees	£9.7m		
<b>Limited Means:</b> Over 60's	Clients	£12.2m	£12.2m	£1,547
	Family	£9k		
<b>Segment Totals</b>	Clients	£93.7m	£109.3m	£999
	Parents	£2.0m		
	Children	£3.9m		
	Employees	£9.7m		
	Family	£9k		

- Welfare, housing, healthcare, employment
- Set off enhanced claims for benefits
- More complex effects in Juggling Life group

# Gains to Creditors

Gain to creditors					
Segment Type	No of Clients	Average Total Debt	Average unsecured debt	Total Gain	Average Gain
<b>Beyond Means:</b> 18-24 no dependents	16,848	£6,211	£4,574	£2.7m	£160
<b>Going Under:</b> Sole Parents	38,673	£47,628	£11,898	£21.9m	£567
<b>Juggling Life:</b> 40-60 Couples	45,960	£122,817	£26,860	£52.1m	£1,134
<b>Limited Means:</b> Over 60's	7,916	£43,052	£16,662	£5.6m	£708
<b>Totals</b>	109,397	£219,708		£82.4m	£753

- Avoiding debt recovery costs
- Reduced losses on unsecured debt recovery
- Improved reduction in mortgage arrears
- Very conservative assumptions about effects

# Standardisation ?

.....is it possible.....?

# Standardisation: help or hindrance

## Help ?

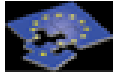
- **Comparability**
- **Benchmarking for improvement**
- **Supported investment decisions**
- **Engagement with outsiders using a common language**
- **Support idea-sharing**

## Hindrance ?

- **“one size fits all”**
- **Lose the story and devalue it**
- **Supporting false comparability**
- **Develop a two-tier landscape**

*THINK.....Embracing something that's workable and then developing it further avoids others introducing something less helpful.....*

# The search for standardisation...



## 2. The four elements of a standard

- **PROCESS** (of measurement)
- **CHARACTERISTICS** (of good measurement reports)
- **FRAMEWORK** - A matrix of expected outcomes and sub-outcomes set within each major area of intervention
- **INDICATOR** - A particular way of attaching a value or measure to those outcomes and impacts.

Excerpts from the work of the sub-group to  
Groupe d'experts de la Commission sur l'entrepreneuriat social  
(GECEs)



## 5 steps for Social Impact Measurement from EVPA guide and the GECES report



# The search for standardisation...



## 4.2 Main recommendations - Characteristics

**All disclosure (reporting) of measurement should include -**  
with appropriate and proportionate evidential underpinning:

- an explanation of *how the Process* has been applied
- an explanation of *how effects happened (theory of change)*:
- an identification of *stakeholders* whose interests are measured, and nature of gain to them
- a well-explained, proportionate, *selection of indicators*
- a clearly explained account of *effects (impact)* of intervention (outcomes, and identified beneficiaries, also explaining deadweight, development and drop-off + identification and ***alternative attribution*** of third parties)
- an explanation of *social and financial risk*

Excerpts from the work of the sub-group to  
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(GECEs)

# The search for standardisation...



## 4.3 Main recommendations - Framework

Group recommends development of **Framework - a matrix of expected outcomes and sub-outcomes giving likely indicators within each**. Framework should draw on other frameworks already developed or being developed within the Member States, and cover most areas of targeted outcomes. It is **not to be mandatory** within Standard, *but*:

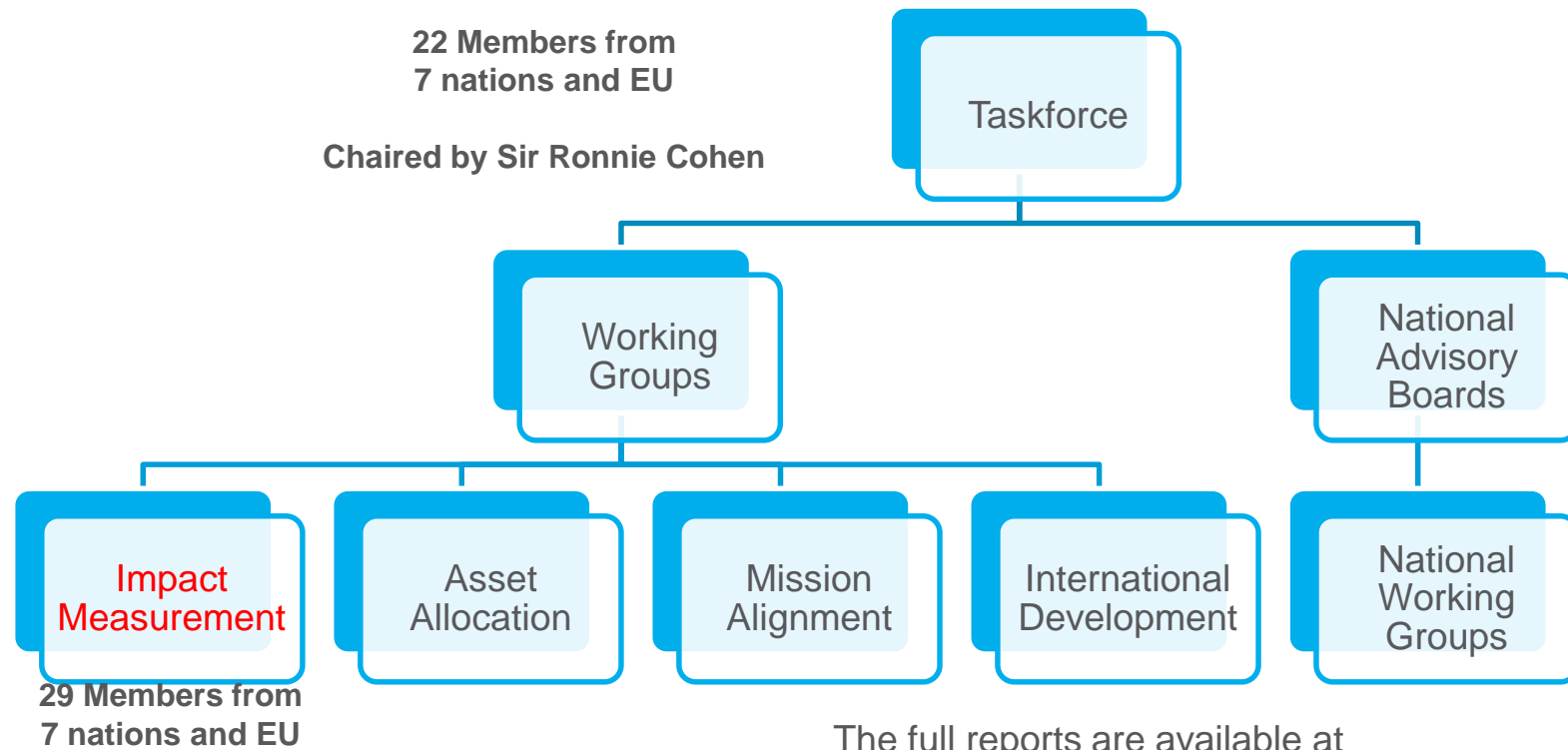
- should be used by SEs and Fund Managers where it meets the needs of stakeholders for measurement
- where it is not used:
  - this should be agreed with principal stakeholders, and
  - any reporting of outcomes and impact should include an explanation of why outcomes and indicators not in framework are more appropriate.

Excerpts from the work of the sub-group to  
Groupe d'experts de la Commission sur l'entrepreneuriat social  
(GECEs)

# The Taskforce

*"It is urgent that governments throughout the world commit themselves to developing an international framework capable of promoting a market of high impact investments and thus to combating an economy which excludes and discards"*

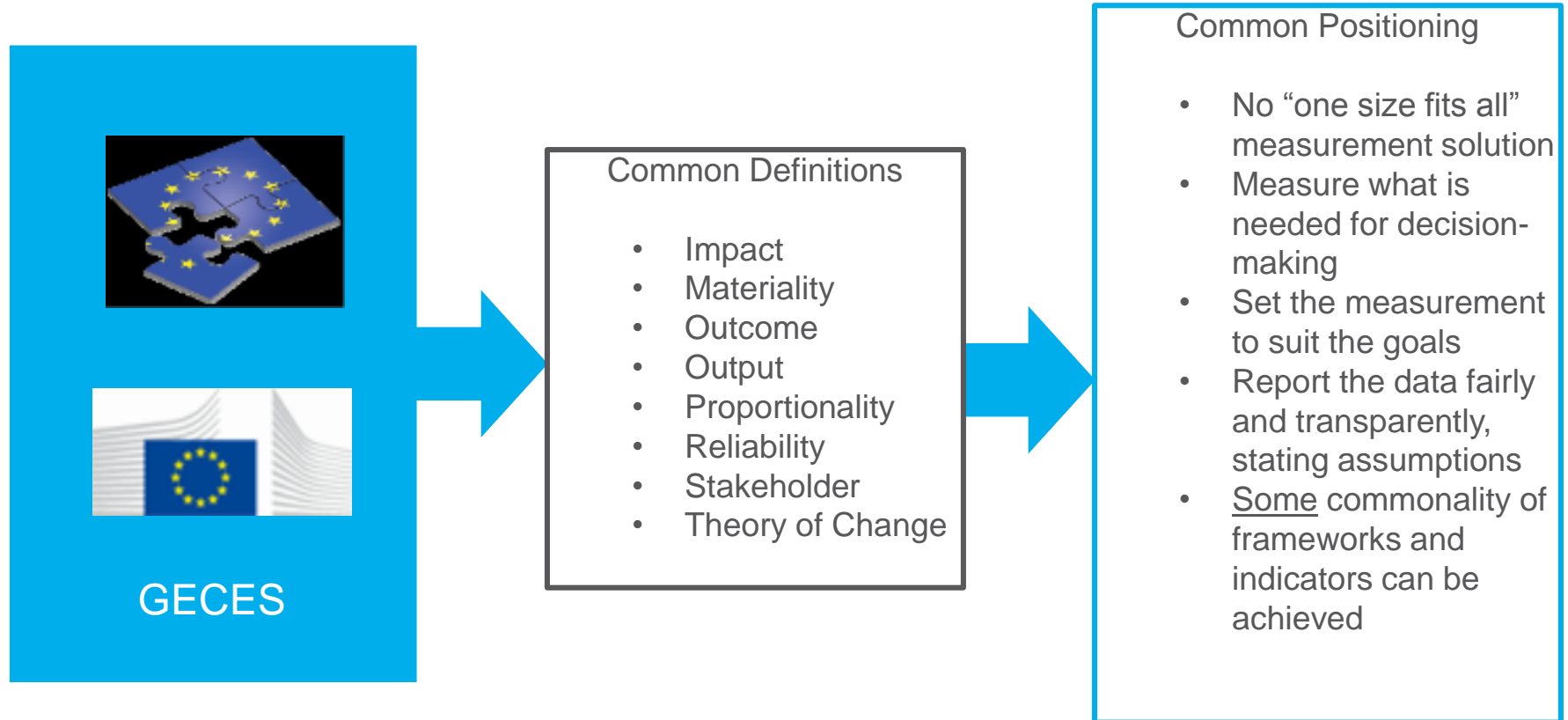
Pope Francis June 2014



The full reports are available at

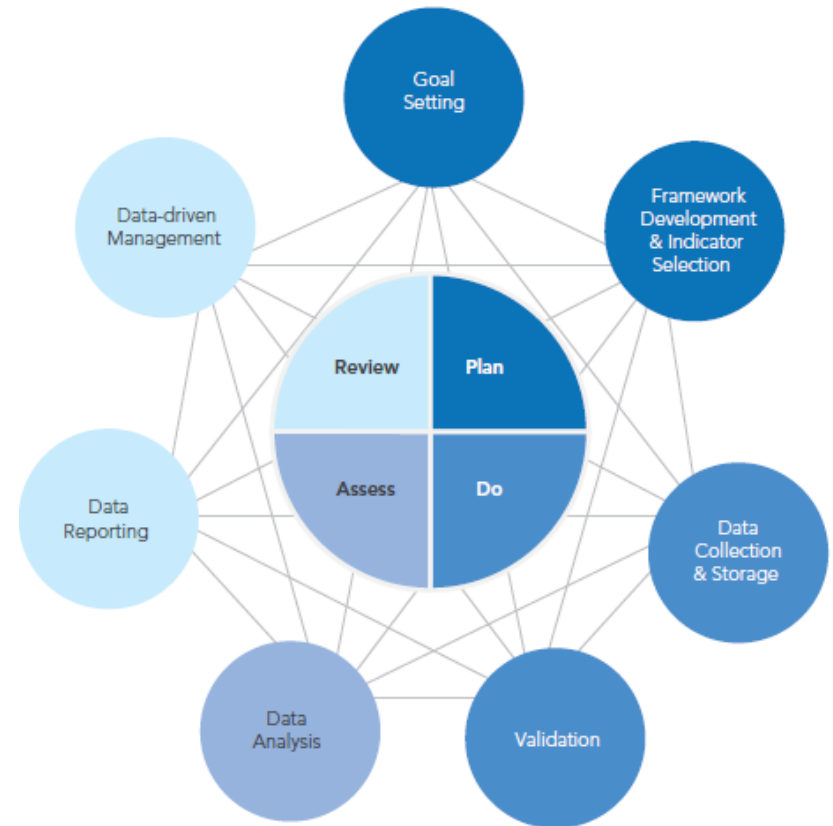
[www.socialimpactinvestment.org](http://www.socialimpactinvestment.org)

# GECES Report as a key to uniting G7 thought



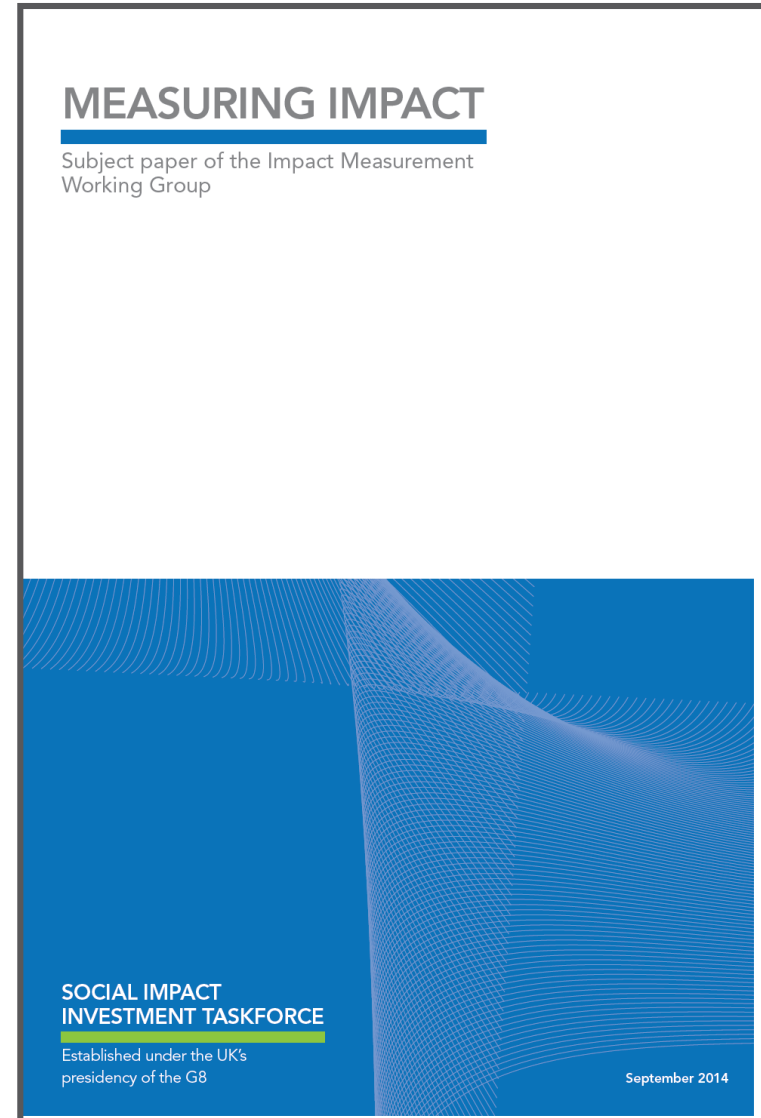
## 7 Guidelines: the key stages of Impact-based investment

1. Set Goals
2. Develop Framework & Metrics
3. Collect & Store Data
4. Validate
5. Analyse
6. Report Data
7. Make Data-driven Investment Decisions



## Four “desires”

1. Embrace Impact Accountability as a common value
2. Apply best practice guidelines
3. Establish common language and data infrastructure
4. Evolve – strive continuously to improve

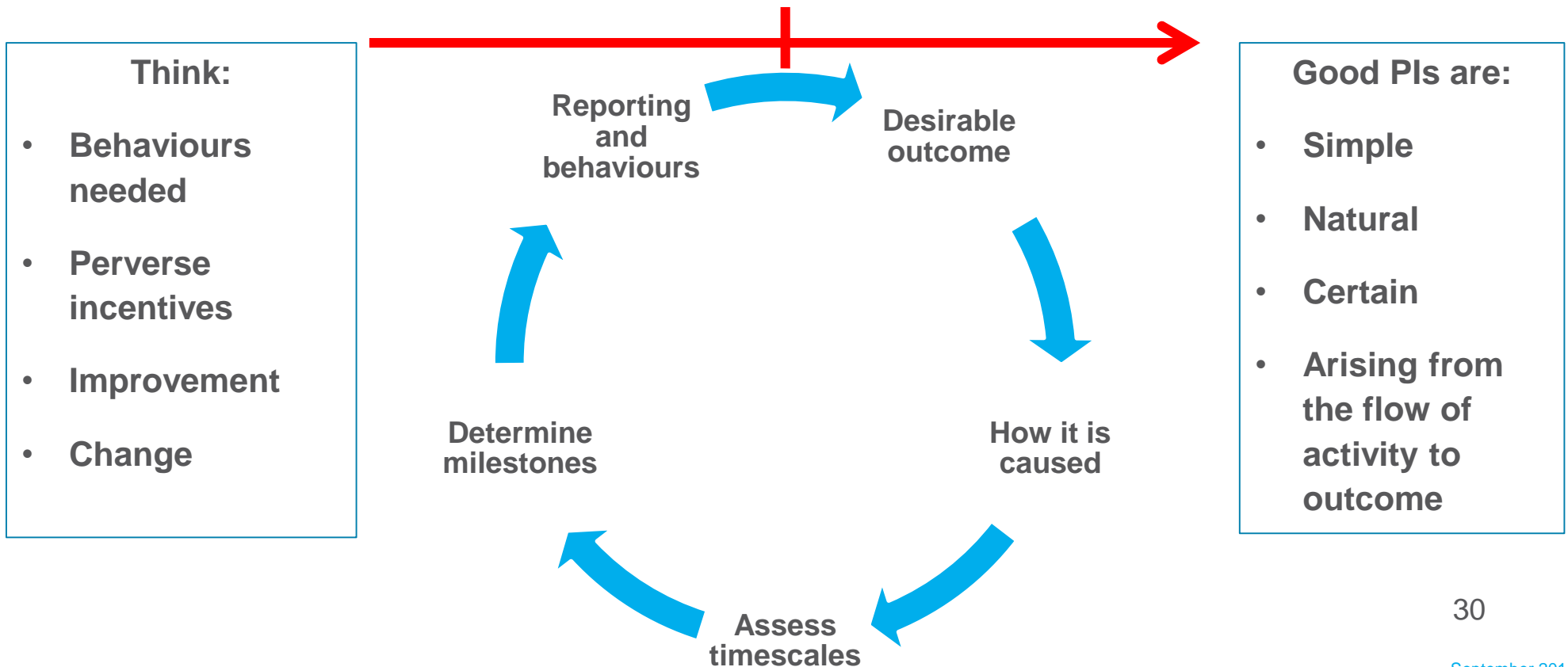




# Impact Performance Measures.....?

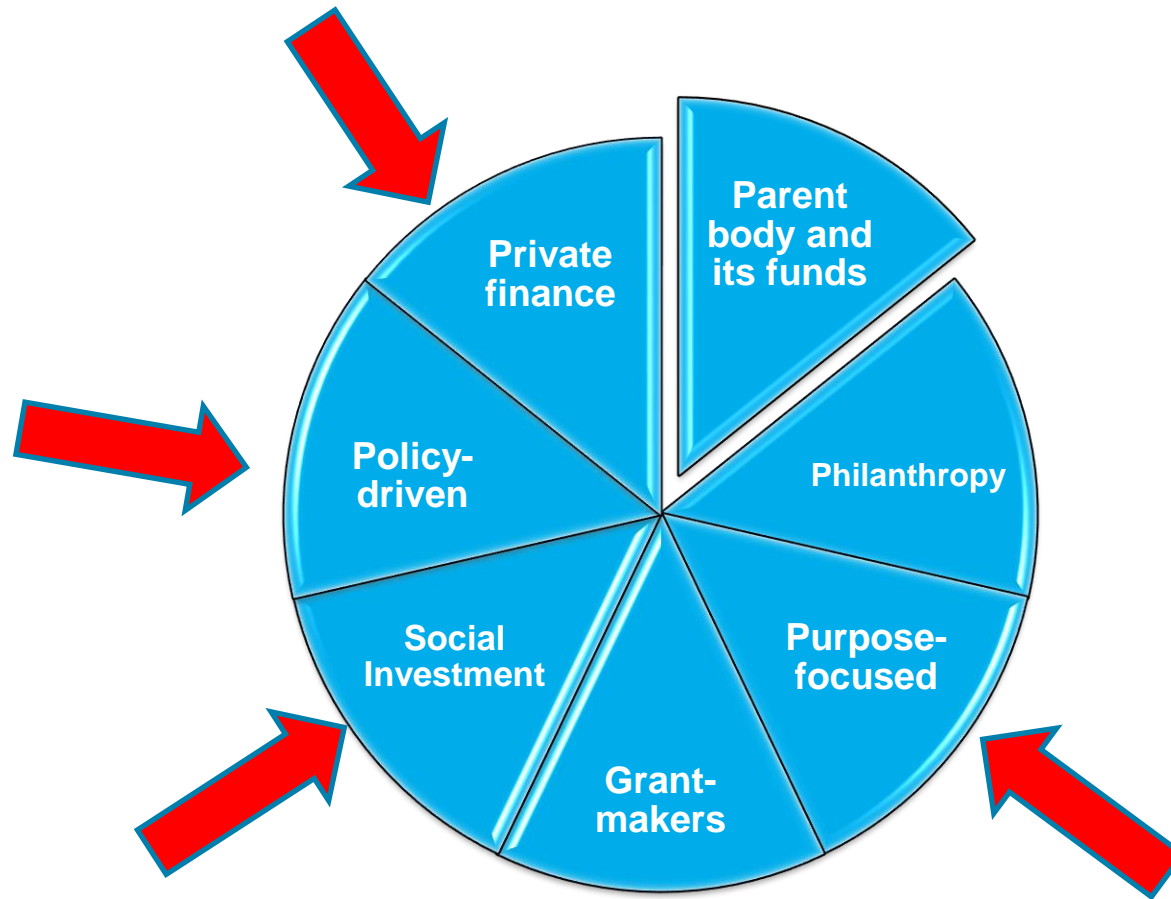
.....how do they work.....?

# Outcomes to performance indicators: finding “informed outputs”



# Social Investment.....where does it fit ?

# New sources of funding for Social Enterprise



# Changing Environment and Future Opportunity



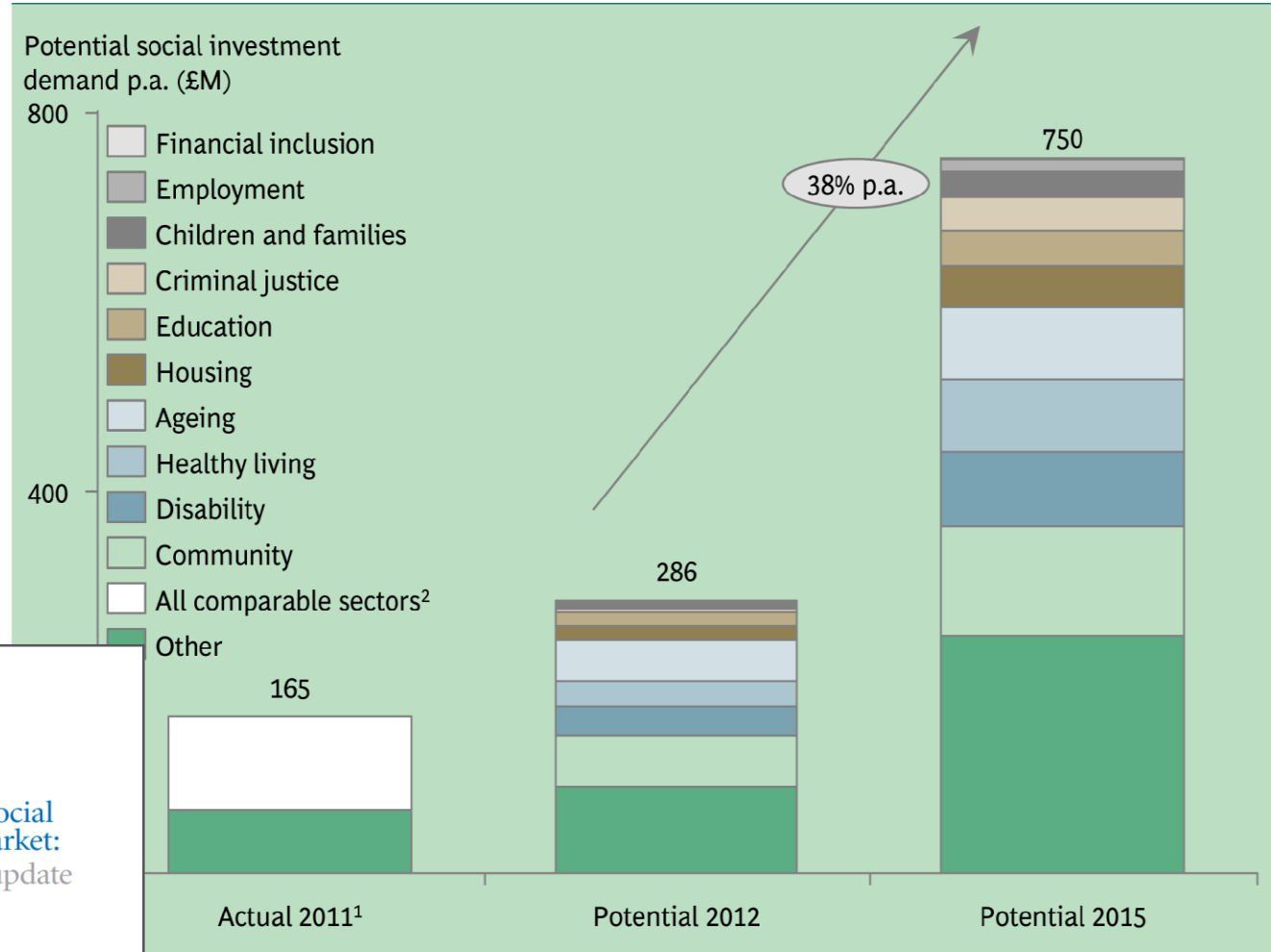
Bates Wells Braithwaite | Impact | Advisory

- £165m of UK social investment deals in 2011

- Boston Consulting Group forecast: £750m in 2015

- Expensive areas of public purse = opportunity for social enterprise growth

- Increased comp



Growing the social investment market:  
2013 progress update

From Kate Mar

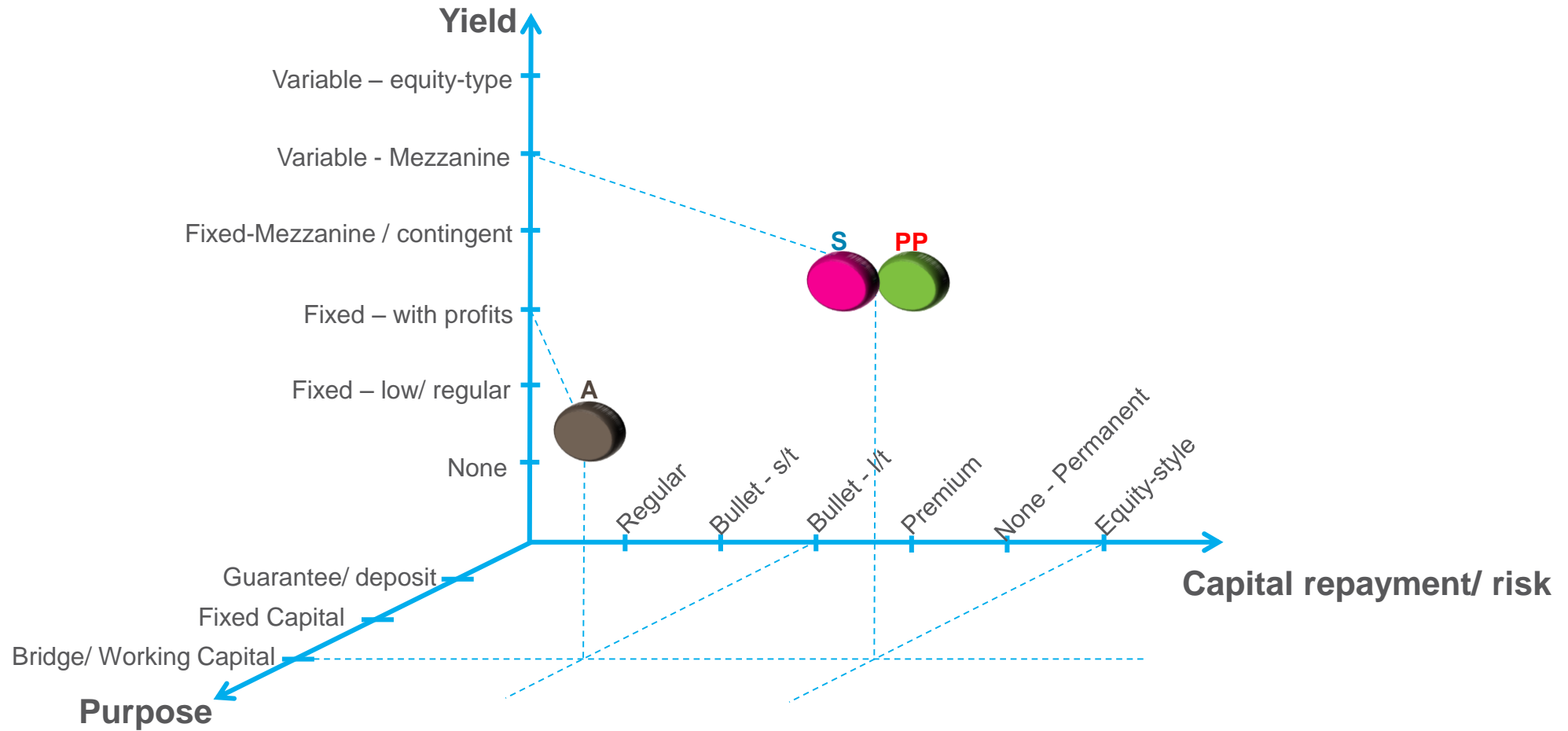


Source: BCG (2012), The First Billion.

# Typology of Social Investment



Bates Wells Braithwaite | Impact | Advisory



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# Sources of funding and funder decisions

SOURCES	TYPES	FOCUS
✓ Big Society Capital	• Own funds	• Specialists' triple requirements:
✓ Specialist Private Equity type funds (e.g. Bridges)	• Cross-investment and MMI	• Yield
✓ Managed purpose-based funds	• Social Investment	• Identifiable outcomes
✓ Allocated endowments in grant-makers (e.g. Esmée Fairbairn)	• Debt:	• Systemic change
?	• Senior	• Positioning as:
?	• Mezzanine	• Public servant ?
?	• Junior	• Standalone ?
?	• Equity and quasi-equity	• Pathfinder ?
?		
?		
?		
?		
?		

ALSO.....

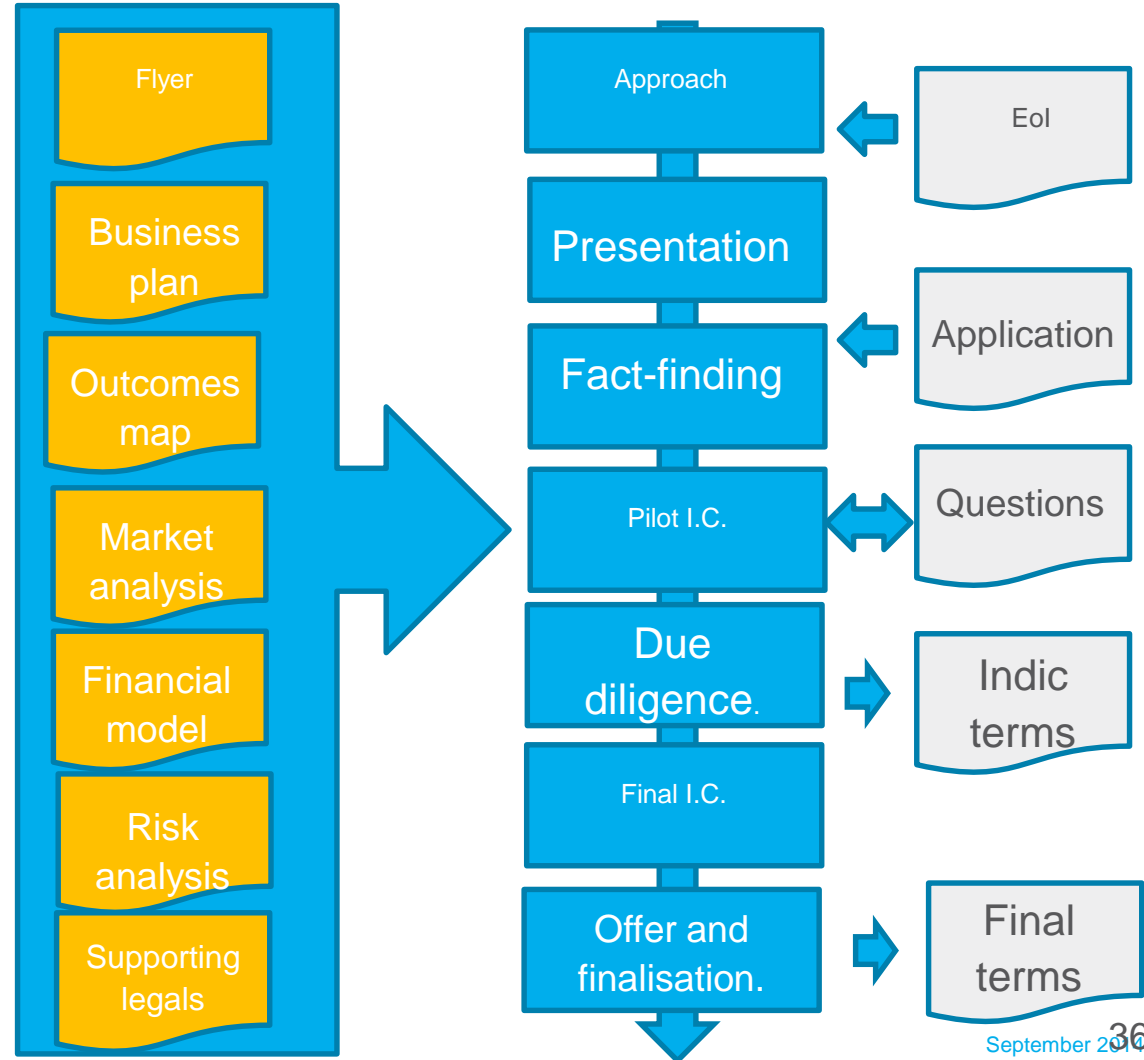
.....Social Investment Tax Relief



# SI Fund-raising: processes and challenges

## Finding the funder

- Fit
- Focus
- Cultural fit
- Yield and expectations
- Process
- Financial promotions (FSMA):
  - Authorisation
  - “Real time”
  - Exemptions (Sch 19 et al)
- Prospectus Directive



# From Social Investment Bonds to Payment by Results.....

# Payment by results

## Determine needs

Employment  
Employability  
Business growth  
Social Capital

## Plan sourcing of resources

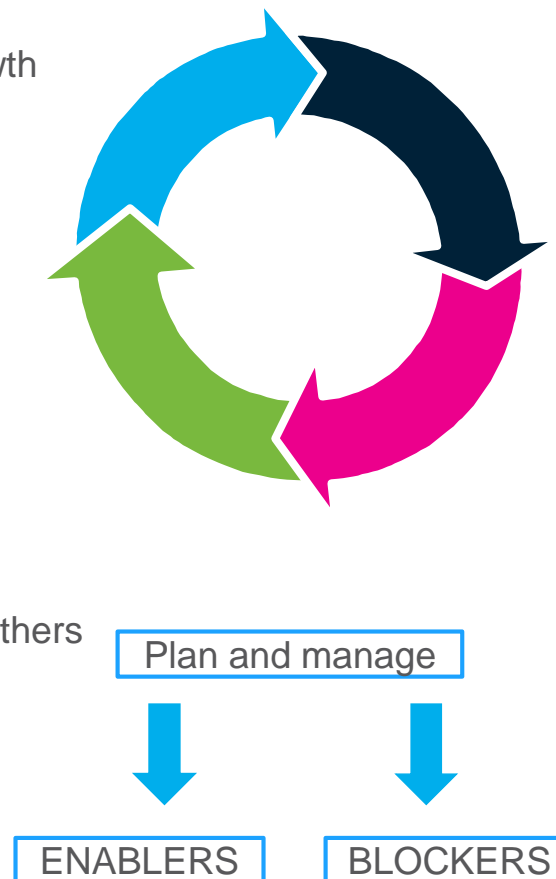
Actions  
Political will  
Partnerships  
Finance and others

## Plan Outcomes

- For whom
- How that looks
- How it fits to value sets of stakeholders

## Develop theory of change: what can we do ?

Activities  
Resources  
Measurement  
Control



# Social Impact Measurement in Action.....

In planning and design

In engagement

In performance measurement

In payment and accountability

## Some background: what's a social impact bond ?

- A contract for delivering services
- Deliberately creating social outcomes
  - changes in the lives – of individuals or communities
- Generally paid-for on the basis of
  - success in delivering those outcomes, or
  - delivering other value
- With its own embedded way of financing its work up-front



# It's All About Me.... "IAAM" .....in a nutshell.....



Bates Wells Braithwaite | Impact | Advisory

Of 7,000+ children a year who seek an adoptive family, 2,000+ don't find one. Many that do struggle.

A child in State care costs €1m to age 18, and more into adult life.

## **IAAM's solution:**

Creating a new, alternative, UK-wide, virtual "market"

In which

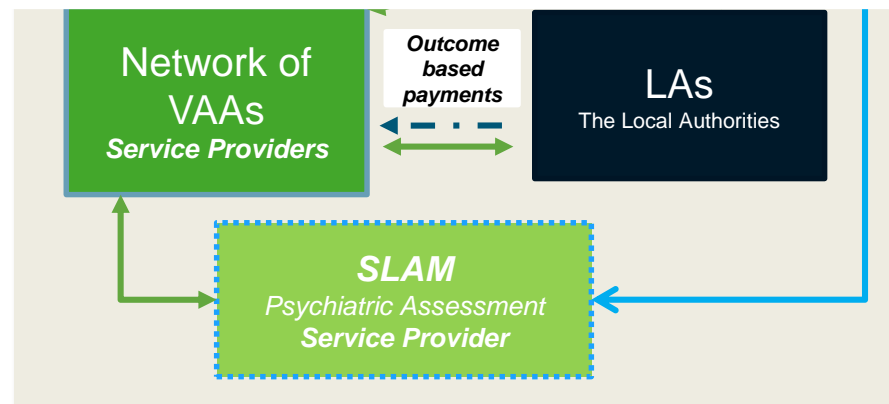
- adoption works differently: children find parents
- Local Authorities can choose if, when, and how
- .....on a child-by-child basis
- adoption support pre-, during and post-placement is built in
- Local Authorities pay by results, out of savings they've already made.



### IAAM - Funding & Relationship flows

#### Local Authority:

- Pays £54,000 in four stages
- Saves £50,000+ p.a.
- Comparator: Standard Inter-agency fee £27,000



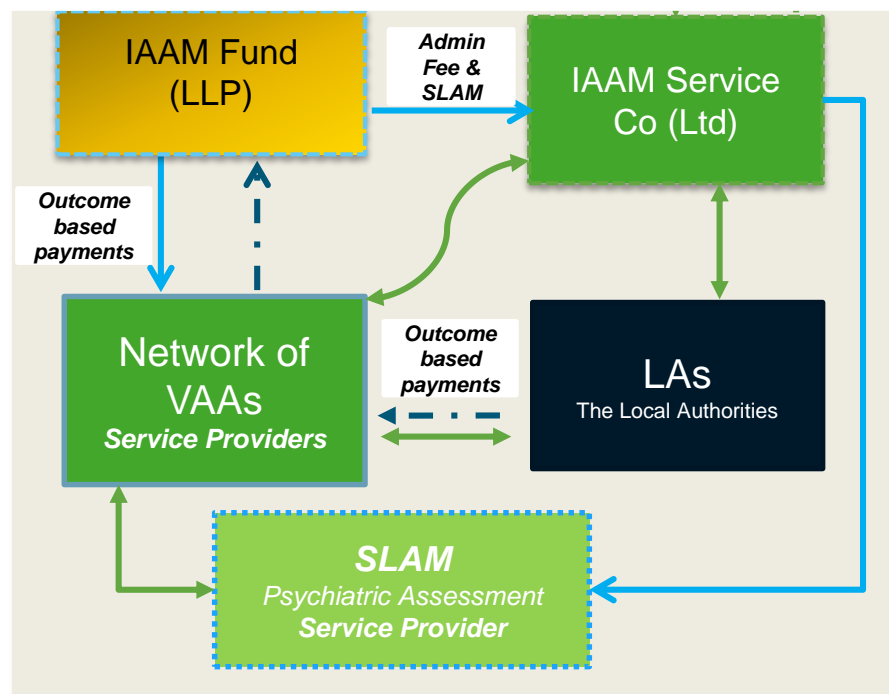
## IAAM - Funding & Relationship flows

### IAAM Fund:

- Advances £46,500 in same four stages
- Recovers that from LA payments.
- Takes risk up to first 10% of breakdowns
- Funds IAAM Service Co as the “referree” of the scheme

### Provider VAA:

- Takes excess risk over 10%





## It's All About Me SIB Structure

### IAAM - Funding & Relationship flows

#### Investors:

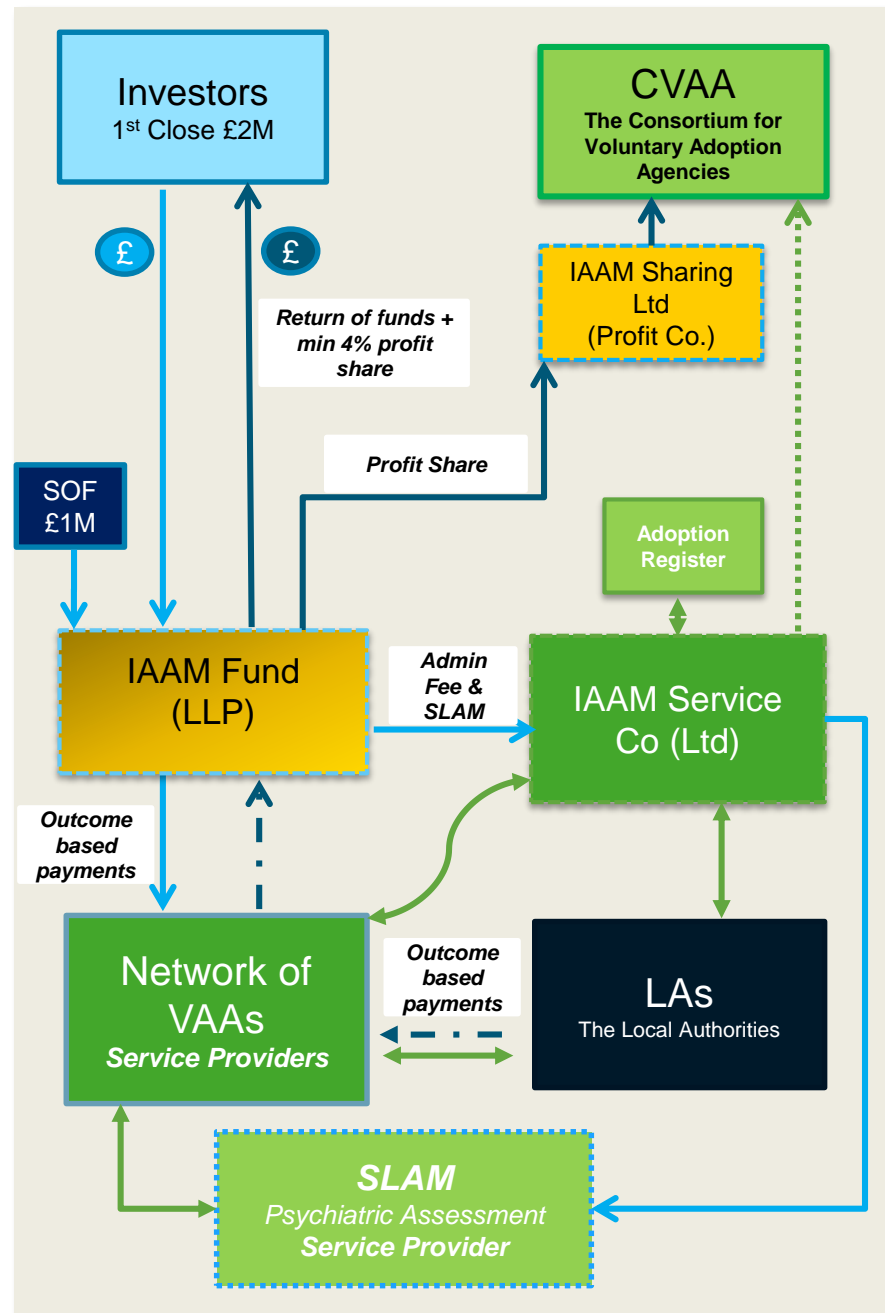
- Fund £2m
- Get a return of 4% p.a. plus a “with profits” element from the surplus
- Capital repaid at year 10

#### Cabinet Office

- Top up funding for first 100 children

#### CVAA:

- Gets the first £1m surplus plus half the remaining surplus
- Recapitalises the scheme at year 10
- Saves £50,000+ p.a.



# How's it doing....eleven months in?

- Network is working and developing
- First registrations after 6 weeks
- Psych/medical reports delivered within 6 weeks
- Engaged with 60+ of a target 75 (50%) local authorities
- 60 children referred; 20 registered; 12 being considered
- 1 placed in new homes
- LAs decision-making changing
- Wider VCS discussions about what's possible
- Interest from wider finance markets.....and individuals



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## Our ambition for children and their families

Currently there are nearly a thousand children in England who have been in care for over a year, creating further distress for already vulnerable families. These children are older, are in sibling groups, from whom they need either physical or emotional: families for these children are hard to find. Fostering is the alternative. Though this works for some, it is not always the best option. Adoption has significant advantages in enhancing lifetime opportunities for these children.

For the families that seek to adopt these children they can find a supportive environment in coming to terms with their past experiences, rather than being controlled by their traumas. However, they need support, both before and after placement.

At IAAM our ambition is to ensure that more and more parents have the opportunity of making a family for these children. We will provide the support and training they need to make those placements a success.

## To find out more

IAAM is available for children referred to the VAAs above – via their local authority. Alternatively, please visit the IAAM website: [www.iaam.org.uk](http://www.iaam.org.uk) or contact Adoption's CEO Andrew Thomson via e-mail at [andrew.thomson@iaam.org.uk](mailto:andrew.thomson@iaam.org.uk)



You can follow us on twitter: @IAAMAddo  
[Linked in](#) IAAM Addo



<sup>1</sup> IAAM Adoption is the trading name of IAAM Service Co Ltd, registered in England as a company limited by guarantee, and is beneficially owned by the Consortium of Voluntary Adoption Agencies (CVAA).



## "IT'S ALL ABOUT ME": GUIDE FOR PARENTS

### What is "It's All About Me"?

"It's All About Me" (IAAM) is a new family finding service that finds families for 'harder to place' children. The service is provided by six of the country's leading Voluntary Adoption Agencies (VAAs):

Action for Children  
 Adoption Matters  
 After Adoption

Caritas Care  
 Family Futures  
 Parents and Children Together

### How Does IAAM Work?

IAAM uses a unique social impact bond to enable VAAs to find families for specific children, referred by their Local Authority, and to provide support for these families as they move through the adoption process. The support provided helps parents with:

- Developmental re-parenting
- Attachment
- The impact of early life trauma on brain development and subsequent behaviour
- Managing challenging behaviour
- Safe caring of children whose behaviour is particularly challenging
- The impact of secondary trauma, self-care and managing stress as parents
- Additional modules specifically related to the needs of a particular child e.g. autism
- Appropriate training for other members of the adopter's household, and support network
- Appropriate training for those also involved in caring for the child

The support package for parents will span at least the crucial two years after placement as well as the build-up to it, and will include the following elements:

- assessment of the child's needs, enabling training to be matched to them, but also enabling parents to set realistic but positive expectations for the child
- continuing training
- provision of emergency 24 hour telephone support
- respite care
- access to an individual buddy or specific group support before during and after placement
- individualised therapy for the child/family as determined through a specialist assessment (via the South London and Maudsley Children's Hospital)



# SIBs - Why bother ? Where's the benefit ....?



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- Additionality:
  - Do what otherwise wouldn't happen
  - Do good things on a greater scale
- Manage risk better
- Organise complex programme delivery
  - Focus on real outcomes
  - Use resources better
  - Enable smaller providers to work together
  - Manage behaviours to deliver successs
  - Create and manage markets
  - Scale up good services
  - Innovate



# Impact Investment: where next ?



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## Opportunities

- Moving away from public service revenue into **market revenues**
- **Re-engineering markets and behaviours**
- Stretching the boundaries to **self-investment and profit-with-purpose**
- Joining up conventional and social markets in a **continuum**
- **Ideas incubation** – funding it and driving it

## Pitfalls

- Co-leadership and energy turning to **isolated arrogance** from social investors
- Measurement and reporting requirements leading to a **two-tier investee market**
- Reliance on public service revenues leads to (political) **instability**
- **Not embracing risk** and risk management positively as a value-driver

# Alternative Delivery Models giving scale-ability

If a fund is to be proposed, these run to a  
**Venture Philanthropy Model**

## 1. Investor

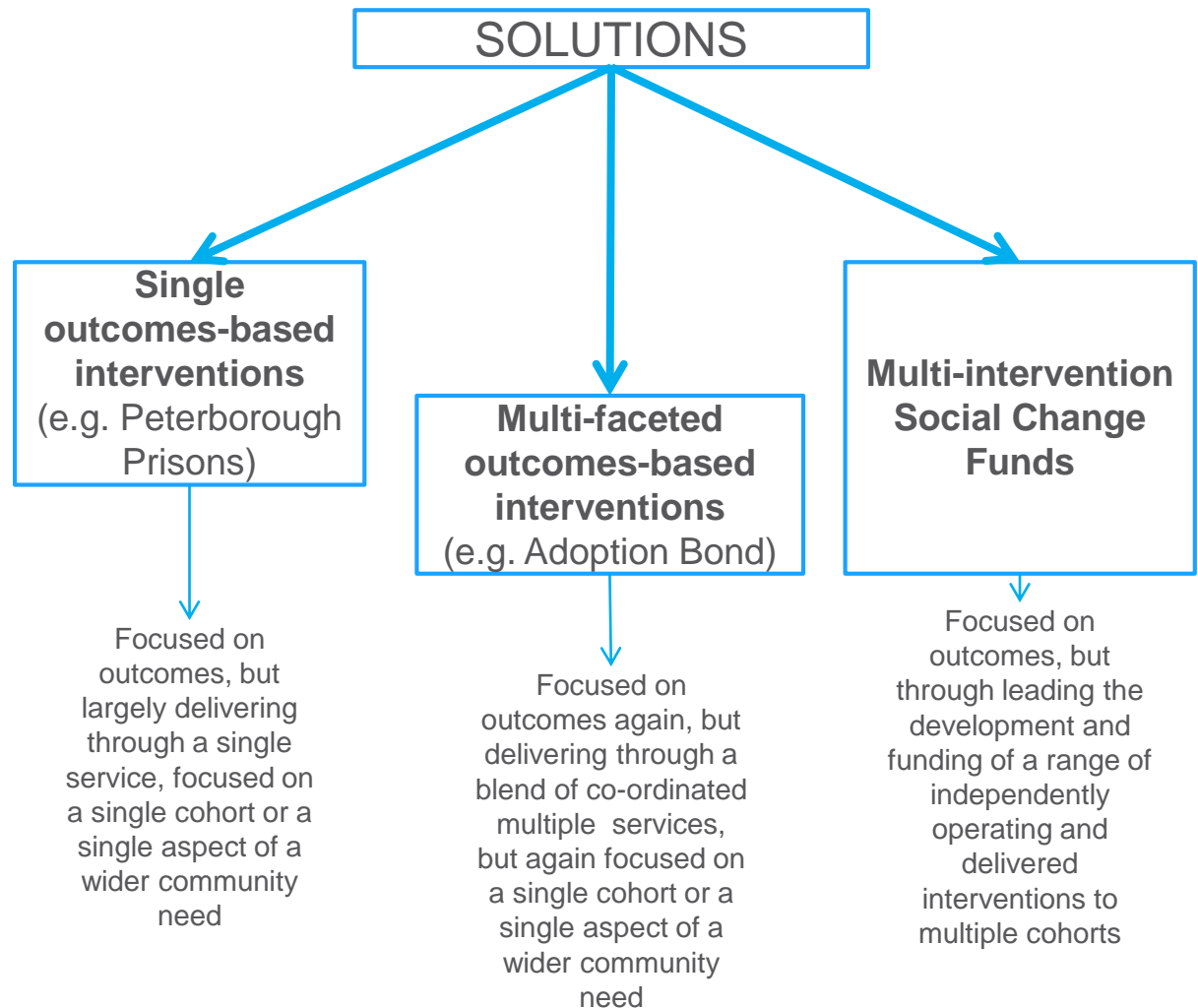
- a) Equity
- b) Debt
- c) Grant
- d) Guarantee
- e) Investment in kind

## 2. Instigator

- 1. Co-developing ideas
- 2. Priming and delivering research and new thought

## 3. Hub and coordinator

- 1. Developing networks
- 2. Providing coordination for partnered activity
- 3. Planning the full effectiveness of multiple interventions



## Can you see the impact we're having ?

- Lives changed, using behaviours re-engineered
- Children into new homes
- Adoptive families stabilised and supported
- Costs saved for State
- Wider systemic learning

**Understand it, deliver it, measure it  
if you like...**

**...but above all VALUE IT**

