

# EVPA CoLab AWARD

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## THE SERVICE REFORM FUND – BRINGING INNOVATION INTO THE CENTRE OF PRACTICE

Submitted by the Genio Trust, Ireland

Genio is a European nonprofit organisation based in Ireland working with philanthropy and government at national and EU levels. Our expertise is in supporting social services to solve complex problems and scale social innovations. We do this by helping to bring stakeholders together to navigate the pathway through the challenges of system reform; and to help implement and scale more personalised, community-based and cost-effective social services. The programme of work described in this application is called the Service Reform Fund, a conscious effort to engage in large, complex systems change. This programme has resulted in the national scaling of service innovations, which were previously at the pilot stage. These are now the flagship programmes of Irish government's response to long-term homelessness, unemployment of people with mental health challenges and supporting people with disabilities to live engaged lives in communities. The programmes are being sustained and expanded by the government at a scale that would be impossible with only philanthropic support.

In Europe, we recently launched the European Social Catalyst Fund (ESCF), a new initiative designed to have significant impact on some of Europe's most pressing social challenges. The ESCF has been established and co-funded by the European Union's Horizon 2020 Research and Innovation Programme, Genio (Ireland), the Robert Bosch Stiftung (Germany) and the King Baudouin Foundation (Belgium). Genio is leading the rollout of the ESCF.

### BACKGROUND

A. Which **type of organisation** are you (tick all that apply)?

- A Capital Provider (grant maker): An engaged grant maker deploying financial capital and other resources for impact
- An Intermediary: an advisory, capacity building organisation or research organisation supporting capital providers, impact delivery organisations and other stakeholders and/or enhancing knowledge in the impact economy.

B. Please briefly summarise your **mission**

Our mission is to bring about lasting improvements in the lives of people who are disadvantaged and vulnerable through the reform of social services in a person-centred and cost-effective direction.

In Ireland our objective is to build strong relationships and trust between the public and private sectors and use private sector funding to help the public sector deliver social services in a person-centred, cost-effective way.

In Europe our objective is to collaborate with the European Commission and other European institutions and Foundations to discover and help existing person-centred innovations in the provision of social services grow, and ultimately scale, at a pan-European level.

Globally our objective is to share learning, and to learn from others engaged in scaling and social service systems change.

- C. Which of the **use cases** does your practice(s) apply to? Please tick all that apply!
- Social innovation in public services / with public authorities
  - Place based funding
- D. Which **system practice field(s)** does your practice apply to? Please select the most relevant (max three).
- Strategy design
  - Management, learning & adaptation
  - Collaboration
- E. Please give us a brief background 1) what motivated you to act and who initiated the practice(s), inside or outside your organisation, and (if applicable) 2) describe the event that triggered your engagement.

The genesis of the Service Reform Fund lay in the earlier work of Genio where we had provided financial and non-financial support to innovators in the disability and mental health fields to implement practice change at an organisational level. Whilst this led to the adoption of changes which transformed the lives of individuals, there was a need to bring these novel practices and approaches into the mainstream practices of systems that are funded and organised primarily by the Irish government. We managed to raise €15m from a philanthropic foundation and then used this resource to leverage a further €30m from the Irish government. This closer partnership with government not only increased the fund threefold, more importantly it brought us into a close relationship with senior staff who had been attempting to drive reform with public services. By this stage we had developed an intervention methodology for overcoming the ingrained beliefs and practices which often stymie reforms within these complex systems.

## THE PRACTICE(S)

- F. Briefly **analyse the situation before you introduced the practice**. What contributed to maintaining the status quo and producing (undesirable) results, e.g. resources (or lack of resources), rules (informal and formal), roles (relevant actors from the public, private and social sector, their legitimacy or effectiveness) and/or the kind and quality of relationships (informal and formal cooperation, power dynamics, information flows).<sup>1</sup>

One of the biggest challenges, across the areas that we worked in was that effective social innovations had been “ghettoised” into pilot projects and demonstration initiatives. The Housing First programme to address long-term homelessness was operating as a pilot in Dublin only, despite having an 87% effectiveness rate. The recovery-focused, person-centred mental health services were not being mainstreamed by wider staff teams. Community-living

<sup>1</sup> See more details on using the 5R framework (Results, Resources, Rules, Roles, Relationships) for systems analysis for example here Ashoka [Online Guide on System Change, part 3](#) <sup>1</sup> based on USAID's Programm Cycle.

for people with disabilities was being implemented slowly and in some cases meeting strong resistance. This maintenance of the status quo was driven primarily by deeply ingrained beliefs and practices at front line and senior levels. The services were often seen as being crisis driven with available resources going to “fight fires” rather than to drive longer-term reform. In all cases the traditional models of service were expensive and not based on the preferences of those receiving the services. Change was seen as risky and the problems were often viewed as intractable. Social innovation was seen as a luxury and the preserve of those who do not have to deal with the day-to-day realities of operating large, complex social services. There were three approaches that we adopted to advance the Service Reform Fund

- 1) **Funding was contingent** – The funding was awarded and paid out by the Genio Trust based on progress with agreed plans. Each region was given opportunities to develop plans based on the needs of service users. Funding was awarded to the regions against transparent criteria which focused on the extent to which the regions developed realistic, ambitious plans for service reform. The funding was then paid out based on the monitoring of the implementation of these plans. This contingency around the funding helped to get the attention of people across the social service systems as many leaders did not want the embarrassment of being left out of the process. Over time the responsibility for funding and overseeing programmes is handed over to the mainstream social service funders (who are close partners in the programme).
- 2) **Curiosity about implementation challenges** – The implementation of the Service Reform Fund was informed by international expertise about complex social service systems reform. An action research methodology was adapted to the areas of social service reform and was used to make challenges discussable. An approach known as “positive deviance” was then used to find out whether any areas had found partial solutions. Communities of practice for frontline workers and leadership forums were established. In advance of these meetings, key actors were interviewed, these interviews analysed and the different positions and interpretations of challenges were laid out, and the “table set” for constructive discussions.
- 3) **Priority of service user voice** – Service users were involved in planning, inputting into decisions on the awarding of funding and evaluation of progress. This symbolised the shift in power dynamics and also ensured that a platform was provided for this voice to be heard, alongside other, often more powerful groups (e.g. professional groups, unions, public servants). Having this voice in the process grounded the reform efforts and ensured that we were working towards what people using the service actually wanted rather than other vested interests.

There are reports and videos which describe and show in more detail the specific practices used in the materials linked below.

G. Please describe the **actual results** you sought to achieve with your practice, **the parameters you sought to influence most**; roles, relationships, rules, and resources and how?

Our experience tells us that the main obstacle to systems-level change is not usually a lack of innovation, but a lack of engagement with the real and complex challenges of bringing about systems change through cross-sector collaboration. Stretched government resources are often locked into traditional, unsuitable and often expensive services.

Genio has facilitated an alliance between government and philanthropy using private funding as a catalyst to refocus public spending to produce better outcomes, cost effectively. The Service Reform Fund process engages all the key stakeholders (including people who use

services, their families, service providers, public service commissioners, funders - philanthropic and public, policy-makers and politicians) and identifies and addresses what each needs to do in order to bring about the required changes. Performance-managed grants (approximately €45m) have been awarded to services through a competitive application process. Time and resources are invested in extensive stakeholder capacity building and cross-learning using an action research methodology, drawing frontline staff, middle management and senior leadership into a process where they are supported to navigate the challenges and gain a sense of ownership over developing solutions, while also actively listening to, and engaging with, the people who use services.

At this stage, the Service Reform Fund is nearly complete and the results have far exceed expectations. The Housing First model to address long-term homelessness is operating across the whole country and the government has recently announced another expansion of the number of people being inducted into the programme. The programme has been evaluated by the University of Limerick and found to be operating with good fidelity to the model. The Housing First approach in Ireland is unusual internationally in that it is being delivered and funded by the mainstream state health and accommodation systems in partnership with nonprofit organisations. The integration of these services was facilitated and led by the Service Reform Fund.

Similarly in the mental health field a programme to support people with significant mental health challenges to access the mainstream, competitive labour market, called Individual Placement and Support has been mainstreamed and expanded nationally by the Irish Health Service. Strong partnerships have been established between social services and private employers and the programme is now operating in every region in Ireland. The programme was recently evaluated by Mazars (see <https://www.genio.ie/publications/IPS-report-mazars>).

Also, Community-Living, a programme where people with disabilities are supported to engage in community life, has now been expanded significantly in Ireland with more person-centred practices being built in.. This progress has also been achieved in ten of the most out-dated, unsuitable traditional institutions where the Service Reform Fund focused much of its efforts. A significant evaluation of integrated, community-living was commissioned by Genio which demonstrated that the new approach of personalising services was better for service users and cost effective than institutionalised care.

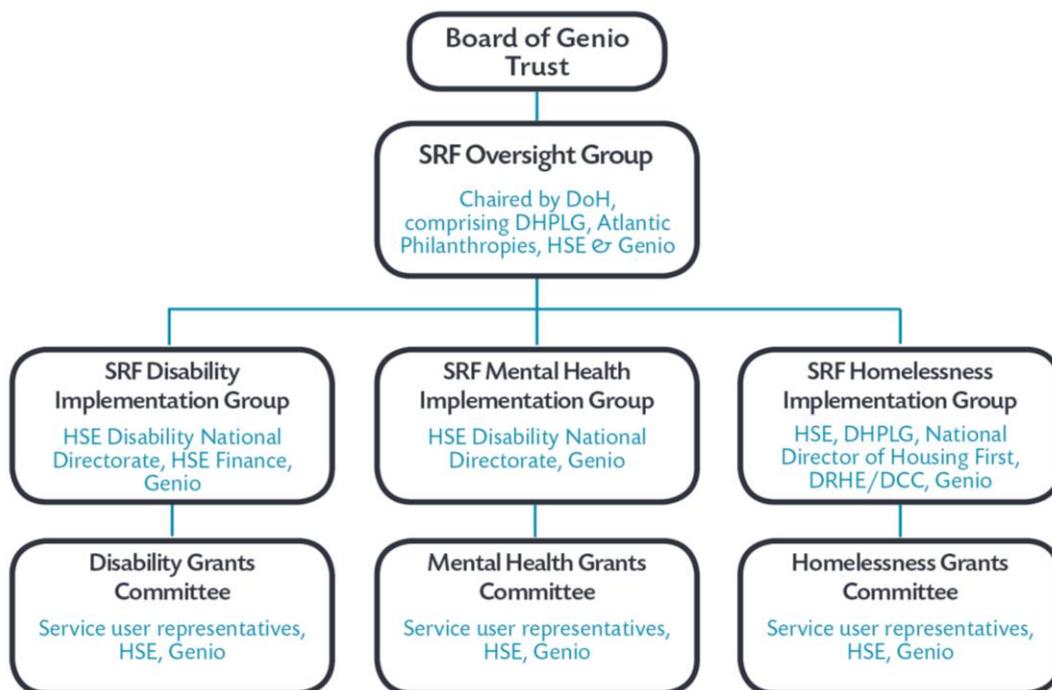
H. Please describe the **intended results** you sought to achieve with your practice and **the parameters you sought to influence most** – if considerably different from the actual results described above.

At the outset, we did not have an elaborate theory of change but we did have specific national targets and a clear idea of the main opportunities and challenges in the fields. We focused on areas where there was a significant gap between espoused national policy and practices at the time and developed a methodology to implement systems changes, scaling up to a national rollout over a five year period. We used an adaptive approach, based on action research model, in parallel with performance-related grant making. Short-term targets were set for regions and grants made to get the programmes of work operational and the adaptive approach enabled us to surface and address implementation challenges as they arose.

I. Please specifically explain the **role other actors and collaboration played** in this practice (if not the main practice itself) and insert a figure that illustrates the main stakeholders and partnerships that play a role in the practice you are presenting here.

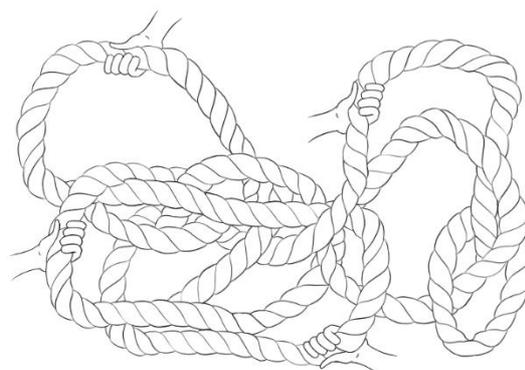
Collaboration is a central feature of the Service Reform Fund. The governance and administration of the Fund involves the two of the largest Irish government departments, service users, private philanthropy, the health administration system and Genio. All of the programmes involve complex collaborations between multiple service providers, funders and those using the services.

**Figure 1 - The structure of the Service Reform Fund**



The action research approach designed by Genio involves a combination of holding everyone to account for the delivery of outcomes and helping these multiple stakeholders adapt and change as they encounter challenges. Usually, there were very strongly held, longstanding, different interpretations of the root causes of these challenges and the action research helped make these complex, systemic problems “discussable” and provided a methodology to resolve them. Figure 2 uses the graphic of unwinding a knot to illustrate how multiple stakeholders were collectively involved in this process.

**Figure 2 – Unpacking and resolving complex challenges**



## YOUR INSIGHTS

J. What went well and why? What were the challenges you faced and how did you overcome them? What would you do differently today and why?

The above approach of combining the more objective “power” of allocating funding with more subjective approaches of surfacing different constructions of problems and promoting the voice of service users has worked extremely well. There are three large change programmes which have now been transferred over to mainstream government funding. The services of outdated, inappropriate, large, congregated, institutions have been transformed to more personalised services, with 325 people who were living in some of the most criticised facilities, being supported to move to community settings. An employment programme for people with enduring mental health problems has been rolled out across Ireland and has now been adopted fully by government. In homelessness Housing First has been adapted to the Irish context and rolled out nationally.

One of the main challenges we faced was putting into practice concepts which are still at earlier stage of development. In mental health services for example, there is a broad commitment to “recovery focused” services. For leaders of regional service and frontline staff this often produced frustration as to what specifically “recovery” means and how it can be operationalised in terms of managers’ roles monitoring performance and allocation of resources. The solution to this was to start with very specific areas of practice and to facilitate well-structured discussions about how in detail this broader concept could be brought into practice and how managers could lead in these change processes.

K. Which three pieces of advice would you give to your peers?

As is illustrated above, involving multiple stakeholders is a process that necessitates carefully designing a methodology to address the challenges of complex systems change. For this to work there needs to be a recognition of the opportunities and challenges that exist within these systems currently. There is little point designing “an ideal model” that works in a pilot setting but that has little chance of getting traction within the social, health or educational systems within that country. Overall, there is a need to balance idealism with a sense of realism about how scaling actually happens within social service systems. In Europe, if you are working on social service challenges and not considering the role of the public sector (in conjunction with the private and nonprofit sectors) significant scaling will rarely take place.

## FURTHER RESOURCES

[Article by Genio in Stanford Social Innovation Review](#)

[Link to SRF Disability Programme materials](#)

[Link to SRF Mental Health Programme materials](#)

[Link to description of Action Research Programme](#)

[Link to video on SRF Housing First Programme](#)

## CONTACTS

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