



community **links**

Early Action
Task Force

How to classify early action spend

A report by the Early Action Task Force



Summary

We believe better understanding of how funding – in the public and third sector – is split between late, acute provision and early preventative action will help commissioners, funders and delivery staff plot a shift towards early action.

The Early Action Task Force (www.community-links.org/earlyaction) undertook an exercise with seven major third sector funders to analyse 1,558 grants according to whether the projects they funded constituted primary, secondary, or tertiary prevention or acute provision.

It was found to be a very useful exercise, both for the figures it produces and the conversations and insights it stimulates amongst staff and partners. This paper does two things:

Part 1 gives a basic guide to undertaking a similar exercise, based on our experience

Part 2 explains some of the implications for funders which we drew from the exercise.

This report is primarily aimed at charitable funders but we believe charities and the public sector looking to undertake a similar classification process will find Part 1 useful.

The funders who took part were: the Baring Foundation, Big Lottery Fund, the Calouste Gulbenkian Foundation, Comic Relief, the Esmée Fairbairn Foundation, Leeds Community Foundation, the Royal Foundation, and UBS.

These funders have come together to launch the Early Action Funders Alliance. One role of the alliance will be to support funders wishing to carry out a similar exercise. To join the alliance or find out more visit www.earlyactionfunders.org.uk

Community Links

Our purpose is to champion social change. We pioneer new ideas and new ways of working locally and share the learning nationally with practitioners and policy makers. As a result, we are recognised as national leaders in regeneration and social policy

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Introduction

It is common sense to act earlier - to prevent a problem arising rather than waiting to deal with its consequences - but what does that involve in practice, and what counts as leaving it too late?

Better information about how funding is split between early and late provision would allow commissioners, funders, and delivery staff in all sectors to make more informed decisions. Is the distribution of funding as intended when the programme was designed? Can funding be shifted earlier, preventing problems arising in the first place, and if so which projects should be targeted with extra funding?

Building on the work of the National Audit Office¹ and others² in classifying spend according to how late it acts, the Task Force undertook an exercise with seven major UK charitable funders to classify their grants budgets, to learn how the process works and could be applied more widely, and to establish how funders' grant making is distributed along a spectrum from early to late. In total we considered 1,558 grants with a total value of £159m across eight funders. Of these, 18% of the funding was for primary prevention, 43.4% for secondary and 36.7% for tertiary with 0.4% for acute funding.

While undertaking the exercise we called it 'bucketing' rather than 'classifying' to avoid over claiming for its accuracy but this risks underselling it; with sufficient time it can be a rigorous process. We have reverted to 'classifying' throughout this paper.

This report concentrates on the lessons we learned rather than the figures we arrived at. Given it was a first attempt, done quickly, these figures were necessarily approximate and while useful internally we do not feel shed much light for those outside. The lessons, however, are applicable, in particular for other funders and charities, but also for the public sector and beyond.

1. The National Audit Office (2013) Early Action: Landscape Review, London. Available at www.nao.org.uk/report/early-action-landscape-review

2. For a summary see Community Links (2012) Classifying Early and Late Action Across the Sectors, London. Available at www.community-links.org/linksuk/wp-content/PDF/ClassifyingSpending.pdf

Part One: How to do it

We highly recommend undertaking this classification exercise within your own organisation, for the conversations and insights it promotes as much as for the final figure.

Here is a seven-step guide to undertaking the process.

1. Set up the classification system
2. Decide who will undertake the classification
3. Decide what spending is being classified
4. Discuss the process with everyone involved in the exercise
5. Undertake the classification
6. Analyse the results
7. Draw out implications for your organisation

1. Set up the classification system

We propose a four-tier classification spanning early to late action:

Primary Prevention / building readiness: preventing, or minimising the risk, of problems arising – usually through universal policies like health promotion or a vaccination programme. [The NAO call this ‘prevention’].

Secondary Prevention: targeting individuals or groups at high risk or showing early signs of a particular problem to try to stop it occurring. For example Family Nurse Partnerships, screening programmes, or the Reading Recovery Programme. [The NAO call this ‘Early Intervention’].

Tertiary Prevention: intervening once there is a problem, to stop it getting worse and redress the situation. For example work with ‘troubled families’ or to prevent reoffending. [The NAO call this ‘early remedial treatment’].

Acute spending: spending which acts to manage the impact of a strongly negative situation but does little or nothing to prevent negative consequences or it reoccurring in future. For example prison, or acute hospital care.

2. Decide who will do it

This exercise could be done either internally by staff, or externally by independent outsiders. The former is an excellent way of introducing staff to the concept of early action and also harnesses staff’s knowledge of the ways in which money is spent, while the independence of external assessors might give a more impartial view but they will be hampered by their lack of knowledge of the grants. We undertook the exercise internally and the rest of this paper describes that process.

It is not as time-consuming as it appears. For example, after an initial 45 minute conversation to establish a joint understanding of the exercise, a group of about ten of us classified almost 600 grants in 45 minutes. For most participants this should take no longer than a few hours.

3. Decide what is being classified

The classification could be applied at any level of funding from an individual grant or activity to a whole funding programme or service budget. We believe the more granular the better since detail, often important, is hidden within broader programmes; capacity to undertake the analysis is the only constraint. With our group of funders we found it useful to look in detail at individual grants, partly to see if they were consistent with the stated aims of the funding programme; often they were, sometimes not.

This process works for anything with an underlying social purpose. Some funders supported art or environmental projects where the social goal was not explicit but emerged when looking more closely. This social goal then forms the basis of the classification. On the other hand, some art or environment programmes have an inherent rationale - ‘art for art’s sake’ and these fall outside the scope of this exercise.

Examples of classification

A Primary prevention project

A small grant was given to a local Scout group to buy adult size chairs for the Scout hut. The group were hoping to hold more community events, and rent the room out to other groups to generate income, but only had children-sized chairs. Although the chairs themselves are not preventative (except perhaps of bad backs) they contribute to the overall work of the Scout group, which would be classified as primary prevention.

A secondary prevention project

A grant was given to a local charity which provides trips to the seaside for children with severe learning difficulties and their families. The trips are a chance for the children to socialise and the families to relax. A learning disability is not a crisis in itself but it does put children and their family at greater risk of social isolation, poor health, or poverty. Therefore the trips are an example of secondary prevention – working to minimise these risks

A tertiary prevention project

A project working with prisoners and ex-offenders to prevent re-offending would count as tertiary prevention; a problem already exists but the project intervenes to redress the situation and stop it happening again.

A Split Project

The funding for a project training young people who have been involved in gangs (tertiary prevention) to become peer mentors for children who are at risk of involvement (secondary prevention) would be categorised as both secondary and tertiary, with the total grant split according to the proportion of the work devoted to each.

Primary prevention

Preventing or minimising the risk of problems arising, usually through universal policies like health promotion or a vaccination programme.

Secondary prevention

Targeting individuals or groups at high risk or showing early signs of a particular problem to try to stop it occurring. For example Family Nurse Partnerships, screening programmes, or the Reading Recovery Programme.

Tertiary prevention

Intervening once there is a problem, to stop it getting worse and redress the situation. For example work with ‘troubled families’ or to prevent reoffending.

Acute spending

Manages the impact of a strongly negative situation but does little or nothing to prevent the negative consequences or future reoccurrence. For example prison, or acute hospital care

Classifying Early Action

We have illustrated this on a diagram of a cliff which people find helpful.

“The focus of this exercise should be on the intended outcomes of the grant or funding rather than any evidence of impact.”

The more accessibly presented the data is the better, ideally in a spreadsheet with the item name, a short description, and the amount spent. The classification (we used 1, 2, 3 and 4 for primary to acute) can then be entered immediately for analysis.

4. Discuss the process together

We found that supplying staff with the definitions quoted above is not sufficient to ensure consistency of classification; a 30 - 60 minute discussion is a prerequisite for their consistent application. During that discussion it is worth going over the following points and then even more importantly undertaking some test examples together. When everyone consistently agrees on each classification staff can begin classifying alone.

Points to cover

● Focus on intention not impact

The focus of this exercise should be on the intended outcomes of the grant or funding rather than any evidence of impact. It is the intended outcome that is classified as primary, secondary or tertiary prevention or acute. The actual impact is of course vital too, and should be measured just as with any funding, but as a first step this exercise concentrates on the intention not the outcome.

● Don't be judgemental

Where need exists for acute support, projects should be there to meet it - there should be no judgement attached to where funding falls on the spectrum. Attaching judgement clearly risks biasing the results. This exercise works best when it is seen as a collaborative, honest effort to

inform strategy, not as a way of holding individual performance to account.

● Using more than one category

Some funding or programmes will fall across more than one category: either because there are two distinct purposes, for example a project training young people who have been involved in gangs (tertiary prevention) to become peer mentors for children who are at risk of involvement (secondary prevention); or because the activity will impact across categories, for example, organisational development support for a charity that does both primary and secondary prevention. Where this happens the proportion of the funding that contributes to each outcome should be estimated and split accordingly.

So, for example, the young people's project above was worth £150,000 in total. The grant manager decided roughly two thirds of the funding was contributing to the secondary prevention aim and one third to the tertiary prevention, so £100,000 was put in the secondary category and £50,000 in the tertiary category.

● Think about what is being prevented

In an early classification meeting we came across a project taking children with severe learning disabilities and their families to the beach for a day out, which led us to the question: does a severe learning difficulty count as a crisis?

Instinctively this felt wrong; a disability in itself does not count as a crisis but in our society it does put the individual and their family at greater risk of negative social outcomes, for example social exclusion, poverty or isolation. Therefore projects working to counter the risks associated with disability – like the beach trips – are examples of secondary prevention.

In other words, the activity is not intended to prevent the disability reoccurring or redress it; there is no way to do that. The intended outcome is to reduce the risks associated with disability.

Another example is work with older people with dementia. Many projects of this kind do not intend to prevent dementia, but instead try to reduce the risks associated with it: isolation, poverty, deterioration in physical health, loss of wellbeing. Most of these projects would class as secondary prevention.

It is important to think carefully not just about the characteristics of the groups involved (for example whether they are disabled) but also exactly what the project intends to prevent.

● Think of primary prevention as 'building readiness'

We called our first category 'primary prevention' for consistency with the OECD and with the other two categories, but this risks a reductive mindset; it assumes there is something to 'prevent' when much activity should be framed far more positively. The Task Force has developed the language of 'readiness' to describe the ambition that people are 'ready' both to deal with setbacks but also seize opportunity and that therefore services and activities should strive to build readiness. Taking part in a Scout group, volunteering with a faith group or joining a gardening club would fall under primary prevention because they do, at a base level, reduce the risk of loneliness, isolation, ill-health and much else, but to label them thus seems misleading; better to think about them as 'building readiness' than preventing anything.

● Think like a toddler

Funding that does not support the direct delivery of services to individuals can be more difficult to place in a category, but 'thinking like a toddler' and consistently asking 'why?' will often lead to the underlying intention of a project which can be classified.

For example, an organisational development grant is classified according to the outcomes the charity seeks in its work, so a grant to a charity working with ex-offenders might be tertiary whereas support for an organisation promoting healthy living might be primary.

“Where need exists for acute support, projects should be there to meet it - there should be no judgement attached to where funding falls on the spectrum”

People frequently assume policy or campaigning work is primary prevention because it seems a more structural solution to a problem than working with individuals. However rigorously looking at intended outcomes reveals otherwise, for example:

A grant for a domestic violence charity to campaign for a change in the law to improve access to support for victims of domestic violence.

Why? So that victims are better able to access support.

Why? So that victims suffer fewer long term consequences and repeat attacks are prevented.

This would count as tertiary prevention because it intends to prevent the recurrence of a serious negative situation, even though it is high level policy work. In contrast, lobbying to introduce domestic violence prevention messages onto the school curriculum for young boys might count as primary prevention.

“The Task Force has developed the language of ‘readiness’ to describe the ambition that people are ‘ready’ both to deal with setbacks but also seize opportunity”

● Age and geography alone don’t count as high risk

The definition of secondary prevention (‘targeting individuals or groups at high risk...’) necessitates a definition of ‘high risk.’ We feel that targeting based purely on age (for example people aged over 65) or on geography (such as people living in the London Borough of Newham) doesn’t count as ‘high risk’ even though they are valid risk factors. However work with groups defined by age or geography and another risk factor (for example 15 year olds excluded from school, or families in Newham experiencing high levels of debt) would count as secondary prevention.

5. Undertake the classification

Once a shared understanding of the classification approach is established individuals can work alone, ideally classifying funding with which they are familiar (so a funding officer in a grant-maker might classify the grants they manage). In this scenario it should take no more than a few seconds to classify and mark each grant or programme. This might take longer if the person undertaking the exercise is not familiar with the area and needs to read project descriptions or background information.

Each project or programme should be marked as either primary, secondary, tertiary or acute, or where the funding splits across two categories the total should be split by percentage. Ideally these classifications would be entered directly into a spreadsheet where they can be amalgamated and the analysis take place.

6. Analyse the results

The analysis we undertook was not complicated. We calculated

- the proportion of total spending that fell in each category
- the proportion of each funders’ spending that fell in each category
- the number of grants that fell in each category (and the number that fell across more than one category)
- the average size of grant in each category

Feel free to contact the Early Action Funders Alliance (www.earlyactionfunders.org.uk) if it would be useful to discuss this in more detail.

7. Draw out the implications for your organisation

Involve those who undertook the classification as well as those responsible for strategy and oversight (for example senior management and trustees). The implications we drew for funders are below.

Part Two: Lessons and implications for funders

1. The exercise is useful and interesting

Participants were very positive about the discussion and the classification exercise, saying it gave clearer framework within which to think about early action, turning it from a persuasive but nebulous concept into a concise structure which could be practically applied.

It allowed staff to look more systematically at their funding through an early action ‘lens’, in some cases confirming what people expected but in others throwing up surprises. For example, one funder imagined at the start that the majority of their funding would fall in the primary category and was pleased to find this the case, another assumed the same but discovered it wasn’t.

2. Consider classification in strategy discussions

Several funders had implicit assumptions about how early or late they hoped their funding was acting but it might be useful to make this explicit in future discussions around strategy, either across the portfolio or around the development of new programmes. Where on the cliff do you intend to act? Involve trustees, boards, and senior management as well as the staff who undertook the exercise in this conversation.

3. Embed classification in grant management

Several participants suggested the exercise could be included in ongoing grant management, so every new grant would be classified by whoever manages it. In the large funders, in particular, data would quickly accrue which could then be used in evaluation and strategic planning.

4. Embed classification in funding proposals

Funders recognise the tendency for applicants to exaggerate the extent of the need they are meeting in order to make the application more ‘hard-hitting’ and in some cases to fulfil the funder’s request that they demonstrate sufficient

need; projects are pretending they are further down the cliff to get funding.

This distorts funding priorities and perpetuates the dangerous (in our view) myth that there is more value in waiting and dealing with crisis than there is in preventing it occurring in the first place.

An explicit recognition of early action within funding criteria might counter this trend – there should be no need for projects to pretend they are meeting acute need if a funder makes it clear that they value early action just as highly and even better if they provide charities with a framework, like these categories, within which to understand it.

5. Embed classification in the funding criteria

Require, or make it optional, that applicants show evidence of having considered early action across their organisation, including having undertaken the classification exercise themselves. Akin to an equal opportunities or child protection policy; initiatives that have transformed the voluntary sector.

6. Embed classification in evaluation

This process looked at an internal analysis which benefits from the grant manager’s knowledge of individual grants but is open to bias. Complementing this by including it in external evaluation, both of individual grants and of grant programmes, would ensure a more impartial view.

7. Target the right charities

Asking charities whose expertise lie in tertiary provision to start promoting primary prevention might be unrealistic so targeting funding at a particular sector might hem in a grant programme. For example, advice charities excel at crisis provision but are not necessarily the best organisations to lead public legal education work, which might be better situated in a school or college.

8. Consider ‘200% outcomes’

Some grants were split between two categories because they intended to achieve outcomes in both categories, but it might be unfair to say half the money was spent on one thing and half on

the other; actually all of it was spent doing both things. It's great value for money, probably one of the reasons why it was funded. It might be more accurate to think about these as '200% outcomes' where, for example, the same funding achieves both secondary and primary aims. Could these be recognised in the decision-making process?

9. Consider where to act

We defined primary prevention broadly as 'universal' services but with a few exceptions funders are unlikely to support projects which are available to all age groups across the country. So does the targeting that inevitably occurs (usually according to some measure of need, or risk, such as deprivation indices) mean virtually no project counts as primary?

We said above that selecting a group by age or geography alone does not categorise them as 'high risk' (and therefore the project as secondary) so, for example, a community festival is primary prevention even if the funder only funds them in deprived areas.

Where a project focuses on particular individuals more likely to be at high risk (for example the group of students struggling most at school, or families struggling with debt) it is more likely to be secondary.

This means funders can still engage in primary prevention even on a limited budget, for example by funding primary prevention initiatives within a small area. Indeed, funding these alongside some secondary and tertiary activities within an area might yield more useful learning than scattering scarce funds around the country. The Early Action Funders Alliance is developing neighbourhood based funding along these lines.

10. Don't forget the 'incidental effect'

Thoughtful funders will fund activities explicitly to achieve a certain impact, making it relatively easy to classify spending according to these intended outcomes, and yet many of these programmes will have other unintended effects on participants

and their community. For example the Scout group which primarily aims to provide opportunities for young people also provides volunteering opportunities for adults, or the early intervention programme for children will indirectly benefit their parents and wider community as well.

We Are What We Do have used the phrase '*the incidental effect*' to describe the potential for consumer products to achieve unintended behaviour change; for example Skype was developed and marketed as a communications tool but is incidentally also a powerful environmental product offering a viable alternative to business travel.

Funders should not ignore the incidental effect of their funding, particularly when thinking about the '200% outcomes' we discussed above. This will be of even more relevance to public sector programmes.

11. Consider grant size

It looks as though smaller grants are more likely to fall into the primary prevention category, while the largest grants are more likely to be tertiary. The implication is that small grants programmes are less likely to attract tertiary projects, so taking grant size into account when designing funding programmes might help tip funding into the category it was intended for.

Conclusion

If we agree that early action is important – and most do – we must find ways to turn this ambition into a measurable shift in activity and therefore reduction in need for acute support. The process we have outlined above is only a first step but it will stimulate thinking and provoke action.

It involves staff throughout the organisation in the arguments for early action, and it provides a benchmark with which to inform strategy and track progress. It is not as hard as it first appears; only taking a few hours even for large funders.

We strongly urge others to try it; please let us know if we can help and how you get on.

For more information

Contact the Early Action Funders Alliance on will@earlyactionfunders.org.uk or www.earlyactionfunders.org.uk

If you try this exercise within your own organisation please let us know how it goes. We are keen to continue refining this process and encouraging others to try it.

For more information about the Early Action Task Force visit www.community-links.org/earlyaction

The Early Action Task Force is a group of third sector, business and public sector leaders working to build a society that prevents problems from occurring rather than on that, as now, copes with the consequences.

Better understanding of how funding – in the public and third sector – is split between late, acute provision and early preventative action will help commissioners, funders and delivery staff plot a shift towards early action.

This report sets out a simple methodology to begin classification of early action spending – and identifies lessons for funders which arise from the exercise.

This report is the work of the Early Action Task Force. The Task Force is a group of leaders from across the sectors committed to building a society that prevents problems from occurring rather than one that struggles with the consequences. The Task Force is led by Community Links and funded by the Big Lottery Fund and the Barrow Cadbury Trust

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