Collaborative working between large and small voluntary organisations

Final report of an action research study

Aston Centre *for* Voluntary Action Research

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Authorship and acknowledgements

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Final Report
July 2006

Executive Summary

I.   Introduction

This is an Executive Summary of the Final Report of the Study carried out by the Aston Centre for Voluntary Action research for NCVO between February and June 2006. The Study focused on partnerships between large and small organisations (L/SPs) and had five specific aims:

- To identify the distinctive features of L/SPs and the challenges associated with them;
- To identify the costs involved in collaboration through L/SPs;
- To explore how far L/SPs depend on external support;
- To assess the degree to which L/SPs are perceived as bringing additional benefits to end users; and
- To identify and explore the factors that contribute to effective L/SPs.

II.   Methodology

This was an action research study; it involved a high level of collaboration between the research team and the Study participants. 26 organisations representing 13 carefully selected L/SPs took part in this Study. We collected our data by means of interviews, research assignments undertaken by Study participants and workshops with Study participants. The Study was carried out in four distinct stages:

- Stage One, selection of study participants
- Stage Two, collection of organisational data, first workshop and first L/SP research assignment
- Stage Three, second workshop and second L/SP research assignment
- Stage Four, data analysis and report writing.

III.   Findings

Our Study findings are presented under six main headings.

i   Characteristics of L/SPs

Most of the organisations which formed L/SPs had worked together in some form of partnership before and already had detailed knowledge of each other. Whilst the reasons and process for the establishment of their L/SPs were multi-layered, complex and interdependent, we suggest that the principal reason for their establishment was a desire to bring complementary organisational aims, skills and resources together for mutual advantage.

The data on the characteristics of the organisations and the L/SPs that they form offers limited support to the argument that finding a partner of different size is the overriding factor in partnership formation for L/SPs. Although funding is a key consideration for all L/SPs studied, we found little evidence to support the view that new funding streams are the primary reason for the establishment of LSPs.

ii   Time and cost incurred by L/SPs

The most significant cost to L/SPs is staff time. Although we cannot generalise from the cost and time data collected, our analysis illustrates that as an average 52.5% of participants' time can be considered as being allocated to service delivery and 40% to the management or administration of their L/SP; only 2.5% of all working time was spent on lobbying and advocacy work.

Most of the work involved in managing a L/SP and delivering services through the L/SP is undertaken by paid management or service delivery staff, with executive staff and volunteers each spending 5% of their time on L/SP related matters. The Study findings highlight the importance of not underestimating the costs of partnership development, management and administration and also the difficulty encountered by senior L/SP staff in arranging 'backfill' for the time they spent on specific activities.

iii   External support used by L/SPs

L/SPs support each other in practical ways and only make limited use of external support. We identified a number of unmet support needs, in particular: funding to resource partnership working; expert advice on partnership working; high level strategic support and training on policy analysis and the management of joint budgets.

iv   Features of effective L/SPs

Most of the L/SP organisations had a history of joint working and entered into partnerships in a thoughtful and pro-active way. Decisions to work in partnership were generally motivated by a desire to help their own organisation better achieve their purpose.

Apart from it being a partnership between organisations of different size, the data suggest that there is no standard structure or process that characterises a L/SP. However, L/SPs do have distinctive features which characterise them as partnerships:

- That are created proactively by their members;
- That are governed by their members;
- That have a specific, often service related purpose; and
- That have a joint approach to decision making.

v   Benefits provided by L/SPs

The benefits of partnership working in L/SPs are substantial, both for members of L/SPs as well as the end-users of their services; they include: skill sharing, relationship building and network development. While cost savings and access to funding are important benefits, they did not appear to be of primary importance to Study participants. Also, the flow of benefits is not mainly from the larger to the smaller organisation: both partners have complementary skills.

vi   Challenges and barriers encountered by L/SPs

Most of the challenges identified by L/SPs can also be found in other partnerships. However, the Study shows that L/SPs can turn many of the challenges they face into opportunities, for example by taking more risks together than they would have taken individually. Although smaller organisations in L/SPs often experience particular strain on their resources, most of the organisations which we studied experienced some degree of difficulty in this area, regardless of their size.

IV.   Issues for further consideration

The Study highlights a number of issues of relevance for policy makers, funders and practitioners.

i   Factors contributing to the effectiveness of L/SPs

The Study suggests that the formation and operation of effective large/small partnerships are characterised by:

- Strong inter-personal relationships;
- Complementary skills;
- Mutual trust between the individuals leading the L/SP;
- Mutual exchange and shared vision; and
- Support provided by L/SP organisations to their individuals (staff and volunteers) working for the L/SP.

ii   Costs of maintaining L/SPs

Although the Study has not produced representative average costs of partnership working, there is evidence to show that this model of partnership working entails costs which, in some cases, can be substantial. The findings suggest that:

- L/SPs incur costs which are in addition to costs incurred by the individual partner organisations;
- The greatest amount of time in L/SPs is spent on tasks associated with service delivery; and
- Lack of funding for partnership working can inhibit the development of L/SPs.

iii   Mutual capacity building

The Study shows that L/SPs present a practical and problem-focused mechanism for building the capacity of both small and large VCOs. This capacity building takes place with little external input and without incurring significant additional costs. Most of the L/SPs studied consider themselves to be a 'partnership of equals' in which:

- Smallness does not inhibit strategic thinking and the development of a shared vision for a L/SP;
- Smaller organisations often lead the partnership;
- Large and small organisations exchange support freely with each other and are engaged in a continuous process of learning; and
- A mutually supportive culture encourages the translation of strategy into practice and risk taking.

iv   Further research

Finally, this Study highlights the need for further analysis and research. In addition to a detailed comparative analysis with earlier studies and evaluations of VCS partnerships we suggest that further research in three areas may be of particular benefit to policy makers, funders and practitioners:

- The governance of L/SPs;
- The costs and benefits incurred through L/SPs; and
- The capacity building processes in L/SP.

Part One: Introduction to the Final Report

1.   Background to this Study

This is the Final Report of a study carried out for NCVO by the Aston Centre for Voluntary Action Research (ACVAR) between February and June 2006. This Study builds on previous research carried out for NCVO (1+1=3, Mitchell and Drake, 2005) on collaborative working between large and small voluntary and community organisations (VCOs).

The 1+1=3 study was motivated by concerns about the potential challenges encountered by smaller VCOs in securing funding through service delivery contracts and the potential role of larger VCOs in building the capacity of smaller VCOs. Large VCOs were perceived to benefit most from the emerging policy framework on the voluntary and community sector (VCS) with its pressures both to collaborate and compete for public sector funded service delivery contracts. One way of ameliorating the effect of these pressures for smaller VCOs was seen to be a partnership in which larger organisations provide support for smaller ones, in particular with regard to financial and quality control, and the capacity to deliver public services.

For this Study we have used a working definition for large/small Partnerships (L/SPs) which is based on the findings of the 1+1=3 study. Organisational size is relative to the local organisations coming together to form a partnership, therefore an organisation that is large nationally maybe small in relation to the local partners it is working with. Hence we understand L/SPs to be partnerships between two or more organisations, of which one is proportionally larger than the other, which have come together to collaborate on the development and delivery of services. Services are understood to include activities undertaken by VCOs ranging from campaigning to specialist support for individual service users.

1.1   Study aims

The overall aim of this Study was to investigate the structures and processes of large/small partnerships (L/SPs) by engaging practitioners in a process of problem identification, learning and reflection. We chose an action research approach to carry out this Study and assigned three professional researchers to work with practitioners to collect and analyse data on the practical issues and problems they faced. Through this collaborative process we intended to build practically useful knowledge and encourage problem oriented learning amongst study participants. The specific aims of the Study were to:

- Identify the distinctive features of L/SPs and the challenges associated with them;
- Identify the costs involved in collaboration through L/SPs;
- Explore how far L/SPs depend on external support;
- Assess the degree to which L/SPs are perceived as bringing additional benefits to end users; and
- Identify and explore the factors that contribute to effective L/SPs.

2.   Methodology

This study is based on the principles of action research which include collaboration between professional researchers and study participants in the collection and analysis of data that is focused on practical issues and problems encountered by the 'problem owners'. The 'problem owners' in this study were 26 representatives from 13 L/SPs that were selected through an open and structured process designed to ensure a diverse study sample that was inclusive of a wide range of organisations with regards to their aims, size and client groups.

The Study was carried out in four distinct stages:

- Stage One, selection of study participants
- Stage Two, collection of organisational data, first workshop and first L/SP research assignment
- Stage Three, second workshop and second L/SP research assignment
- Stage Four, analysis and report writing.

We collected our data by means of interviews, research assignments undertaken by Study participants and workshops with Study participants. The Study findings were discussed at a conference attended by policy makers, funders, practitioners and Study participants to reflect on the validity and implications of our findings. The full process of selection of study participants and details of the methodology used are presented in Appendix One.

Our Study findings are presented in Part Two of this Final Report. Given that this is a qualitative rather than a quantitative study, our findings are illustrative and not representative. In general, we do not state the number or percentage of study participants holding a particular point of view except where quantitative data is referred to. We have attempted to reflect the range of views and perspectives of study participants in our research findings.

We present the findings anonymously and refer to findings as emanating from 'study participants' or 'conference participants'. Organisations constituting the L/SPs studied are referred to a 'L/SP organisations'. Participating partnerships were given a numerical code to preserve anonymity; unattributed quotations are presented in italics.

Part Two: Study Findings

In this Part Two of the Final Report we present our findings in six sections. Each of the following sections begins with a presentation of our findings, followed by a brief discussion and summary:

- Characteristics of L/SPs;
- Time and cost incurred by L/SPs;
- External support used by L/SPs;
- Features of effective L/SPs;
- Benefits provided by L/SPs and
- Challenges and barriers encountered by L/SPs.

We also include a section containing feedback from a conference held to discuss the findings from our study and conclude this Part two with reflections from Study participants on their participation in this Study.

3.   Characteristics of large/small partnerships

3.1   Organisational size, funding and client groups

The data collected through interviews show that out of 26 L/SP organisations, 15 were single establishments and 11 had more than one office, with the number of offices in the UK ranging from two to 30. The date of establishment of L/SP organisations ranged from 1850 to 2003, with the majority being established in the 20th century. Nearly half were set up during the 1990s.

The number of staff working in L/SP organisations ranged from no employees (one organisation had no paid staff) to more than 500 staff. In many cases the difference in size between the partner organisations was very small.

Table A – Size of participating L/SP organisations

Number of employees per organisations	Number of organisations participating
0-4	5
10 – 19	10
20 – 49	3
50 – 99	5
100 – 199	1
500+	2

N= 26 partner organisations

Table   B: Size range of partner organisations

No. employees Partner 1 (larger organisation)	No. employees Partner 2 (smaller organisation)	Number of L/SPs
10-19	0	1
10-19	1-4	3
10-19	10-19	1
20-49	10-19	1
50-99	1-4	1
50-99	10-19	1
50-99	20-49	1
50-99	50-99	1
100-199	10-19	1
500 or more	10-19	1
500 or more	20-49	1

N = 13 partnerships

The number of individual clients or organisations served by L/SP organisations in the twelve months preceding this Study ranged from:

- 150 – 10,000+ individuals for one-off services,
- 35 – 1,000+ individuals receiving intensive support,
- 24 – 400+ organisations for one-off services or ongoing projects and support.

Nearly all L/SP organisations receive funding from government departments and public agencies; most receive funding from charitable trusts and nearly half receive donations. A small number receive funds from private sector organisations and membership fees (Further details on organisational characteristics are in Appendix Two)

The client groups of the L/SP organisations differed widely, ranging from children and young people to community groups, schools and VCOs. Where organisations come together to form a L/SP they show a complementary and shared focus on particular client groups or issues. For example, one partner focused on disadvantaged young people and the other on school and community education; one partner focused on offenders with mental health difficulties and the other on mental health issues more generally. In the table below we show the client groups of participating organisations grouped according to the L/SPs they form. The partnership code used in the table below identifies participating L/SPs throughout this report.

Table C: Clients of partner organisations

Partnership code	Client groups of partner organisations
P 1	Main client group is young people, often disadvantaged or disenfranchised, but services also provided for a wide range of age groups, including primary school children and retired people
	Community groups, schools, community centres and residents groups
P 2	Families – parents and children
	Voluntary and Community groups in the area, primarily organisations delivering services to 0-19 year olds
P 3	Organisations who work with families and individual families on debt advice and support
	Wide range of groups, organisations and individuals requiring education and advice on money matters
P 4	Individuals with mental health and multiple needs in the criminal justice system
	People with mental health issues
P 5	South Asian organisations
	All sections of the community, to promote multiculturalism and awareness
P 6	Families and friends of prisoners, or anyone affected by someone in prison. Organisations working with families or friends of prisoners
	Children and families
P 7	Disadvantaged people within the neighbourhood renewal areas of one city
	People aged between 30-65 years, mainly female, unemployed, homemakers or retired
P 8	The nine member organisations of the L/SP and the public who access these organisations
	Accessible to all members of society
P 9	VCOs in the district, particularly those working with young people, the elderly and people suffering from mental health problems
	Local infrastructure organisations
P 10	Children, young people and families
	Young people between 10 and 25 years of age who live, study or work in a particular county
P 11	Mainly VCS organisations but some clients are statutory agencies
	Other local VCS organisations and the individuals working for them
P 12	Anybody with learning needs that could be met through community based informal support
	Children, young people and their families – primarily in disadvantaged or marginalised communities
P 13	Anyone who lives in the county
	Voluntary and community organisations in the county

3.2   Partnership aims, management and structures

3.2.1   Formation of partnerships

All participating L/SPs had been established within the past 11 years, the earliest in 1995. Most L/SPs had been established since 2000 and two had been set up in the last 18 months. The L/SP was often initiated by a lead individual in one of the partner organisations, and in most cases there was a history of collaboration between the two organisations. Most Study participants cited similar mission and aims between the organisations as a main reason for the establishment of the L/SP.

A number of L/SPs described a history of informal partnership working which, over a period of time, had developed into a more formal relationship and eventually the establishment of the L/SP. In other cases, partner organisations realised that they were duplicating each other's activities and the L/SP had emerged as a result of steps taken to address this. In addition to a reduction in duplication, Study participants identified access to complementary skills and cost savings as reasons for the establishment of their L/SP. Further reasons for the establishment of L/SPs included:
- Sharing of risks
- Reduction of competition for funding
- Improved access to individuals and organisations, having 'broader reach'
- Development and sharing of effective models of working
- Enhanced capacity to raise funds

3.2.2   Partnership aims

Although the aims of the L/SPs varied widely, most were concerned with the delivery of specific services to individuals, groups or organisations. Services provided by the L/SPs ranged from generic VCS capacity building and infrastructure development to specialist services for individuals and families. The table below shows the aims of the L/SPs, as described by Study participants.

Table D: Aims of L/SPs

Partnership code	Stated aims
1	To deliver a programme of environmental education in schools, in conjunction with other agencies
2	To work in partnership with a small group of organisations to share resources, training, knowledge, information and enable networking
3	To help families with financial management and debt; and to break taboos around talking about money issues
4	To formalise a previously informal relationship in order to combine specialisms and shared interests concerning criminal justice and mental health issues
5	To work collaboratively to bring different communities together and improve services to particular communities, building on the strengths of both organisations

Cont.

Partnership code	Stated aims
6	To provide a national helpline service to prisoners' families and friends
7	To Look at joint enterprise opportunities in order to pull together resources to help the local community
8	To raise the profile of the voluntary and community sector in one district and to have one building for the VCS that clients can access
9	To raise the level of learning and skills in the VCS and provide support and learning opportunities in the sub-region
10	To work together to deliver a children's rights and advocacy service; and to learn from one another's experience and expertise
11	To provide a one-stop community resource centre to provide information and advice to the VCS and the public
12	To develop effective resources, activities and strategies that will lead to the inclusion of fathers within systems and within communities, using the skills bases and opportunities within both organisations
13	To work together with local communities to reduce poverty, improve health and access to services, promote social inclusion and strengthen the voice of the community, through providing healthy living information and services and tackling the underlying causes of ill health.

3.2.3 Partnership management

Management arrangements for all L/SPs tended to involve planned meetings between the partners and regular telephone contact between the leads in each organisation. Most study participants stated in the telephone interviews that their L/SP had formal arrangements for the management of partnership processes, although these were not always within one specific written document. Six of the L/SPs were governed by a steering group. Some partnerships had informal arrangements, covering issues such as communication, planning and financial management. The issues covered by existing formal L/SP arrangements are shown below.

Table E: Formal arrangements for partnership management

Issues covered by formal arrangements	Number of respondents
Planning	16
Financial management	15
Communication	13
Conflict resolution	12
Risk assessment	11

N=26

3.2.4   Partnership structure

All study participants reported that there were specific and defined roles for each organisation within the partnership. Eight L/SPs reported that there was no overall lead, with partners considering it to be an equal partnership with respective partners having specific roles and responsibilities. Five L/SPs reported having a lead organisation; of these, four were the smaller organisation in the L/SP. In most cases there was involvement from the most senior organisational levels in the L/SP, although this was not the case in every partnership.

Study participants found it problematic to relate their L/SP to the structural definitions developed through the 1+1=3 study. A number of Study participants perceived their L/SP as fitting more than one definition, while some felt that their L/SP did not fit into any of the four structural types.

Table F: Respondents relating their L/SP to the four structural types

Structural Types based on 1+1=3	Number of respondents
I. Partnership between one large and one small organisation	9
II. A cluster of organisations with a large organisation as the lead body	7
III. A partnership involving a large organisation which sub contracts out	4
IV. A cluster of organisations with an independent organisation as the lead body	4
None of these	4

N=26

In addition, Study participants listed further reasons why the suggested structural types were not an accurate reflection of their L/SP structures, including:

- Their L/SP was a 'partnership of equals',
- The smaller organisation in the L/SP contracted out to one or more larger organisations,
- In L/SPs which were structured in a cluster (type IV. above), no one organisation was the lead body, although specific roles had been defined for each member organisation.

3.3   Discussion

Our findings suggest that the model of large and small organisations working in formal partnerships is a relatively recent phenomenon. Although the L/SPs selected for this Study varied widely in their purposes, structures and size, all were established relatively recently: the longest established L/SP was created in 1995, with most becoming formal L/SPs since 2000. This timescale coincides with important policy initiatives of the New Labour Government (eg: Active Community Unit 2004; HM Treasury 2002; HM Treasury 2004; Home Office 1998; Social Exclusion Unit 1998) which aim to increase the involvement of VCOs in delivering

public services and acting as agents of 'civil renewal'. Thus the establishment of L/SPs could be seen, in part, as a strategy largely driven by government policy.

However, our findings show that most of the organisations forming an L/SP had worked together in some form of partnership before and already had detailed knowledge of each other. The close correlation between the aims of L/SP organisations and the L/SP they form suggest that the partnerships came about primarily as a result of strategic choice.

This argument is supported by data which show that the reasons for the establishment of L/SPs are manifold and are dominated by a desire to reduce duplication and costs, and increase synergy through the complementary skills and networks of the other organisation. While considerations about funding are clearly important and evident in the material collected, our findings suggest that the reasons and process for the establishment of L/SPs are multi-layered, complex and interdependent. Attributing an over-arching importance to the presence of new funding streams in the formation of L/SPs would therefore appear to over-simplify the reasons for their establishment.

L/SPs did not report that mere size of the other organisation was an important aspect in the decision to form the partnership. Although in partnerships between a national and a local organisation there were clear advantages associated with complementary skills and focus (such as national overview and capacity to negotiate services with local delivery and connections to the community), in our sample national organisations were not always the larger partner. Our data suggest that the decision to form a partnership appears to have been driven by an assessment of mutual advantage in which organisational size was a criterion but not necessarily the key determinant for partnership formation.

Study participants found it difficult to relate their L/SP to the four structural types identified in the 1+1=3 study. Except for the first structural L/SP type which defines a L/SP as a partnership between one large and one small organisation, the remaining three types did not reflect the characteristics of many of the L/SPs participating in this Study, for three main reasons:

- Most L/SPs that participated in this Study reported that they had no lead organisation in the partnership and were a 'partnership of equals';
- Four L/SPs were led by the smaller organisation in the partnership; and
- A number of Study participants felt that their L/SP reflected the characteristics of more than one of the four structural types.

In summary we suggest that the data on the characteristics of the organisations and the L/SPs they form offer limited support to the argument that finding a partner of different size is the overriding factor in partnership formation for L/SPs. The data presented in this section suggest that the principal reasons for establishment of L/SPs was a desire to bring complementary organisational aims, skills and resources together for mutual advantage.

4. Time and costs incurred

The time and cost data presented in this section of the report were collected by study participants during their first action research assignment (see Appendix Five for full details of the methods used to collect time and cost data). This assignment had two related aims:

- To obtain reliable data on the actual time spent and costs incurred by working on L/SP related issues over a four-week period, and
- To obtain estimates of capital and non-staffing costs incurred over a 12-month period on L/SP related issues.

We first present data on time spent by Study participants on L/SP activities followed by data on the costs incurred. Cost and time data provide different perspectives on the amount of staff resources used to support L/SPs. Because staff are on different levels of pay, in one case the L/SP organisation has no staff and is entirely run by volunteers, the amount of time spent on partnership activity cannot be directly related to the amount of costs incurred.

A number of Study participants stated that time spent on their L/SP can vary considerably according to specific tasks, projects or time of year. Therefore, the chosen month during which data was collected for this Study can only be a snapshot of the time and costs incurred. Hence the data presented in this section cannot be generalised into an average monthly cost of partnership working and should be seen as indicative only. However, the data provide important insights into the cost structure of partnership work in L/SPs and give an indication of the scale and variation of the resources required to support L/SPs.

4.1 Time spent on L/SP work

The average time spent by Study participants, calculated according to the mid-point between the lowest and highest values (the median), is 85.5 hours over a four week period In organisations with the highest number of hours we identified specific projects which were delivered by and formed part of the L/SP. In some cases these employed full-time or part-time staff to work solely on the partnership project (further data on time spent are included in Appendix Three).

Time spent by individuals varied according to their level of seniority in the organisation. The most time was spent by either the lead officer for the partnership in each organisation, or by staff working specifically on projects which were forming part of partnership activity. In 14 organisations the Chief Executive or Deputy Chief Executive was involved in supporting the L/SP over the four-week period[1]. The hours spent by these senior officers ranged from 0.5 to 50 over the four weeks. The proportion of time given by executive staff amounted to 155 hours over the four-week period, or 5.7% of the total hours recorded.

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[1] It is important to note that the costs detailed here relate to a specific period of time. Thus officers at executive level may have been involved in partnership work at times outside this period in the other participating organisations.

Nine organisations reported input from unpaid staff such as members of the L/SP steering group, Chairs of the organisations constituting the L/SP and project volunteers. Volunteer input amounted to 137 hours over the four weeks. The proportion of volunteer time was 5% of the total hours recorded.

The total number of hours worked by ten L/SPs over the four week period amounted to 2658 hours with a median average of 231 hours per partnership. The table below shows that the greatest amount of time (34%) spent on a single activity was spent on direct service delivery. Although we are not able to attribute all cost and time data specifically to either service delivery or the management of the L/SP, if activities associated with co-ordination, management, monitoring and evaluation of services are taken together the total proportion of time allocated to service delivery was 52.5%. Administration, networking and planning activities which may largely be associated with the management and development of the L/SPs itself, rather than directly with service delivery, amounted to 40% of the total time spent. Only 2.5% of all working time during the four-week period studied was spent on lobbying and advocacy work; the remaining 4.6% of the time was given to training.

Table G: Time spent on different partnership activities

Activity	Total hours spent	Percentage of all activities
Direct service delivery	908	33. 7
Administration	556	20.6
Co-ordination and management	365	13.5
Meetings and networking	277	10.3
Planning and fundraising	256	9.5
Monitoring and evaluation	142	5.3
Providing or participating in training	125	4.6
Lobbying and advocacy	68	2.5

4.2   Costs of L/SP work

There was a wide range in the staff costs incurred by participating L/SP organisations. Some incurred costs of just over £50 while others spent more than £8,400 on staff in four weeks. The median cost of time spent on partnership working per organisation over the four week period was £1,326, with the highest costs being incurred by organisations which had staff dedicated to partnership activities (Further details on the cost incurred is included in Appendix Three).

The total cost of the time spent by senior staff at Chief Executive or Deputy Chief Executive level over the four week period was £3,981; this is 9.8% of the total cost

incurred by the organisations in our sample. The total cost of the 137 volunteer hours is £1,714. This is calculated at the average hourly earnings rate for full-time workers[2].

Table F below shows the staff costs of partnership working for each partnership, matched against the partnership hours over the four-week period (time for paid staff only). Again, the costs incurred vary widely between partnerships, ranging from £723 to £8,089 for the four week period. The median average cost of partnership working is £3,031 over four weeks. The costs incurred correspond largely to the number of hours worked over the four-week period; partnerships which deliver services directly also incur the highest costs.

Table H: Costs and times of partnership working for paid staff

Partnership	Total partnership hours (paid staff)	Total cost of time for paid staff
P1	44.1	722.69
P2	64	1753.08
P3 [3]	14.25	152.33
P4	151	2643.67
P5	148	2207.43
P6	244	3419.04
P7	313	4373.01
P8	350	7474.70
P9	562.5	9239.79
P10	555.5	8089.56
Mean costs per partnership		£4007.00
Median costs per partnership		£3031.00

4.3   Other capital and revenue costs

Eleven organisations listed costs incurred through their L/SP work which were in addition to staff costs. In two cases, the main expense had been one-off capital purchases, such as IT equipment, and a further two cases reported costs arising from the engagement of external trainers to deliver courses developed by the L/SP. Six organisations estimated annual costs ranging from £50 to more than £18,000 for items such as rent, travel, internet costs, printing, stationery, IT and other support. The reported monthly running costs of L/SPs, which are in addition to staffing costs, ranged from £10 to £1,500, including reimbursement of travel, subsistence and other direct costs incurred by their volunteers working on L/SP matters.

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[2] Calculated on the basis of the average hourly earnings rate for full-time workers of £12.51 for England (Annual Survey of Hours and Earnings 2004, which is used as a measure in the Home Office Citizenship Survey).

[3] Actual time recorded for P3 over the four weeks is 102.75 hours, but time spent by paid staff within the partner organisations amounts only to 14.25 or 14% of the recorded time. Other time spent in this partnership related to hours worked by tutors with programme-based contracts for a course which was run four times per year but cost data was not available.

Discussion

When Study participants reflected on the emerging findings from the cost assignment they had undertaken they stated that staff time was the main constraint on their partnership working. Lack of resources to cover costs of partnership work was reported to impact negatively on the L/SP in two distinct ways:

- Lack of staff time limited partnership development because attention was focused on operational rather than strategic matters.
- Once the L/SP started to create tangible organisational costs for one or both of the partners, the commitment to work together and sustain the partnership might reduce, unless there was a certain prospect of finding resources to cover these costs.

Our cost data show that the most significant cost to L/SPs is staff time. Although we cannot generalise from the cost and time data collected, our analysis illustrates how much emphasis L/SPs put on service delivery and the management of the partnership. 34% of participants' time was allocated to direct service delivery with a further 19% of time allocated to management and monitoring tasks that are likely to be directly associated with service delivery; 40% of paid staff time was given to the management or administration of their L/SP. Only 2.5% of all working time during the four-week period studied was spent on lobbying and advocacy work.

Our Study shows that most of the work involved in managing an L/SP and delivering services through the L/SP is undertaken by paid management or service delivery staff. Although cost savings were identified as a key benefit derived from L/SPs, our Study highlights the importance of not underestimating the costs of partnership development, management and administration.

A further noteworthy, if illustrative, finding is that the input of executive staff and volunteers stood at around 5% each in relation to the total time invested in the L/SPs. While some of the L/SPs studied have funding to employ staff specifically to deliver partnership projects, most used staff who were not specifically funded for partnership activities. Participating organisations incurred an average (median) cost of £1,326 for the four-week period studied, with the average cost per partnership being just over £3,000.

Our Study also identifies a need for L/SPs to be adequately resourced, not only for general management costs, but also for miscellaneous staff costs. This funding would need to be provided in a structured and medium to long-term way and could be included in service contracts or funding proposals put forward by the L/SP. Such an approach might enable organisations to overcome the practical difficulty of 'backfilling' key members of staff who fulfil multiple roles in their organisations and the L/SPs they constitute.

This argument is supported by the way Study participants utilised the funding available to them through the 'study grant'. In most cases Study participants were not able to use the grant directly to provide 'backfill' for the time that they spent on this Study because they could not arrange for cover at short notice. Senior officers participating in our Study also reported that they could not easily pass on their responsibilities to other members of staff while engaging with the Study. There was also limited use of the 'study grant' to purchase external support. This reflects

findings presented in Section 5 which suggest that L/SPs struggle to find appropriate external support and tend to provide substantial support for each other.

5. External support

5.1 Method of data collection

For this section of the Final Report we have drawn on material from Stage One and Stage Two of this Study which was produced by Study participants who were asked to reflect on the external support their L/SP already drew on and to identify any additional needs. We present the findings under three main headings:

- External support needs of L/SPs
- External support currently used by L/SPs
- Mutual support.

5.2 External support needs of L/SP

Study participants reported that their L/SP had the following external support needs which were not currently being met:

- Funding for networking, dissemination, administration and funding specifically to cover the expense of partnership working;
- Support from other agencies or policy makers to disseminate messages or support the launch of new products or reports;
- Training on policy, finance management, planning, funding, budget management and partnership working;
- Good practice advice on the challenges of partnership working and how to deal with them in L/SPs;
- Expert advice for managers and trustees on the implications and challenges associated with different partnership forms;
- High level strategic support.

5.3 External support currently used by L/SPs

Most Study participants reported using external support to help them deal with problems. Some felt that the level of external support available to them was sufficient; others said that they required more support in the following:

- Advocacy and strategic advice from umbrella organisations,
- Meeting facilities,
- Facilitation of meetings between VCS service providers and public sector commissioners,
- Feedback and review of materials produced by the L/SP, and
- Technical support.

5.4   Mutual support

Most Study participants reported that the support which their organisations provided for each other in the L/SP was very important because it often provided an immediate response to a highly specific problem. A further advantage reported was that this kind of mutual support came free of charge. Examples included help with the management and administration of contractual procedures or the maintenance of a joint website. In addition, we found that L/SPs draw on each other's expertise in a number of ways, often to a degree where no additional external support is required. Such mutual support included:

- Providing facilities for storage of materials,
- Meeting health and safety requirements, and
- Sharing expertise and knowledge on legislative or policy changes.

5.5   Discussion

Our Study shows that L/SPs support each other in practical ways and make limited use of external support. However, we also found a number of unmet needs, in particular: funding to resource partnership working; expert advice on partnership working; high level strategic support and training on topics such as policy analysis and the management of budgets for which partnership members have shared responsibility. As discussed in section 3.3, these needs are unlikely to be specific to partnerships between large and small organisations; rather, our findings indicate that partnerships which work on a specific issue or deliver a joint service, need high level advice and resources. While the lack of support experienced by Study participants may result from a combination of lack of awareness and availability of specific support, these findings have potential implications for the support provided by VCS infrastructure organisations to partnerships, such as L/SPs.

6.   Features of effective L/SPs

Our findings suggest that effective L/SPs rely on a range of interlinked and interdependent factors. For example, when we asked participants in the telephone interviews to select from a list of factors which they thought were essential to make their partnership work effectively, all respondents felt that trust between organisations and individuals was essential (Table G). Most also cited a sense of mutual exchange, shared vision and purpose, interpersonal relationships and personalities. External support was rated as being least important to making the L/SP work effectively

Table I: Factors considered essential for the partnership to work effectively

Factors	Number of responses
Trust between organisations	26
Trust between individuals	26
A sense of mutual exchange	25
Shared vision and purpose	25
Personalities	24
Skills	21
Organisational flexibility	21
Support from within own organisation	20
Support from external organisations	16

N=26

In the following sections we draw together material collected at all three stages of this Study and present our findings under three headings:

- Trust and personalities
- Mutual exchange and shared vision
- Organisational support

6.1   Trust and personalities

Study participants identified trust between the individuals and organisations as the most important aspect of an effective L/SP. How the L/SP was established and the reasons for its establishment were seen to play an important role in giving credibility to the motives and expressed objectives of the L/SP. The personalities of the lead officers involved in establishing and maintaining the L/SP were also seen as being of critical importance to the way the L/SP moved from its inception to mature and trusting relationships. Honesty and trust were seen as prerequisites for developing a mutual understanding of each other's strengths and weaknesses.

One aspect of a mature and trusting relationship was described as accepting certain boundaries, such as confidential organisational planning processes. Another was the ability to accept cultural differences between large and small organisations. These differences might be expressed through different attitudes towards risk management, or through the constructive responses of small organisations to the bureaucratic procedures which tend to characterise the large organisation in the L/SP.

The ability to manage conflicts of interest was described as being an important attribute of individuals who work in L/SPs. This was particularly relevant where one of the partners might be part of a wider range of partnerships than the other, thus having greater opportunity to generate service and funding opportunities. In cases where L/SP partners were potential competitors for service provision or funding sources, Study participants suggested that "*a responsible attitude to partnership working*" and "*accountability of participants to communicate and deliver*" for the benefit of the L/SP were important attributes.

6. 2   Mutual exchange and shared vision

Working towards a shared vision and being able to develop new ways of working by sharing knowledge and expertise were both highlighted as critical to success. Access to complementary skills and expertise were also seen as a pre-requisite for the development of a shared vision and the shared exploration of ideas. One of the examples given for L/SPs sharing their skills and expertise for mutual benefit was the development of a joint response to changes in the policy and operational context of the L/SP. Gaining access to each other's networks, sharing training, staff development programmes and administrative resources were further examples where partners worked to mutual benefit and also strengthened each other's market position.

The development of joint forward or exit strategies was identified as being of benefit to the development of a shared vision. Such strategies are expected to benefit the L/SP in managing the transition from the closure of one formal partnership project to the start of a new joint project, and help take the L/SP in new directions or to its natural conclusion.

6.3   Organisational support

Study participants identified the commitment of senior staff in L/SP organisations as essential to effective partnership working in a L/SP. This was seen as especially important where the L/SP draws individual organisations into financial commitments. L/SPs were seen to work effectively where the representatives from partner organisations are at a similar level of seniority and where there is good reporting back to the respective partner organisations on the achievements as well as challenges of the L/SP. Effective L/SPs were described as being those where the organisations forming the partnership brought complementary skills and expertise to the partnership and were able to learn from each other's different cultures.

6.4   Discussion

Our Study suggests that L/SP organisations go through a thoughtful and independent process of partnership formation which can be described as a proactive, strategic choice in the context of a rapidly changing policy and funding environment. Our findings also show that, within L/SP organisations, decisions to work in partnership were generally informed by detailed knowledge about the aims and working practices of the other organisation and were motivated by a desire to help their own organisation better achieve their purpose. Furthermore, most of the organisations in the L/SPs which we studied had entered into partnerships after having worked formally or informally together for some time.

This approach towards creating and developing working relationships offers one possible explanation for the high levels of trust and the extent of mature relationships we found within the L/SPs. Although many L/SPs described themselves as 'a partnership of equals', most have formal arrangements which govern partnership processes. This combination of formal processes with trusting and mature relationships might be one of the reasons why some L/SPs were able to negotiate

and resolve potentially difficult situations, for example, where the L/SP partners were in competition for funding and service delivery opportunities, or where financial commitments had to be made and financial risks were taken.

However, despite these strong collaborative and mutually supportive working relationships L/SP encounter a range of challenges; these are explored in section 8.

7. Benefits provided by large/small partnerships

7.1 Introduction

In this section we draw on interview data and data that were collected through 11 L/SP research reports undertaken over a period of four weeks from 15 May to 9 June 2006 with advice and guidance from ACVAR researchers. The scope and content of the 11 L/SP research reports reflected the diverse nature of the partnerships and the services which they provide to organisations and individuals. In some instances, Study participants researched more than one user group and used a combination of methods, such as focus groups, semi-structured interviews or self-completion questionnaires. The user groups that were covered in the L/SP research reports included:

- Individual clients or groups who were users of a service provided by the L/SP;
- Organisations outside the L/SP who were working with the partnership; and
- Organisations who were members of the cluster of which the L/SP was part.

Through these L/SP research reports Study participants identified a range of benefits created by their L/SPs. We present the findings from these reports under four headings:

- Benefits for individuals or groups using services provided by L/SPs;
- Benefits for participants of training courses provided by L/SPs;
- Benefits to organisations outside the L/SP; and
- Benefits to members of the L/SP.

7.2 Benefits for individuals or groups using services

Five partnerships undertook research with individuals or groups who accessed a specific service. Benefits associated with the L/SP were reported for all users; examples include:

- Migrant women acquiring knowledge about legal and administrative systems in England, developing language skills and sharing experiences with others in similar circumstances. The project had also helped with improving relationships with their children and other family members.
- Provision of a communal space for meetings: the room was seen to offer a 'safe' space in which to relax and to network with other groups, share learning and give users a sense of social inclusion. The fact that the room was on

> 'voluntary sector territory' and not associated with a specific VCO was seen as a benefit to a range of users, particularly public agencies.

- New mothers gaining confidence, awareness and skills as a result of group support work.
- A good quality outdoor space for staff and pupils engendered a sense of pride and broadened the environmental awareness and personal aspiration amongst pupils.

Most service users suggested that they had not been aware of the project being a partnership initiative; their concern was with the service being delivered, rather than who delivered it. Nonetheless, Study participants undertaking the L/SP research assignment included their own perspectives in their reports where they felt the L/SP added value to the service. For example, in reflecting on the findings of their Study one partnership reported that the initiative worked so well because it was delivered by more than one organisation and thus was able to respond more effectively to different learning styles and needs of the client groups of the L/SP: *"Extended partnership consolidated everything and gave strength and back-up to the whole programme"*.

7.3   Benefits for participants of training courses

Data on training and information services from the L/SP research assignments of three L/SPs suggest that many of the benefits of these were similar to those outlined above. Raising awareness and understanding, developing a more inclusive approach to service delivery, and enabling networking were all cited as benefits of partnership-based training provision. For example, one L/SP reported that, while many respondents were more concerned with the content of the course itself than whether it was delivered by a partnership, for some the decision to purchase training was influenced by the knowledge that the service was provided by the organisations constituting the L/SP. The partner organisations themselves felt that they brought complementary knowledge and expertise to the course. Another L/SP found that their input on a training course on developing social enterprises was valued specifically because it provided a range of organisational perspectives.

Where L/SP research assignments raised the question of whether service users were aware that the training was provided through a L/SP, however, our findings suggest that many service users were more concerned with the content of the course than with the organisations involved in its planning and delivery. One L/SP reported that the benefits the L/SP brought to the training course were evident, in that it enabled provision of a 'seamless' service which was appreciated by service users. But there was no desire on the part of those users to find out more about the partners that were providing the training: *"Aside from possible reasons of 'branding' it has not been necessary for the group to understand the mechanics of the partnership activity"*.

7.4   Benefits to organisations outside the L/SP

Three research assignments undertaken by Study participants about organisations external to their L/SP reported positive outcomes related to partnership working. For example, one L/SP research study found that external partners of the L/SP valued the combined expertise of the organisations within the L/SP. They felt that the

benefits they derived from the L/SP included networking, improved training opportunities and improved policies and procedures for the local VCS. This L/SP found that the partnership also strengthened the reputation of the two partners and laid the foundation for other collaborative work.

Where services were delivered to other organisations, there appears to have been greater awareness amongst users that the service was a partnership initiative. In the L/SP research study with statutory agencies above, all participants were aware of the partnership between the two organisations and most felt that the benefits could not have been achieved without the partnership.

7.5   Benefits to members of the L/SP

Five L/SP research reports included, or concentrated solely on, organisations that constituted the L/SP. Participants felt that the benefits derived from participating in the L/SP included:

- Networking, sharing ideas, joint problem-solving, access to training and development;
- Opportunities for L/SP members to *"do things outside the normal scope of the job"*;
- Organisational benefits including the opportunity to build relationships and share best practice;
- The opportunity to combine specialisms
- Increased awareness of the national context by working with an organisation that has *'national reach'*.
- Contact with *"new organisations and new areas of work";*
- Reduction in costs of services and future joint fundraising initiatives;
- Opportunities to 'adopt' best practice from the partner organisation, particularly those which counterbalanced shortcomings in their own organisation;
- Increased credibility of projects.

Most Study participants reported in the interviews that the L/SP had satisfied their expectations of anticipated benefits. They also ranked the benefits they felt their L/SP had provided to them by choosing from a list of seven options. The responses show that access to additional and complementary skills in their partner organisations was by far the most significant, followed by skills development in their own organisations and cost savings.

Table J: Benefits of partnership working

Benefit	Number of responses
Additional/complementary skills in partner organisation	24
Developing new skills in own organisation	17
Cost savings	17
Avoids duplication of activities	15
New modes of working/innovation	15
Avoids competition for funding	11
Sharing risks	11

N=26

The generation of the above benefits was often reported to result in synergetic effects which led to the development of new services and the strengthening of the position of L/SP organisations in their chosen market:

"We strengthened ourselves in terms of brand recognition. This gave a message to other organisations that we were a good potential partner. ...Our partnership with the other organisation made us more credible as a potential partner to others. It has its own impetus."

"There is evidence that our current approach does add value through the partnership mainly through the use of organisational skill mix that has enabled one partner to develop work safely with the back up of the other partner's experience and expertise. "

The acquisition of new skills and the utilisation of complementary expertise available through the partner organisation was shown to provide substantial benefits to L/SP organisations. Examples quoted by Study participants included:

- *"Leadership skills and helping me to think outside the box more."*
- *"Learning more about how money is talked about."*
- *"Learning to develop partnerships."*
- *"Peer support for management."*
- *"Staff now have better ICT and training skills."*
- *"The skills in monitoring and financial systems."*

Cost savings were frequently cited as a benefit of working in the L/SP. Study participants gave examples of sharing 'back office' functions, such as the provision of management accounts, or office space and meeting rooms. Other examples included:

- Sharing the costs of marketing and recruitment;
- Sharing sessional staff, volunteers and training costs;
- Purchasing and using equipment together; and
- Sharing the time required to draft funding bids.

"Working together has resulted in more efficient use of resources."

For many Study participants the L/SP had also changed their approach to partnership working. In some cases this has led to a more cautious approach towards entering into partnerships with other organisations:

"I'm more careful – I don't go into partnership as lightly as I would have done before. I know the time involved and understand it has to be really worked through, needs more preparation, criteria/checklist for the future."

7.6 Discussion

Our Study shows that the benefits of partnership working in L/SPs are substantial, both for members of L/SPs as well as the end-users of their services, and appear to be shared equally between the partner organisations. Importantly, we found that the flow of benefits is not mainly from the larger to the smaller organisation: both partners are perceived as having complementary skills. While large organisations are generally seen to have more capacity, for example to deal with administrative or

contractual demands, the smaller partner organisations bring important benefits for the larger ones, such as flexibility, ability to take risks and being close to the 'grassroots'.

The benefits derived from working in L/SPs are mainly related to skills, relationships and networks. While cost savings and access to funding are important benefits, they did not appear to be of primary importance to Study participants.

8. Challenges and barriers encountered

During the workshops, and in particular during Stage Three of this Study, Study participants reflected on some of the challenges and barriers they encountered in their L/SP work. The lack of staff time and resources was identified as the biggest challenge encountered by L/SPs, but there were also instances where Study participants felt that partners were sought just so that the other organisation can 'tick the appropriate boxes' which was seen to be the cause of a lack of commitment, leading to problems later on. A number of further challenges were identified by Study participants which are presented under the following headings:

- Cultural differences
- Differences in size and capacity
- Structure and process

8.1 Cultural differences

Some Study participants commented on the need to learn about different organisational cultures because these could be an initial barrier to partnership working. Where L/SP organisations have markedly different organisational cultures this was found to present challenges, for example regarding the attitude to risk of partners. Some Study participants reported that the larger organisation in the L/SP may have a greater focus on risk management and take more time to assess how far they lay themselves open to risk. The smaller organisation, however, can have a less cautious attitude to risk and, as one partner put it, *"take on a more maverick role"*. There may also be differences in terminology or the ways in which certain issues are discussed, for example, a small organisation may need to adapt its language to "*talk risk talk*" with the larger organisation.

L/SP organisations often had different sets of standards and priorities from one another and were accountable to different sets of stakeholders. This could lead to one L/SP organisation finding the other inflexible or to conflicts of interest:
"The potential for different priorities and differing shared visions sometimes makes it difficult – organisations can be at odds with each other. Because all of the partners have their own organisation to manage and its wellbeing to ensure, this sometimes makes it difficult to work for the collective interest."

8.2 Differences in size and capacity

Challenges have also been found to arise where the organisational sizes differ substantially in a L/SP. For example, very small organisations of only a few people may only have one person involved in the L/SP, whereas a large partner organisation may involve several staff performing different roles. This can place substantial burdens on the small partner and make communication and feedback from the large to the small partner a lengthy process. Amongst members of the smaller organisation, this can lead to a sense of isolation and of being undervalued. Formalisation of relationships can present a particular challenge for small organisations in terms of time and resource constraints when dealing with the different levels and associated bureaucratic procedures of large organisations:

"Small organisations work with everyone in the chain from directors to lower down – this is a challenge."

While there may sometimes be an imbalance between partners, for example in the relative levels of bureaucracy, it is important not to view the larger organisation as necessarily the stronger partner in the relationship. The larger organisation did not always have greater capacity in every area of work relevant to the L/SP. In one example the smaller organisation was stronger on functions such as policy development and research and so led the L/SP on these aspects. In all L/SPs studied both organisations were found to bring different qualities and strengths to the partnership:

"Big-small could be seen as a barrier – large organisations could seem overwhelming to smaller ones – we need to show that [the smaller partner] is also a learning organisation and they [the larger organisation] should not throw their weight around. Partnership needs to be based on equality at some level and to be clear about where inequalities lie."

We also found that some larger organisations can feel under pressure to provide a greater amount of support to the smaller partner. This can be problematic if the larger organisation in the L/SP is itself also relatively small. In such a case, the larger organisation may feel that it is bearing a greater burden in relation to partnership working as a result of the expectations of its partner, without having significantly greater resources at its disposal. Inequalities in the terms and conditions under which staff are employed and projects are managed have also caused problems, particularly where joint projects were delivered through specially appointed staff. The lack of staff resources in one of the partner organisations to take the L/SP to the next level of development was also identified as a problem.

8.3 Structure and process

Concerns were also raised by Study participants about the slow process of partnership formation and the development of service delivery processes. The need to work to a pace that can be accommodated by both partners was often experienced as a challenge, particularly where it took more time to develop an initiative together than working alone. A number of the L/SPs studied reported that they needed sufficient time to develop new services or adapt existing ones. Particularly where a

joint initiative has come to an end additional time to 're-group' was required; this was reported to slow down the service development process and also add further costs to the L/SP which could often not be recovered.

The need to establish formal agreements and structures in line with service delivery goals was also identified as a key challenge because problems tended to arise from tacit agreements and hidden expectations. Formal protocols and arrangements that help keep organisational and partnership processes separate were seen as an important way of reducing tensions which arise in relation to time pressures or operational priorities between the organisations and the partnership. In addition to formal arrangements, the importance of effective communication to avoid misunderstandings and to manage expectations was stressed by a number of Study participants.

Different organisational structures and lines of accountabilities between L/SP organisations also represented significant barriers to partnership working. Evidence from one L/SP, for example, demonstrates that certain key issues needed to be addressed for L/SPs to be sustained, including maintaining channels of communication. This process could ensure that there were mechanisms to resolve problems and review the service and "*that there continues to be mutual respect*". Here the improvement of L/SP structure and process depended on three things:

- Continued involvement by chief executives from partner organisations;
- Increased financial investment by participating organisations; and
- A movement towards a more formal contractual relationship.

Tensions between L/SP and organisational priorities could turn into significant problems where there was a lack of strategic support and guidance for L/SP activities, or poor communication within and between the participating organisations. Change in key personnel was also reported to result in challenges. Time is needed to develop an effective relationship between individuals and a partner organisation, particularly where the partner is not fully committed to the L/SP. Conflicting demands on time and a mismatch of organisational values or priorities often resulted in partnership staff not being able to respond to time demands imposed by L/SP processes. While such demands were a challenge for most L/SPs, they posed particular challenges to the smaller partner in the L/SP. In general, partnership work was found to be time-consuming because *"you can't tell people to do things, you have to negotiate, which is a slower process"*.

## 9.	Feedback on Study Findings

We presented the key findings of our Study at a conference attended by funders, policy makers, practitioners and Study participants (for conference details please see Appendix Nine). Following a presentation of the key findings and two case studies presented by L/SPs who took part in the Study conference participants worked in small groups which were facilitated by Study participants to discuss the issues arising from the Study findings. The results of the group discussions were then presented in the plenary session which concluded the conference. We present the data collected at the conference under two headings:

- Outcomes from discussion groups; and
- Key issues emerging from the plenary session

### 9.1	Outcomes from Discussion Groups

The discussion groups focused on three key issues that arose from our Study. These were:

- The degree to which L/SPs are funding led;
- The perception that L/SPs are partnerships of equals; and
- The role of formal partnership arrangements.

The degree to which L/SPs are funding led

Conference participants felt that funding was important for L/SPs and was often a catalyst for partnership formation. Where funding was the main reason for the establishment of a partnership there was a perceived risk that the partnership would not work effectively, regardless of the size of organisations involved. A similar threat was identified for partnerships that were formed in response to funding opportunities as compared to partnerships which grow over time. The latter were described as being more likely to operate effectively.

Conference participants pointed out that partners needed to be equally committed to the L/SP, although the amounts of funding resulting from L/SP work might vary significantly between the partner organisations. Both partners in the L/SP were seen to benefit from economic advantages which went beyond additional funding and cost savings and included help with cash flow, staff development and skills exchange.

The real costs of partnership working should be included in proposals to funders and should also be included in service charges. One of the challenges identified by conference participants was to secure funding for the development of L/SPs. The development phase was considered very important for the formation of effective partnerships, but this process could be lengthy and time consuming which often meant that not enough time and resources were made available before funding was secured.

The perception that L/SPs are partnerships of equals

The term 'partnership of equals' was contested by a number of conference participants. For some this was mere rhetoric while others felt that it was the differences between the partners that made the L/SPs work effectively, rather than equality in organisational features. Some viewed partnerships as organisational forms which are created because different skills need to be brought together rather than because organisations differed in size. The importance of time to develop trust and understanding between the partner organisations was stressed in this context because when organisations of different size and different areas of work come together time is needed to understand each other's way of working.

Valuing each others differences and respecting different ways of working were seen as being of critical importance to the formation of effective partnerships. This needed to be balanced with an assessment in how far partnership aims and objectives had a good fit with organisational aims and capabilities. Therefore it was important to make time 'to get to know' each other before a partnership was formalised. However, the partnership dynamics that result from different organisational cultures were considered as one of the main challenges encountered and needed to be explored further.

Service delivery was identified by many conference participants as the main driver for partnerships. Identifying the purpose and objectives of the partnerships at the outset was of equal importance to deciding at which point the partnership stops adding value and need to be dissolved.

The role of formal partnership arrangements

Agreements between organisations forming a partnership, regardless of organisational size, were considered to be important. Partnerships were described as moving from informal to formal arrangements and in some cases partnerships may enter into legally binding agreements. The latter were usually used in cases where large amounts of funding were involved which increased the risks for the partners. A legally binding agreement was considered to help in managing such risks.

Good relationships preceding partnership agreements were identified as significant in order to make formal agreements work. Some conference participants described partnership agreements as 'living documents' which should reflect the development stage of the partnership and also the type of work the partner organisations did together. Regardless of their formality, arrangements that govern the partnership were considered important because they spelled out joint objectives, and provided a framework within which conflicts could be resolved. In addition, protocols dealing with media, marketing and staffing were considered to be important tools for effective partnership working.

The role of the governing body in the development and management of partnership agreements was discussed by a number of conference participants. Perspectives ranged from seeing the governing body as the lead in the management of partnership arrangements to views which suggested that the governing body should only get involved once the partnership organisations need to enter in to formal and binding agreements. The role of governing bodies in partnership formation and

management, and issues around accountability and responsibility were identified as topics for further research.

9.2   Key issues emerging from the plenary session

Workshop facilitators provided a brief feedback on the issues that arose in the discussion groups. The following key points were made:

- L/SPs are partnerships of equals as well as partnerships of organsiations that are different from each other. While equal commitment to partnership goals was needed the concept of equality added little to an understanding of the nature of L/SPs. A more useful way of approaching L/SPs was to see them as partnerships which respected and valued the differences that organisations brought to the partnership.

- Partnerships work best if they are not funding driven. The early stages of partnership development are very important for the effective working of the partnership later on when funding and service delivery contracts become a shared responsibility.

- The need for formal arrangements to govern partnerships was dependent on the stage of development and future direction of the partnership. While formal arrangements were important, the process of developing such arrangements which govern the partnership was equally important. Because partnerships were dynamic and evolving it was important to ensure that partnership protocols were 'living documents'. Senior management and the Board have important roles in facilitating the development and changes to partnership protocols, but their input will vary according to the circumstances of the partnership and the organisations that constitute it.

- Recovering the costs of partnership working was an important task that partnership needed to tackle when submitting funding proposals and contracting for service delivery. Sometimes partnerships had a clear economic objective to 'corner a market' and in these instances it was important to be explicit about that and ensure that any costs arising from such ventures are fully recovered through service charges.

The plenary discussion that followed the presentation of the above points by the facilitators focused on four key issues:

Models of Partnership Working
The Study findings and the results of the discussion groups demonstrate that the development of models for partnerships is fraught with difficulty. The L/SPs studied show that partnership models were of limited use to practitioners who have developed the successful partnerships which took part in this Study. Furthermore, assumptions inherent in current models of L/SP proved not be founded on reality, for example the assumption that the benefits in L/SPs flow predominantly from the large to small organisations. However, models were needed to help practitioners respond to the challenges associated with partnership working. The problems of making toolkits and guidance accessible to practitioners show that more analytical work is required to surface the key issues practitioners deal with and then 'present' guidance

and support accordingly. However, the dissemination of existing support and guidance is likely to remain a challenge.

The cost of partnership working
Funding is a key consideration for VCOs and partnerships alike. The Study has produced important insights into the cost of partnership working and these needed to be recovered through grant and contract payments. One of the challenges in evidencing the cost of partnership working was that the important and often lengthy development time that was essential to the formation of effective partnerships was unlikely to be recovered.

The value of action research
The approach taken in this Study has helped Study participants to focus in a structured way on the processes they were engaged in and to spend some time reflecting on the challenges they were dealing with. The support from professional researchers was very helpful in assisting study participants undertake structured data collection and analysis which was directly relevant to them and produced practically useful results.

Further research
The L/SPs which participated in this Study generally represented partnerships that worked well. A number of reasons as to why these L/SPs did not display the features of unsuccessful partnerships were identified in the discussion groups as well as the Study report. A study which explored failing partnerships would offer an opportunity to contrast and compare partnership features that lead to successful or failing partnerships.

The governance of L/SPs was a further area identified for further research. The roles and responsibilities of governing bodies in supporting their staff and the implications of entering into formal partnership agreements were further areas for exploration.

10. Reflections of Study Participants

In line with the principles of action research we encouraged Study participants to reflect on the process they were engaged in by keeping diaries, discussing emerging issues or ideas with their lead ACVAR researcher, or by sharing their insights at the workshops. In addition the researchers facilitated a session after the conference to reflect on the Study process. This discussion was structured around three key questions:

- Did Study participants or their organisations do anything different as a result of taking part in this Study?
- What was the significance of having a 'study grant' associated with this Study?
- What could have been done better or differently in this Study?

10.1 Did Study participants or their organisations do anything different as a result of taking part in this Study?

Study participants reported a range of direct and indirect benefits resulting from their participation in the Study. These included a better understanding of the costs of partnership working, and opportunity to step back and reflect, a more effective development of services and additional evidence to support funding applications. Study participants stated that as a result of this Study two new partnerships were forming to develop new services. We present the comments of Study participants under three headings:

- The cost of partnership working
- Time to reflect
- Service development and funding applications

Comments on the cost of partnership working
"I was shocked that 40% went into management time. We now need to drill deeper."

"We were a little bit surprised how much time the partnership work took."

"The time and cost analysis was useful. Surprising how much it is costing us. Forming a strategic point of view is important and we will be formalising our agreement with the partner organisation."

"We are now looking much more closely at how we are spending time."

Comments on having time to reflect
"Taking part in this study freed my mind."

"It gave me time to think. People often just want to suck information out of you for their own benefit. It was refreshing to be treated as a partner in this study and to get something out of it, rather than just being a source of information."

"It was really nice to have the conference after doing all this work because it put things in perspective."

"The study gave us time to review our partnership and start changing our ways of working."

"We usually haven't got enough time to spend reading, thinking and reflecting. I wouldn't have read this report if I hadn't taken part in this Study!"

Comments on service development and funding applications
"The study enabled us to examine some issues in depth. Taking time to examine the cost of working together has helped us to capture more of the market through our training programme."

"The study gave us an opportunity to look at our partnership cluster as a whole. As a result we decided that the cluster should be expanded."

"We will use the research findings from this study to support a bid for a mentoring and training programme."

"We are just more confident now to include the cost of partnership working into funding bids. If they ask us, we can now justify it. Previously we would not have had the confidence to include partnership management costs."

"The client survey brought some very interesting results for us."

"We asked clients how important the partnership was to them. I was amazed! It didn't matter at all for the majority, but for some it was very important."

"The survey results will be incorporated into our marketing strategy. The learning here has been really helpful"

10.2 The significance of the 'study grant'

Funding that was made available to cover the cost incurred by taking part in this Study was considered to be very important, because it recognises the time VCS staff invest in the development of their skills and also their willingness to contribute to better policy and practice. Below are some of the comments made by Study participants on the significance of the study grant:

"We couldn't have done this without money."
"We needed to consult lifelong learning groups and used some of the money to run two focus days. This has resulted in the learning groups now developing their own agenda."

"We would not have taken part without the study grant."

"We used some of the grant to run a visioning day for the local VCS."

"The study grant made the difference – we wouldn't have done it otherwise."

"The grant gave us the time to look at our partnership and how to develop it."

"We used the study grant for some training and to support a strategic review"

"The study grant allowed us to do in a short period of time what would have taken much longer otherwise."

10.3   What could have been done better or differently

The main shortcomings of the Study identified by Study participants were that there was insufficient time to undertake the study and that more time would have allowed for a deeper exploration of the issues covered. The timing of the study which started at the end of the financial year was unfortunate because it placed additional pressure on Study participants who had to deal with the demands reporting and accounting for their year's work. Comments from Study participants included:

"Shame we had to keep rushing – the whole study was too short."

"More workshops would have been good."

"There was not enough time to get together and network and learn from one another."

"There should be a follow up in six months time to see what impact this study had on the organisations."

Part Three: Summary and Key Issues for Further Consideration

In this final Part Three of the Final Report we summarise of our key findings before concluding with a brief discussion of some key issues for consideration by practitioners, policy makers and funders.

11.   Summary of key findings

11.1   Distinctive features

Apart from it being a partnership between organisations of different size, our data show that there is no standard structure or process that characterises a L/SP. Our Study, however, demonstrates that L/SPs do have distinctive features which characterise them as partnerships:

- That are created proactively by their members;
- That are governed by their members;
- That have a specific, often service related purpose; and
- That have a joint approach to decision making.

11.2   Costs

Our findings illustrate that the costs arising from this model of partnership working can be substantial and can vary considerably between partner organisations and the partnerships themselves. We found that the majority of these costs generally relate to staff time spent on service delivery and partnership processes. A lack of staff time and pressures resulting from financial commitments necessary to develop new L/SP initiatives have been identified as factors which can limit partnership development.

11.3   Benefits and Relationships

Our Study shows that the benefits of working in large/small partnerships flow freely between the partner organisations. The benefits gained from working in a L/SP can be seen as largely dependent on responsible and mature relationships based on trust and mutual respect, rather than on technical support or funding. Such relationships can be seen as a prerequisite to tackling complex partnership challenges which, in our Study, included potential competition for funding, developing formal service delivery processes, or taking risks by entering into financial commitments.

The L/SPs in our Study demonstrated a problem-focused and structured approach towards utilising their complementary skills to create synergies between their organisations. The relationship between partners was characterised by mutual exchange, providing support for each other where and when help was needed. Our Study reveals that members of L/SPs draw primarily on each other for support and that external support is used in a rather limited way. These findings point towards a

mutual capacity building process within L/SPs, in which both partners regardless of their size share knowledge, skills, expertise and resources. L/SPs could therefore be seen to engage freely in a collaborative capacity building process which is both proactive and problem focused and is of benefit to both partners. These findings suggest that L/SPs could potentially make an important contribution towards the further development of capacity and infrastructure in the VCS.

11.4   Challenges

Most of the challenges identified through this Study - such as lack of time and resources, and difficulties arising from the different cultures, change of staff or different sizes of partnership organisations - can also be found in other partnerships. However, our Study shows that L/SPs can turn such challenges into opportunities, for example by taking more risks together than they would have taken individually.

Larger organisations can experience substantial pressures resulting from support given to the smaller partner, particularly if the larger organisation is itself relatively small. Although smaller organisations in L/SPs often experience extra strain on their resources, most of the L/SP organisations which we studied experienced some degree of difficulty in this area, regardless of their size.

The slow process of partnership formation and the establishment of procedures and protocols was identified as a substantial challenge, but this was also seen as essential for the effective operation of the partnership, particularly in order to manage tensions arising from different organisational priorities and hidden expectations. Study participants reported that little guidance and support was available in these matters. While this may have been caused by a combination of awareness with regards to available support and actual availability of specific and timely support, the perceived lack of support exacerbated the inherent challenges of developing and managing L/SPs. Maintaining the active involvement of senior officers in their L/SP over longer periods was also seen as both a challenge and an essential ingredient of effective L/SPs.

12   Key issues for further consideration

Our Study highlights a number of positive characteristics of L/SPs which enable them to deal effectively with many of the challenges encountered by partnerships and to create mutual exchange benefits. When considering the implications of our findings it needs to be borne in mind that our findings are illustrative and care must be taken when attempting to generalise from these. It should also be noted that the L/SP which participated in this study did so out of a desire to reflect on their partnership and an interest in exploring or addressing certain aspects of their L/SP. This may account for the generally positive tone of the experiences captured in Part Two of this Final Report. Despite these qualifications, our Study has produced new insights into the process of partnership working between large and small VCOs which are relevant for policy makers, funders and practitioners.

12.1 Factors contributing to the effectiveness of L/SPs

Our Study suggests that the formation and operation of effective large/small partnerships can be seen to be characterised by:

- Strong inter-personal relationships;
- Complementary skills;
- Mutual trust between the individuals leading the L/SP;
- Mutual exchange and shared vision; and
- Support provided by L/SP organisations to their individuals (staff and volunteers) working for the L/SP.

L/SPs can be seen to take time to establish themselves; L/SP organisations come together to jointly navigate their own way through a turbulent and challenging external environment. L/SPs can be seen to emerge primarily from a desire to find ways of achieving organisational purpose more effectively, and while funding is an important consideration for all L/SPs studied we found that the L/SPs in our sample were not established as a direct response to funding opportunities or policy pressures. This raises questions about the extent to which organisations can be directed into L/SPs, either through specific sources of funding or requirements of commissioners of services.

12.2 Costs of maintaining L/SPs

Although the data from our Study do not provide representative average costs of partnership working, there is evidence to show that this model of partnership working entails costs which, in some cases, can be substantial. Our data suggest that:

- L/SPs incur costs which are in addition to costs incurred by the individual partner organisations;
- The greatest amount of time in L/SPs is spent on tasks associated with service delivery; and
- Lack of funding for partnership working can inhibit the development of L/SPs.

Attention may now need to be paid to ensuring that these kind of partnerships are adequately resourced. Although L/SPs do aim to achieve cost savings, there are additional costs arising from partnership working and these may need to be covered either through contract or grant payments.

12.3 Mutual capacity building

Our Study shows that L/SPs present a practical and problem-focused mechanism for building the capacity of both small and large VCOs. This capacity building takes place with little external input and without incurring significant additional costs. Most of the L/SPs studied consider themselves to be a 'partnership of equals' in which:

- Smallness does not inhibit strategic thinking and the development of a shared vision for a L/SP;
- Smaller organisations often lead the partnership;

- Large and small organisations exchange support freely with each other and are engaged in a continuous process of learning; and
- A mutually supportive culture encourages the translation of strategy into practice and risk taking.

These L/SPs are characterised by a mutual exchange model of working; this approach has the potential to yield significant benefits for partner organisations. In order to consolidate the sustainability of existing L/SPs and to create the conditions for the formation of new L/SPs, VCS infrastructure bodies may now need to assess the effectiveness of current approaches to building organisational capacity in the VCS.

12.4   Further research

Finally, this Study highlights the need for further analysis and research. A detailed comparative analysis of our findings with earlier studies and evaluations is likely to provide practically useful data for the development of new support material for L/SPs and other partnerships.

In addition to a comparative analysis of exiting research and evaluations our Study has highlighted three areas which would benefit from further research:

- **The governance of L/SPs**

The findings from this study show that L/SPs govern their partnerships effectively through a combination of trust, mutual decision making and formal arrangements. Research to explore the governance process in L/SPs in detail, for example with regards to leadership, culture and power, could yield important new perspectives on current guidance about partnership governance and the support provided by infrastructure organisations to L/SPs.

- **The costs and benefits incurred through L/SPs,**

The data generated by this study confirm that L/SPs make considerable investments in terms of cost and time into their partnerships and, in return, reap substantial benefits. A representative and longitudinal study on the link between the cost of partnership working and the benefits incurred could make an important contribution to the current debate about the funding requirements of VCS partnerships.

- **The capacity building processes in L/SP**

Our Study found that L/SP organisations draw much of their support from their partner organisations in a process that is characterised by mutual exchange of expertise, skills and resources. An exploration of these mutual capacity building processes could be timely in the current context of VCS infrastructure development and might offer important new perspectives on capacity building models currently in use.

In addition, conference participants suggested that failing partnerships should be studied to contrast and compare features with effective partnerships, such as those which participated in this study.

APPENDICES

Appendix One: Methodology

In this Appendix we present our methodology in more detail and according to the main stages of the Study:

- Stage One, selection of study participants
- Stage Two, collection of organisational data, first workshop and first L/SP research assignment
- Stage Three, second workshop and second L/SP research assignment
- Stage Four, analysis and report writing.

Stage One, Selection of study participants

For this study we recruited senior members of L/SPs through a range of communication channels, including:

- The monthly NCVO members' email;
- The contact database developed during the 1+1=3 study on L/SPs; undertaken on behalf of NCVO in 2005;
- The Voluntary Sector Studies Network;
- Informal contacts and networking amongst NCVO and ACVAR staff.

We received a total of 84 enquiries. The contact database of the 1+1=3 study generated 51. Nineteen requests for further information were received from organisations that had heard about the study through their networks. Eight organisations were referred by others who were not able to participate. A further six responses were generated through the newsletter and update mailing to NCVO members.

All enquiries were followed up by email with an overview of the study aims and background, including details about a grant of up to £5,000 per L/SP to purchase external support to deal with L/SP issues or cover the costs of taking part in the study. An ACVAR researcher telephoned organisations who continued to show an interest in participating after reading the brief for the study. The researcher explained the study design, drawing particular attention to the time commitments which would result from the participatory action research approach. The telephone discussion was also used to ascertain the characteristics of the L/SPs and their motivation for participating in the study.

We selected 14 L/SPs (each with two partner organisations) by relating the data collected through the initial telephone interview to the four L/SP types identified in the 1+1=3 study:

- One large and one small organisation, with size being defined in relation to each other;
- A consortium of large and small organisations with the largest partner being the accountable body;
- A consortium of large and small organisations with a separate independent accountable body; and
- A large organisation which subcontracts work to a range of small organisations which deliver the service.

Of the 14 L/SPs selected, three were recruited on the grounds of their previous participation in the 1+1=3 study. The remaining 11 were selected to ensure a diverse sample, according to their partnership purpose and the following criteria based on the brief for this study:

- Support for marginalised groups;
- Delivery of public services;
- Support for voluntary and community organisations;
- Independent local organisations constituting the L/SP; and
- One or more organisations constituting the L/SP which are part of a national organisation.

Some loss of study participants was anticipated because of the time commitment necessary to the participatory nature of the study. We therefore over-recruited for our planned sample of twelve L/SPs by two L/SPs. One L/SP withdrew from the study at a very early stage so that no meaningful data on it could be collected. Consequently, the first stage of data collection had 13 L/SPs participating in semi-structured interviews. One L/SP withdrew after the interview stage and a further L/SP had to leave the study after the first assignment. This resulted in a sample of 11 L/SPs taking part for the full duration of this study.

Stage Two: Collection of organisational data, first workshop and first L/SP research assignment

On the basis of ACVAR's previous research and the issues identified in the 1+1=3 study we designed an interview questionnaire to ascertain the characteristics and challenges encountered by LSPs (Appendix Four). This questionnaire was administered by ACVAR's researchers to 26 members of the organisations constituting the 13 L/SPs (form here on called 'L/SP organisations') selected for this study.

The findings of the survey were discussed with study participants at the first workshop and the first two L/SP research assignments were introduced. One assignment on the cost of partnership working and one assignment on the external support used by L/SPs. Study participants undertook each action research assignment over a period of four weeks with the support and guidance from ACVAR researchers. Briefing notes and guidance material, including the definitions of the costs data collected by study participants, was also provided (Appendix Five). External support was understood to mean the assistance for organisational development and management provided by an external body.

Stage Three: Second workshop and second L/SP research assignment

The emerging findings from the first L/SP research assignment were discussed at the second workshop. Participants reflected on the implications of the emerging findings for their partnership work and shared their perspectives on how some the challenges encountered could be tackled.

During the workshop the second L/SP research assignment was introduced which was designed to collect data on the benefits L/SPs brought to individuals and organisations using their services. These assignments were undertaken over a period of four weeks with advice and guidance from ACVAR researchers and with the

support of a briefing note setting out the basic principles of research strategies and methods (Appendix Six).

Stage Four: Analysis and report writing

The data analysed for this Study is based on the material referred to above and data collected through frequent, informal contact between the ACVAR researchers and study participants throughout the duration of this study. Furthermore, a number of L/SPs undertook additional research projects on pertinent organisational issues with support from ACVAR researchers. The additional completed L/SP research studies included a scenario planning exercise, a SWOT analysis and a PEST analysis. The material generated from these projects was drawn into the analysis and provided new perspectives on issues relevant to this study.

Data from telephone interviews, which were structured but contained a significant number of open questions, were analysed using quantitative and qualitative techniques. Data were collected from L/SP research assignments on the perception of service users, notes taken by ACVAR researchers on issues arising during the study assignments, and notes of the discussions during the workshop meetings. These were analysed thematically, resulting in the findings presented in Part Two.

The calculations used in the analysis of financial data are shown in Part Two, section four, which deals with the cost of partnership working. However, the cost data on partnership working presented is purely indicative because of the small sample and the relatively short period of time over which financial data were collected. Generalisations should, therefore, not be drawn from our cost analysis.

Appendix Two: Organisational Characteristics

Following the initial discussion at the sampling stage, the lead officers from each of the 26 organisations constituting the 13 L/SPs which were selected for this Study participated in structured telephone interviews. The characteristics of participating organisations and the L/SPs they form presented in this Appendix and Section 3 of Part Two, are based solely on the interview data collected. This Appendix contains the following tables

2a Organisational purpose
2b Organisational size
2c Funding sources
2d Client categories of partner organisations

Table 2a: Organisational purpose

Main purpose of participating organisations	Number of organisations
Community development, support to VCOs	9
Support and/or information to children, young people and families	6
Environmental issues, including education	3
Education and advice	3
Work with specialist groups, e.g. mental health, offenders	3
Services to minority ethnic communities	2

N=26

Table b: Organisational size

Number of employees	Number of organisations
None	1
1-4	3
5-9	0
10-19	11
20-49	3
50-99	5
100-199	1
200-249	0
250-499	0
500+	2

N=26

Table 2c: Funding sources

Funding source	Number of organisations
Government department(s)	20
Other public agencies	20
Charitable trust	18
Donations	11
Private sector funding	7
Regeneration or other programme	7
Member contributions	7
Other	5

Table 2d: Client categories of partner organisations

Categories of client within partnerships	Number of partnerships
Groups/organisations (both partners)	1
Groups/organisations/individuals (both partners)	2
Individuals (both partners)	1
Young people and/or families (both partners)	2
Young people and/or families + Groups/organisations/other individuals	2
Families/groups + Groups/organisations/individuals	2
Individuals + Groups/organisations/individuals	2
Groups/organisations + Groups/organisations/individuals	1

Appendix Three: Time and Cost Data

Method of data collection

The time and cost data presented in Part Two of the report were collected by study participants during their first action research assignment. This assignment had two related aims:

- To obtain reliable data on the actual time spent and costs incurred by working on L/SP related issues over a four-week period, and
- To obtain estimates of non-staffing costs incurred over a 12-month period on L/SP related issues.

The assignment was undertaken by 11 L/SPs over a period from 20 March to 13 April 2006[4]. Twenty-one organisations returned valid data sets. One organisation failed to submit its time and cost data. Study participants were asked to complete six records comprising the following data (Data collection tools and briefing for Study participants are in Appendix Five).

- One spreadsheet detailing the paid staff and volunteers involved in L/SP related work, their salaries, contracted working hours and any expenses or honoraria received;
- Four weekly timesheets to be completed daily, detailing to the nearest thirty minutes the time staff and volunteers had spent against eight pre-defined categories of partnership activity; and
- One spreadsheet detailing non-staff costs incurred as part of L/SP related work.

Study participants were encouraged to keep notes or a diary to record ideas or new perspectives arising during the assignment, and to share these with their supervising ACVAR researcher. The findings which resulted from the cost and time data were presented to Study participants at the second workshop. Study participants were asked to check the accuracy of the data sets produced, provide information on external funding for specific projects or activities undertaken as part of their L/SP work, and to confirm that the recorded costs represented the full costs incurred by their organisation.

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[4] In addition, one partnership submitted a retrospective costs study, as the formal partnership ceased during the four-week period of the study assignment. Thus the partners did not complete the spreadsheets detailing time spent over the four-week period. Although their findings are taken into account in the qualitative analysis, their data are not included in the tables in this section.

Time data

In Table 3a we have ranked the 21 organisations which provided cost data according to the number of hours spent by both paid staff and volunteers. The average time spent when calculated as the mean of the monthly hours is 128.45 hours. If the average time is calculated according to the mid-point between the lowest and highest values (the median), this becomes 85.5 hours.

Table 3a: Hours worked on L/SP issues over four weeks

Organisation	Total hours per organisation
Org 1	6
Org 2	16
Org 3	26.5
Org 4	34.6
Org 5	39.5
Org 6	43.5
Org 7	55.
Org 8	58
Org 9	59.25
Org 10	65
Org 11	85.5
Org 12	90.5
Org 13	96
Org 14	126
Org 15	148
Org 16	158
Org 17	187
Org 18	217.5
Org 19	276.5
Org 20	376
Org 21	536
Mean hours	128.45
Median hours	85.5
Total hours 21 organisations	**2697.35**

Table 3b shows the total and average hours worked by staff and volunteers for ten partnerships over the four-week period.

Table 3b: Total hours per partnership over four weeks

Partnership	Total hours
P1	50.6
P2	64
P3	102.75
P4	151
P5	213
P6	248.5
P7	313
P8	362
P9	562.5
P10	593.5
Total hours 10 partnerships	**2657.85**
Mean hours	265.79
Median hours	230.75

Cost data

Where paid staff were engaged in L/SP work over the four-week period, we asked for details of salary (including all overheads such as employers' national insurance and pension costs) and hours worked. From these we arrived at a calculation of the hourly costs of staff time. A calculation was undertaken for 20 organisations who returned the relevant data5. Table 3c below shows the total costs of partnership working for paid staff within those organisations over the four-week period, ranked according to cost.

Table 3c: Costs of partnership working for paid staff over four weeks

Organisation – ranked by cost	Monthly cost
Org A	50.31
Org B	84.43
Org C	102.02
Org D	283.07
Org E	439.63
Org F	807.24
Org G	880.95
Org H	1056.90
Org I	1288.45
Org J	1326.48
Org K	1355.22
Org L	1632.53
Org M	1668.65
Org N	1775.32
Org O	1786.51
Org P	2178.57
Org Q	2194.44
Org R	6314.24
Org S	6417.80
Org T	8432.55
Total 21 organisations	**40,468.80**
Mean	1,927.08
Median	1,326.48

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[5] This was arrived at by dividing the annual salary for each member of staff by an estimated 46 working weeks (deducting an assumed average of four weeks' annual leave and two weeks for public holidays) and their weekly contracted hours. We then multiplied the subsequent hourly rate by the number of hours worked for the partnership. This calculation does not therefore include the financial value of volunteer time.

Appendix Four: Telephone interview schedule

Introduction: revisit aims of research and purpose of interview, confidentiality
statement etc

A.   Firstly, I'd like to ask you some questions about your organisation

1a.   What is the main activity of your organisation? _____

1b.   Is this establishment:
        i.   A single independent establishment not belonging to another body   ☐
        ii. One of a number of different establishments within a larger
             organisation   ☐
If ii:
        - How many establishments (offices) are there in the UK? _____
        - What is the structure?
        (e.g. does the organisation have a Head Office?
        If so, where is it located?
        Is this establishment the Head Office or a local office?)

1c.   When was this organisation established? _____

2a.   How many people are employed by this organisation? (if more than one
establishment/office, this applies to the organisation as a whole)
        1-4   ☐
        5-9   ☐
        10-19   ☐
        20-49   ☐
        50-99   ☐
        100-199   ☐
        200-249   ☐
        250-499   ☐
        500+   ☐

2b.   (if the organisation has more than one establishment/office):
How many people are employed by this establishment? (i.e. the office in which
respondent is based)
        1-4   ☐
        5-9   ☐
        10-19   ☐
        20-49   ☐
        50-99   ☐
        100-199   ☐
        200-249   ☐
        250-499   ☐
        500+   ☐

3.   Could you briefly describe your organisational structure (e.g. number of
offices if organisation has more than one establishment, main departments in overall
organisation; and departments in this establishment if different)?

4a.   What/who is your main client group? _____

4b.   How many organisations/individuals receive a service from you? _____
Over what period of time (e.g. limited to a certain number of weeks/months, unlimited)?

4c.   What is the range of client needs your organisation aims to meet?

5.   How is your organisation funded? (Tick all that apply)
       Government department(s)   ☐
(which one(s)?) _____
       Regeneration or other programme   ☐
(which one(s)?) _____
       Other public grants   ☐
       Public service charges   ☐
       Charitable trust   ☐
       Member contributions   ☐
       Donations   ☐
       Private sector funding   ☐

Other (please state)   _____

6.   What would you say are the main challenges faced by your
       organisation?
              Recruitment or staff retention difficulties   ☐
              Skills gaps (specify)   ☐
              _____

Resourcing/funding   ☐
              Changes in organisational environment   ☐
              (e.g. policy changes, changes in target group – specify)
              _____

              Targets set by external organisations (e.g. funders) ☐

Other (please state)_____

7.   (If any challenges identified in 6 above):
What steps has the organisation taken to address/anticipate any of the
       challenges outlined earlier?
(refer back to answers above as appropriate)

8.   How important is partnership working for your organisation? (ask
respondent to rate according to scale below, where 1 is very low and 5 is very high.
Ask respondent why they have given that score)

Low				High
1	2	3	4	5

Reasons for giving score above:

B.   I now want to ask you some questions about your role in the organisation and in the large-small partnership we are studying

9.   How long have you worked for this organisation? _____

10.   What is your job title? _____

11.   Please describe your role in the organisation
_____

12.   What is role your in the partnership with (name organisation)?

13.   Were you involved in developing the partnership?
        Yes ☐   No ☐

If yes, please describe your role in this:

14a.   What are the main challenges you face when undertaking your role in your organisation?

14b.   Do you receive any support for addressing these challenges? (please specify)

15a.   What are the main challenges you face when undertaking your role in the partnership?

15b.   Do you receive any support for addressing these challenges? (please specify)

C.   I now want to ask you some questions about the large-small partnership we are studying (specify partner organisation)

16.   What are the main aims/purpose of this partnership?

17.   Which of the following category/ies does the partnership cover:
        Led by/focusing on BME group(s)   ☐
        Addressing disability issues   ☐
        Partnership between national/local organisations   ☐
        Contracted to deliver services on behalf of a public agency ☐

Other (please state) _____

18.   How would you describe the partnership structure? Is it:
Partnership between 1 large and 1 small organisation?   ☐

A cluster of organisations with a large organisation as the lead body?   ☐

A cluster of organisations with an independent organisation   ☐
as the lead body?

A partnership involving a large organisation which sub contracts out?   ☐

Other (please describe) _____

(Note: tick all that apply in the above. Also note if categories helpful to/understood by interviewee)

19.   What were the original reasons for establishing the partnership?
        Funding   ☐
        Competitive advantage   ☐
        Added value through collaboration   ☐
        Similar mission/aims   ☐

Other (please state) _____

20.   Had you previously worked with [name of other organisation] prior to establishing the large-small partnership?
        Yes ☐ No ☐
If yes, please describe nature of relationship and work undertaken:

21.   How did the partnership develop? (i.e. the process of establishing the partnership, including who instigated this)

22.   Who was involved? (level in organisation, job type etc)

23.   When was the large-small partnership established? _____

24.   Are there different roles for each organisation?
(please describe. Clarify whether there is a lead organisation or whether the roles are equal, how the individual/organisation perceive themselves in the partnership)

25.   Who is involved in the partnership from each organisation?
(job roles, level)

26.   What procedures are in place for managing the partnership?
(probe for details of who manages in each organisation, process of management)

27.   Are there formally agreed partnership protocols?
        Yes ☐ Go to 27a   No ☐   Go to 27b

27a.   If Yes to 27 above, what do these cover?
               Financial management   ☐
               Risk assessment   ☐
               Conflict resolution   ☐
               Planning   ☐
               Communication   ☐

               Other (please state) _____

27b.   If No to 27, are there any informal collaborative arrangements for:
               Financial management   ☐
               Risk assessment   ☐
               Conflict resolution   ☐
               Planning   ☐
               Communication   ☐

28.   What factors do you consider are essential for the partnership to work effectively?

        Skills   ☐
        Personalities   ☐
        Support from within own organisation   ☐
        Support from external organisations   ☐
        Trust between organisations   ☐
        Trust between individuals   ☐
        A sense of mutual exchange   ☐
        Organisational flexibility   ☐
        Shared vision and purpose   ☐

Other (please state) _____

29.   Are there any barriers to effective partnership working?

30.   What are the main costs of the partnership?
        Individuals' time (estimate)   ☐ _____
        Premises for meetings etc   ☐
        Travel   ☐
        Equipment   ☐
        Training   ☐

Other (please state) _____

31.   What benefits did you originally expect your organisation to gain from the partnership?

32.   What benefits do you feel the partnership provides now?
        Developing new skills (in own organisation) ☐
        e.g. _____

        Benefiting from additional/complementary skills ☐
 in partner organisation
        e.g. _____

        Cost savings   ☐
        e.g. _____

        Avoids duplication of activities   ☐
        e.g. _____
        Avoids competition for funding   ☐
        Sharing risks   ☐
        New modes of working/innovation   ☐
        e.g. _____

Other (please state) _____

33.   Are there any disadvantages to working in this partnership, or difficulties you have encountered (e.g. at the start of the partnership, at particular stages)?

34.   How do you expect the partnership to develop in the future? (e.g. remain as it is, expand activities, make adjustments to modes of working etc)

35.   Is there an exit strategy in place for the partnership? (probe for details)

D.   Finally, I would like to ask you some questions about your own experience of partnership working

36.   What did you personally expect to gain from the partnership?

37.   What do you feel you have gained from the partnership?

38.   Is there anything that would have helped you better prepare for collaborative working, given the experience you now have?

39.   Has working in the partnership changed your mode of working or perceptions of the work you do?
          Yes ☐   No☐

Why is that?

40.   Finally, do you have any other comments on the benefits or disadvantages of large-small partnership, or questions regarding this study?

Appendix Five: Assignment on time and cost data, and external support

1. ORGANISATIONAL COSTS

The aim of the assignment on organisational costs of partnerships is to arrive at a realistic average cost of individuals' actual time spent over a four week period, as well as taking into account the estimated time spent and other costs over one year.

The assignment will incorporate completion of a spreadsheet over a four-week period, to give an indication of time spent and other costs incurred in partnership working. We recognise that this 'snapshot' may not capture all the costs involved. For example, it may be a quiet period and thus simply recording time spent over this period would give a distorted picture.

We would therefore encourage participants to estimate other amounts of time that would usually be incurred at 'normal' times over a typical year, for example in organising specific events such as conferences, attending scheduled meetings etc., and give details of these on an additional sheet.

The spreadsheet is in six parts: a first sheet on which everyone involved in partnership working from the organisation (in a paid or voluntary capacity) should be listed. The next four sheets are weekly time sheets, to enable us to calculate the amount of actual time spent over the period. The final sheet is to record details of other costs, including equipment purchased specifically for the partnership, running costs, accommodation and other costs. These sheets were discussed with study participants during the first workshop and have been amended to take into account comments made. We anticipate that there will be further queries during the next few weeks, so please contact your lead researcher if you have any problems.

i. The first sheet will only need to be completed once – this is to give us an idea of everyone from each organisation who is involved in the partnership in any way. Please fill in the name of your organisation and list details of a) **all paid staff involved** (by job title), their gross annual salary (including all on-costs such as national insurance, pension etc), their weekly contracted hours within the organisation (this will enable us to calculate their hourly rates proportionate to their salary), numbers of individuals with the same job title involved and any other information that may be relevant; b) **all unpaid staff** (e.g. volunteers, trustees/ board members etc) and numbers involved. We will then be able to calculate a cost of their time from the time sheets on the following pages, although we will also need to know details of any payments they receive such as travel expenses and these should be detailed on sheet 1.

ii. The next four sheets cover each of four weeks from Monday 21st March and are to be completed ideally on a daily basis; and sent to us at the beginning of the following week. These cover a range of tasks that might be involved and participants should fill in details of anyone involved in these tasks (e.g. by job title as indicated on the previous page) and amount of time per day spent on any of these, to the nearest half hour. If there are any other tasks not included, you can add details of these at the

end of the worksheet. As Easter falls in the final week, we would like the final sheet to be returned by Thursday 20th April at the latest.

iii. The final sheet is for details of any other costs you are able to identify, in discussions with other individuals in your organisation and partners, and these may relate to a longer period than 4 weeks (e.g. equipment purchased could be a one-off, meetings could cover the entire year if already booked, etc.) We suggest you estimate costs over a maximum of one financial year – as long as you specify the time period in the last box then we should be able to make some calculation of costs.

iv. In addition to the spreadsheets, we would encourage you to keep notes of any other costs specific to your organisation that may be incurred in partnership working (for example, the annual estimates of time normally spent discussed above, or notes on specific project costings if relevant). The aim of the spreadsheets is to record certain costs in a systematic format to facilitate analysis, but we also want to make sure that we are not missing any important details. Please send any other observations in on a separate sheet when you send in your final spreadsheets.

2. EXTERNAL SUPPORT REQUIREMENTS

In terms of the assignment on external support, this should be in the form of notes made over the four week period (e.g. in diary form) and based on your observations and discussions with others in the organisation/partnership. What we would like you to consider is firstly, what support you have accessed in undertaking any tasks related to the partnership (the list in the spreadsheets may be used as a guide) and secondly, what support would have been useful to undertake your role (this could include training, mentoring, a helpline etc).

3. ADDITIONAL STUDY ASSIGNMENTS

In addition to these two assignments, partnerships may wish to identify up to 2 other issues of concern to them to be explored in more detail during the four-week period. We will be able to give you guidance and support in undertaking this research. Examples of the kind of issues you may wish to explore could be challenges for the partnership and how to address these; external pressures; organisational changes impacting on the partnership, etc. (these are just some examples, but we would encourage you to think together about the key issues for your partnership and to get back to their lead researcher). While some of you may wish to start exploring these issues now, others may simply wish to undertake an initial scoping of the issues and explore them further during the next 4-week study period.

During the initial stage of your research you will need to determine the issue(s) and nature of the problem(s) to be explored, the reason for considering this, how you intend to explore them (e.g. what information to collect, how you will collect this and analyse it), what end product you would expect; and what support you would like from your lead researcher. Once you have reached this stage, or if you need guidance at any time during this process to define your chosen study assignment in detail, please approach your lead researcher to discuss the topics you wish to study and the support you require.

As part of the research process, and in addition to keeping the records detailed above, you may need to have discussions with, or interview, other individuals in your

organisation or partnership. We can help you to prepare and reflect on these discussions or interviews. We would also encourage you to work closely with your partner on the study assignments, although some of the issues such as costs may relate specifically to your own organisation.

4. PROCESS AND SUPPORT OF STUDY ASSIGNMENTS

We suggest you initially discuss with your partner how you intend to proceed with the research over the next four weeks. Your lead researcher will contact you during the week commencing 20th March to discuss the process with you and to ask whether you will be exploring any other issues, what these will be, how you anticipate handling these and what support needs you have identified (from us). This is also your opportunity to raise any further queries before commencing the study.

We request that you then send us in a brief update at beginning of each week (to indicate how you are getting on with the assignments and any problems encountered), plus the latest cost sheets, which we can then follow up with a telephone or email contact.

If you have any queries or problems in the meantime, please get in touch with your lead researcher.

We hope you enjoy undertaking these assignments and find them useful. At the end of the four-week period we will ask you to write a short report on each assignment and your experience of undertaking this (we will discuss the format for this with you during the next few weeks). We will then pull together the information from the reports and the cost sheets you have completed, in order to inform the second workshop in May.

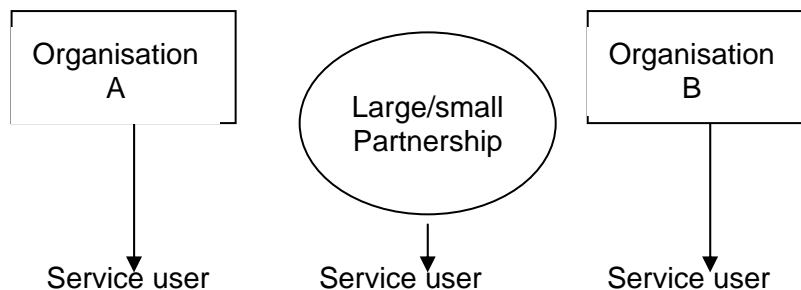## Appendix Six: Assignment on benefits resulting from L/SPs

In the first assignment of the Large/Small Partnership study you explored the costs of partnership working and also identified your support needs to make the partnership work effectively. In this assignment we want to explore what difference your partnership makes to service users.

The organisations which participate in this study, and the partnerships they constitute, differ in terms of the services they provide and the users they serve. Therefore we cannot be prescriptive about the research questions and methods that should be used in this assignment and will work with you to develop the most appropriate approach for this assignment.

The data collected for this study so far suggests that some partnerships deliver services directly through the partnership structure, while others use their respective organisations to deliver services which were procured or developed through the partnership. In either case there will be service users who should be able to comment on:

    a) Differences in service provision over time, for example before and after the partnership came together to develop a new service, or changed and existing service

    b) Impact of a new service that came about as a result of partnership working

The diagram below shows that services users can be identified, and consequently researched, in relation to the partnership *or* the organisations constituting the partnership.

We suggest that you discuss with your study partner which option would make the most interesting study for you, but please bear in mind that this assignment can only be small and explorative, rather than representative. Your lead researcher will advise you on the most appropriate research methodology to capture and explore perspectives of service users and discuss the resource implications this has for you. Attached are brief explanatory notes on the methods of study we would recommend for this assignment:

- Interview
- Focus Group
- Case Study
- Questionnaire

Your lead researcher will contact you week commencing 15th May 2006 to discuss the details of this study with you and support you over the four week duration of this assignment. However, please contact your lead researcher as soon as you are in need of support.

Appendix Seven: NCVO LS Partnership Study Participants

I	Family Matters Institute
Credit Action
II	Confederation of Indian Organisations
European multi Cultural Foundation
III	Revolving Doors
Richmond Fellowship
IV	Barnados
Off the Record
V	Warrington CVS
Gateway
VI	Children North East
Continyou
VII	Sunshine Healthy Living Centre
Lincolnshire Community Foundation
VIII	Southdown CVS
West Sussex Voluntary Action Liaison Group
IX	One Stop Shop Lutterworth
CAB
X	CETA St James
CAST
XI	Harrogate & Area Council for Voluntary Service
North Yorkshire Forum for Voluntary Organisations

Appendix Eight: Advisory Group Members

Kate Aldous

Tracy Beasley

Deborah Boswell

Jon Doble

Elizabeth Ladimeji

Charlotte Simpson

Marcia Samuels

Mike Tichelar

David Tyler

Andrew VanDoorn

Appendix Nine: Conference

Conference Programme

9.30am	Coffee & registration
10.00am	Introduction Chair – Campbell Robb, Director of Public Policy, NCVO
10.10am	Presentation of study findings – Hans Schlappa, Jane Pitcher, ACVAR
10.30am	Presentations from two partnerships involved in the study – Children North East/ContinYou (John Grainger) and Revolving Doors/Richmond Fellowship (Rob Fitzpatrick)
11.00am	Refreshments
11.15am	Facilitated roundtable discussions on issues arising from the study findings
12.15am	Feedback and Panel Discussion, including panellists Stephen Dunmore (Chief Executive of the Big Lottery Fund), Jill Walsh (Regional Coordinator for Capacity Builders), Hans Schlappa (CVAR) & Campbell Robb (Panel Chair, Director of Public Policy at NCVO)
12.45pm	Summary and close
1.00pm	Lunch

Delegates

Alan Cripps	Neadon Consulting Ltd
Alan Manchester	Nepal Leprosy Trust
Andrew van Doorn	HACT
Anjila Sinha	AdviceUK London Region
Annie Turner	Big Issue Foundation
Bashir Chaudhry	League of British Muslims UK
Campbell Robb	NCVO
Carol Buckland	Home Office
Carol Jackson	Refugee Council
Cherry Furber	Shelter
Claire Felix	Rethink
Claudia Ribeiro	Accenture
Clive Martin	Clinks
Colin Haward	Surrey Community Action
D Hougton	The Electoral Commission
David Barker	White Box Digital
David Tyler	Community Matters
Deborah Boswell	ACU, Home Office
Dhara Vyas	NCVO
Diana Ruthven	Action for Prisoners' Families
Elizabeth Ladimeji	NCVO
Evelyn Crimmins	Action Acton
Gillie Johnson	
Hans Schlappa	ACVAR, Aston University
Helen Leech	Open Age
Ibukun Olashore	Organisation of Blind African Caribbeans
James Murray	Hanson Consulting
Jane Pitcher	ACVAR, Aston University
Janita Elton	Children's Links
Jay Sharma	NCVO
Jaz Greer	CAST Trust
Jemma Black	Contact a Family
Jill Walsh	Capacity Builders
John Grainger	
Jonathan Lees	Communities that Care
Jules Sebelin	CETA CIC
Julia Pearson	Bradford Environmental Education Service
Julie Corbett-Bird	Blackfriars Settlement
Kate Aldous	NCVO
Kate Campbell	Community Foundation Network
Katherine Blaker	STAR (Student Action for Refugees)
Kelly Drake	3Consultancy
Lai-Har Cheung	NCVO
Leander Feltham	Parentline Plus
Lesley Wood	Yorks & Humber Regional Forum

Linda Mitchell	
Louise Gage	CLIC Sargent
Lu Large	NCVO
Lynette Shanbury	Arts & Business
MacDuff Phiri	Uganda Society for Disabled Children UK
Manor Singh	Bristol East Side Trader
Margaret E O'Grady	International Childcare Trust
Mark Parker	BASSAC
Mary Barbour	Gateway and Warrington CVS
Matt Buttery	Family Matters Institute
Matt Garrow-Fisher	NCVO
Meg Fassam-Wright	Barnardos
Mike Flood	Powerful Information
Natalie Sutherby	NCVO
Nicholas Pelas	Ealing Hospital Trust
Nina Muir	Harrowgate Council
Norma Fergusson	St Johns Ambulance
Rashmi Varma	Confederation of Indian Organisations
Rebecca Edwards	National Council of Voluntary Child Care Organisations (NCVCCO)
Rhiana Kang	Barnardos
Rob Fitzpatrick	Revolving Doors
Roger Backhouse	Redbridge CVS
Sarah Flood	NCVO
Sarah Shimmin	NCVO
Siobhan Sollis	Redbridge Council for Voluntary Service
Stephen Dunmore	Big Lottery Fund
Tabitha Allum	STAGETEXT
Tamara Kummer	Engineers Against Poverty
Tom Clarke	Accenture
Tony Dodson	Homelesslink
Unnati Dasgupta	NCVO
Vicki Laville-Davies	Dalgarno Neighbourhood Trust

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