**Hope Collective - Summer 2023**

**Theoretical Underpinnings**

The Hope Collective has an ambitious programme to meet its stated aims and objectives. To aid us and to set a clear base of reasoning, in this document we look at the theoretical drivers (a theory of change) for what we are doing. The Hope Collective is a practical movement, directly working with young people, their communities and challenging/disrupting a worsening situation for them, however we also need to know academic and theoretical logic describing why we are doing what we do.

lee@smartsocial.org.uk for Hope Collective

****



Executive Chair – Professor Niven Rennie niven@hopecollectiveuk.com

PRIMARY CONTACT: Campaigns and Programs Lead, Gary Trowsdale gary@solafoundation.org.uk

CONTACT: Governance/Investment support, Lee Whitehead, Smart Social lee@smartsocial.org.uk

(draft)

**Hope Collective - Theoretical Underpinnings**

In this document the theoretical underpinnings behind the Hope Collective are drawn out – i.e. the most relevant theories are considered to establish a solid theoretical base that supports the Hope Collective’s values and vision. This analysis is done to make sure we know why and how the Hope Collective was set up and how it moves forward. The Hope Collective gathers great interest, has an amazing array of partners and is being promoted via Hope Hacks and the development of a ‘reimagined manifesto’ leading to the development of the Hope Fund. Understanding the theoretical base is equally important because it is essential backing to our work.

1. **Framing theoretical approaches**

The Hope Collective believes in a fairer society. We especially consider this is needed for young people. It is postulated that for young people and their families/communities, ‘it’ (growth, resilience, hope) is not happening or even worse, going in the wrong direction (evidenced within a growing body of related research/reports in the last decade). We are asking young people what needs to change and what are the solutions for our ‘re-imagined manifesto’.

Our work now is primarily about engaging young people to hear their truth and views, which we will then place within a change agenda, service interventions and support. However, amidst this practical work it is worth considering the theoretical backing to our work. This helps us adjust and adapt as we go and to have a clear path of why.

What is the right balance of existing theories that might be drawn on? Whilst many theoretical approaches could be considered, the question is, which ones are central to understanding the social change arising from the engagement of young people and a range of seasoned professionals in this field. What we are asking is:

1. How do these theories help to frame a best practice re-imagined manifesto guideline with strong theoretical grounding in innovation, human learning, capabilities, and coproduction?
2. Why are these theories most helpful to understanding a new narrative and success in this field? Do these theories explain why some approaches are better than others?

**2. Theoretical underpinning**

What are the main theories/approaches in use in our work and how do they specifically apply? Theories can be broad-brush, - here we are describing how a range of theories have particular value in our work – after each theory/approach descriptor, the application of it in our work is commented on. Of the 12 theories/approaches cited, 4 have most relevance to our work and aims stated, but all will have a bearing on the Hope Collective. The potential application of each theory is considered and the 4 main theories are drawn out and described. These theories are markers to which we return to evaluate our work and to analyse our impact.

* + 1. **Relational Sociology theory**

The Hope Collective takes seriously the relationships we are developing – with young people/their communities, with public bodies, within and across our business sector. Donati’s (2010) Relational Sociology develops ‘upwards’ from sociology into a realist meta-theory. Donati shifts the focus of sociological theory onto the relational order at all levels. He argues that society is constituted by the relations people create with one another, their emergent properties and powers, and internal and external causal effects. Relational Sociology provides a distinctive variant upon the realist theoretical approach, especially because of its ability to account for social integration (see integration approaches below). Donati formulates a social theory appropriate to modern understanding, based on the primacy of what he terms social relations which, for Donati, are crucial in upholding the distinctiveness of humanity. Donati argues against unwelcome effects of many social theories that threaten to drive the human out of the social or else submerge the human within the social and so drown out its distinctive individuality.

Application/critique: Human relations and concepts of trust, negotiation and constructively arriving at common objectives are central to a cohesive society between the actors (people/families/communities, and services, businesses and public agencies). This supports our work as fundamentally human in its construct, not a measured/metricated social/economic construct. There are implications for more ‘human’ outcomes to be set in social/community work (like mattering, trauma, resilience) and a new conversation of what is ultimately being measured to evidence ‘human’ success/gain in a more rounded sense, counter to and above the (non-social) metric measuring focus (i.e. measuring the negative/absence/failure value of interventions). Relational sociology does require a form of social enquiry methodology (recognising ‘agency’) which also supports cocreation/coproduction practices (see below).

* + 1. **Co-creation/Co-production approaches/theory**

Listening to young people and acting on their views is central to the Hope Collective – our youth leadership/management team are built into our governance. At the core of Voorberg’s (2014) concept of social innovation lies the active involvement of citizens into service delivery. This involvement is often referred to as ‘co-creation’ (conceptual at the outset) or ‘co-production’ (on-going throughout the project). The participation of citizens in the design or implementation of service delivery creates sustainable partnerships with citizens and leads to more practically informed outcomes. There are types of involvement such as: 1) citizens as co-implementer, 2) citizens as co-designer, and 3) citizens as co-initiator. Most studies are aimed at the identification of influential factors. These factors can be identified on the organisational side (for instance the compatibility of public organisations, the attitude of public officials or the administrative culture) or on the citizen side (for instance personal characteristics, awareness of citizens and social capital/assets). Co-creation and co-production have both practical value and symbolic value (counter to tokenism) that lead to better ownership of projects. Research recognises that the solutions to complex problems like multiple disadvantage can only (or better) come from the people experiencing those problems, working respectfully as equals alongside those with the power to ensure that agreed solutions happen. Working alongside a group of people with experience of multiple disadvantage to define shared approach to co-production and to agree a clear theory of change can help guide activities and outcomes. Co-production is a key concept in development and it has the potential to make an important innovative contribution to all the big challenges that face health, social care, education, policing provision. The Care Act 2014 (and Disabilities Discrimination Act) and 2018 Civil Society Strategy specifically includes the concept of co-production in its statutory guidance. The guidance defines co-production and suggests that it should be a key part of change. Particularly, co-production should be used to develop preventative, strength-/asset-based services, support assessment, shape the local care market, and plan services. Definitions of exactly what co-production means vary, but the term is used to describe partnership working between people who draw on care and support, carers and citizens to improve services. There is an interest in co-production across the full range of public services, not just social care and health, but justice, housing, employment, education services. Public, voluntary and private sector organisations and politicians have shown an interest in co-production. This interest reflects the widespread acknowledgement that the citizen has a vital role in achieving positive outcomes from public services. Implementing co-production can be challenging and complex. It involves looking at every aspect of how an organisation works.

Application/critique: ‘Nothing about me, without me’ applies to social change and the increased level of improvement it achieves. Legally (enforceable through statutory legislation) and morally service users and lived-experience experts should input to services they use, especially when it comes to innovative potential, because their perspective can lead to new solutions and a human learning level of input. In traditionally procured services (specification/tender), by and large service users are disengaged in standard procurement exercises, engaging them in design has an improved outcome.

* + 1. **Capabilities Theory**

In discussing the Hope Collective across our partners, we are aware that many systems/communities do not have a shared vision of what is needed. Nussbaum’s Creating Capabilities (2011) provides an account of the capabilities approach (CA) and increasing the capabilities of people to be and do a variety of things; human agency and human dignity are of foundational importance; and that there is a range of valuable capabilities that are essentially incommensurable—such that any evaluation of progress must be pluralistic and cannot be summed into a single issue. This, in contrast to many approaches to evaluation, indicates that a society may experience progress on some fronts and regress on others. Societal aspects, including social institutions and social norms, and their role in enhancing (or worsening) capabilities is central. Nussbaum robustly asserts that the approach does present (or comes close to) a theory of social justice. It dictates what a just society is—in her view, one that ensures central capabilities are achieved for all individuals. She argues that the government has the duty to ensure that such justice is met at a national level, and that there are similar obligations at an international level, where in the absence of global government, international treaties and organisations bear the responsibility (reference UN Social Development Goals). A satisfactory comprehensive theory of a just society; and approach is essentially participatory, leaving it to individuals and democracies to determine which valuable capabilities to pursue, and who (the government, civil society, the market) should pursue them. Creating Capabilities provides the context for the popularity of the CA and human development— the way that growth in the 1980s-90s failed to eliminate poverty and discredited trickle-down, followed by prolonged depression in some regions in the 2000s right up to the present, which was overseen by economists at the IMF and the World Bank and was associated with rising poverty and worsening human conditions. In arguing for a change in the space, inequality/disparity is measured and used in developing better indices. Nussbaum’s approach to equality issues is more normative. Like Kant, she starts from the fundamental premise that the dignity of each individual should be given equal respect; and argues that in practical terms this implies that each individual should achieve the threshold level of each central capability. The fundamental principle of equal dignity could be interpreted to imply a more egalitarian society. More work is needed on normative analysis of inequality from a CA perspective, on forces determining changes in inequality (in the space of plural CA), and on policy analysis to reduce inequality, some has been initiated (for example, Samman et al., 2011; Cornia and Martorano, 2011; Stewart, 2009). Methods increasingly adopted by economists are producing a great deal of empirical evidence at the micro-level that could shed considerable light on how to achieve particular capabilities, the restraints that are preventing successful outcomes, and the inter-linkages among different capabilities, enabling the identification of ‘fertile functionings’ (Banerjee and Duflo, 2012). Yet the micro-economists seem to lack an underlying theory—so what they choose to examine appears nearly as random as their methods. Hence, bringing the CA framework to bear on their work could greatly enhance its value (Claassen, 2021). Similarly, there has been quite a bit of work at the macro-level, exploring linkages between human development outcomes and economic growth and the factors that are likely to lead to strong linkages between the two (Ranis et al., 2000; Suri et al., 2011), which is highly relevant towards the design of policies towards CA.

Application/critique: CA holds a way to promote service interventions at micro and macro level because it is holistic in setting the base requirements to seek social improvement. The Hope Collective as a social justice tool is interesting by developing norms across the whole community (service users, providers, investors and public bodies). The focus on dignity and inequality in CA is a very human way to understand social change.

* + 1. **Human Learning Theory**

For change to happen, for the Hope Collective to have impact for young people, we regularly discuss societal growth, wide-based learning in a way they means something to everyone in their community. Lowe (2020) postulates that creating complexity-informed evaluation by seeing it as a public management challenge. How can public management adopt a more complexity-informed approach? A complexity-informed approach to public management is described in the Human Learning Systems (HLS) approach. The HLS approach involves public services responding to the variety of human need through bespoke service provision, using learning as the engine for performance improvement and stewarding the improvement of the systems which produce social outcomes.

Human: One of the three key tasks of managing work in an HLS way (including funding and commissioning of work) means creating the conditions in which people can build effective human relationships. This means understanding human variety, using empathy to understand the lives of others, recognising people’s strengths, and trusting those who do the work. Variety, Empathy, Strengths and Trust (VEST).

Learning: In complex environments people are required to learn continuously in order to adapt to the dynamic, ever-changing nature of the work. In complex environments, there is no simple interventions which “works” to tackle a problem. “What works” is an on-going process of learning and adaptation. It is the job of managers to enable staff to learn continuously as the tool for performance improvement. This means using measures to learn, not for reward/punishment. It means creating the conditions where people can be honest about their mistakes and uncertainties. It means creating reflective practice environments between and across peer groups. This requires funders/commissioners to fund for learning and adaptation, not for “results”.

Systems: The outcomes we care about are not delivered by organisations. They are produced by whole systems – by hundreds of different factors working together. The final job of managers is therefore to act as Systems Stewards – to enable actors in the system to co-ordinate and collaborate effectively - because it will enable positive outcomes to emerge.

Application/critique: HLS creates a holistic problem-solving methodology and the continuous recalibration of services during set up and when live.

* + 1. **Problem-solving theory**

How do systems (especially the people in them) change? Problem solving can be according to Mayer (1990) defined as a summary of the cognitive processes focused on the change of the given state to the final state where the solution is not obvious. The problem solving and its cause is defined in the work of Funke (2010) who stated that the person’s initial knowledge of the problem are the conditions (the given state). The operations are activities that can be performed in order to achieve the required final state (result) with the help of available instruments. On the way to the aim are standing obstacles that have to be overcome (e.g. the lack of knowledge or the directly obvious strategies). The process of overcoming of the obstacles can include not only cognitive but also motivational and emotional aspects. The solution of the didactic problem begins with the awareness of the existence of the problematic situation followed by understanding of its essence. During the problem solving the person/community faces many obstacles and meets different possible solutions among which he/she has to choose. His/her personality itself is a very complicated system of characteristics and roles - their interaction is often contradictory. Fight between the motives is conditioned by that, it is characteristic for the active behaviour: attitude and emotionally substantiated wishes of the subject very often collide with the surrounding world. The problem solving is therefore a personal and aimed process. That means that the activities done by an individual during the problem solving process are led to his/her personal aim (Mayer and Wittrock, 2006).

Application/critique: Suggests a way to choose why a service can take forward a solution. A crucial step in the pre-work to ensure the chosen service outcomes are right, and dealing with causes (not just symptoms) for maximum impact. The process and time set aside for problem-solving in a service is a functional part of its improved outcome delivery/innovation. HLS is arguably a more rounded way and community-engaging way to solve complexity/problems.

* + 1. **Emotional Intelligence approach/theory**

Social change is achieved through using emotional intelligence individually or in groups. Often referred to as EI, Emotional Intelligence is about having the ability to understand and manage the emotions of yourself and also those around you. The Goleman (2002) theory is simple – 1. Self-awareness – Being self-aware means that you understand you and what makes you tick and therefore, your strengths and weaknesses as a person. You can then start to understand why you feel, and what makes you feel. If you understand your emotions, you can identify their impact to you and those around you. 2. Self-Management – Through being in control of what you say and do, whilst rejecting the temptation to make rushed decisions, you can be in charge of your actions and therefore reducing the chance of compromising your values. Other aspects to nurture in this element are to show and actively apply conscientiousness, trustworthiness, leading and adapting to change, complete drive to succeed and the initiative to think and act creatively and innovatively to solve problems. 3. Social Awareness - Social awareness is the ability to understand the emotions of the around you and to get a good comprehension of their emotional makeup. The ability to treat people according to these emotional reactions is vital. This area is linked to empathy: The ability to understand and see things in other peoples’ view-points, expertise in building and retaining talent, valuing diversity and appreciating the organisational goals. In essence this part of emotional intelligence then, is about understanding and being truly in touch with the complete demands of the environment and acting to suit those conditions. 4. Social Skills - final element from Goleman’s emotional intelligence theory, which links Leadership and Emotional Intelligence together: Leaders with good Social Skills are often very good communicators. Leaders who are good in this discipline are also good at conflict resolution and communicating the vision to team members, enlightening them and creating motivation and inspiration throughout the team. They are experts at getting their team to support them and also believe in their leadership. They set the example, for others to follow by demonstrating the acceptable behaviours and values.

Application/critique: EI is a fundamental in individual and group development and service design. A way to set out to deliver something innovative and links to CA because it provides a method to gain equality in design process. EI applies to the Hope Collective set up but also within the services provided inside the actors through the provisions on offer. EI is both core to Hope Collective process but also the change service providers seek in outcomes. EI may be seen as sub-action to HLS and contained within coproduction theories.

* + 1. **Public Health Approach/theory**

Theory, according to popular public health research, “is a set of interrelated concepts, definitions, and propositions that present a systematic view of events or situations by specifying relations among variables, in order to explain and predict the events or situations” (Glanz et. al., 2008). Krieger writes that theory helps researchers “explain causal connections between specified phenomena within and across specified domains by using interrelated sets of ideas whose plausibility can be tested by human action and thought” (Krieger, 2001). One theoretical domain within public health research and practice that is growing in prominence is epidemiologic theory, which “seeks to explain extant and changing population distributions of health, disease, and death, within and across societies, over time, space, and place” (Krieger, 2011). Epidemiologic theory is principally concerned with the question, “Who and what determines population rates and distributions of morbidity, mortality, and health?” (Krieger, 2011). The use of epidemiologic theory to inform understandings of health and disease patterning profoundly shapes public health research and practice (see World Health Organisation discussion). For instance, if particular disease distributions are theorised to arise from the summation of individual behaviours, then the task of public health is to better understand and change health-related behaviours. Alternatively, if disease distributions are theorized to arise from distributions of economic resources, then public health responses should entail studying and reducing economic inequality.

Application/critique: This approach is central to any Hope Collective Theory of Change but is junior to Innovation (see below) which is more holistic. Prevention of social problems should look at causes (rather than symptoms) to deliver sustainable change. This sets expectation on outcomes measured in services that look at earlier intervention/a public health approach as their way to deliver socio-economic benefit.

* + 1. **Integration Approach**

The integration definition can be summarised as a process where various groups are combined in order to make a unified and functional solution for society (Durkheimian). Integration is complex and dependent on a number of features that determine its success or failure. The term "social integration" is most commonly used in sociology, psychology, and cultural studies fields. Social integration theory can be summarised as principles that guide relationships between people and groups in society and how they interact with one another. Some key tenets of the theory include how people accept and interpret social rules within society; these are crucial for determining how well people will integrate. Social integration affirmed that people must rely on others to provide certain things that one alone cannot accomplish, thus the need for interdependence on a larger group is necessary.

'Integration' is about working together (and not in traditional service silos) to achieve better outcomes. When integration works well, people using services and carers report higher levels of satisfaction. Organisations providing services and professionals say it benefits them too. The emphasis on more and better integrated working comes from the commitment to deliver quality care support around the needs of the individual, their family and their carers. This shift towards personalisation and person-centred care is happening against a backdrop of unprecedented pressure on health and social care providers to open up opportunities for cost savings. So, while integration has never been more vital, many organisations find achieving it extremely challenging. How do you achieve integration? And how do you know when you're doing it effectively? SCIE researchers have identified the factors most associated with successful integrated working. They have taken that research and turned it into 'Integration - Step by Step' - an online tool to help you achieve excellence in delivery of all your services. Effective integration usually results in working in different ways with different people - this in itself can be a challenge because of the need to change relationships, shift perceptions and share responsibilities and information. Using 'Integration - Step by Step' has helped to establish effective professional relationships with colleagues across sector and service boundaries. Whether colleagues are in health, social care, or any other service, you'll analyse, plan, and deliver fully integrated services - together. As you become familiar with the tool, integration will become the natural way of working, establish a common purpose, focus on wanted outcomes and avoid the pitfalls many services fail on when seeking to change their ways of working.

Application/critique: Better services hold a key to unlock (limited) progress in integration because the outcomes can be integrated. Raises attribution issues but this is solvable through definitions. Most outcomes are not linear/mono-focused as per standard procurement current process which can lead to serial inefficiency rather than parallel solutions (which is in itself, innovation) more likely in integrated services. Integration therefore becomes a subset of innovation.

* + 1. **Innovation models**

Strategic models such as Social Impact Bonds (SIBs), outcome based contracts (OBC), alternate social or commercial financing are innovation, changing the way markets and developments happen, have been emerging since 2010/11, - this shifts funding of public services away from activities and outputs towards outcomes by transferring some or all of the financial risk of non-delivery of outcomes from Government to social investors. While such models have captured the imagination of politicians and policy makers globally, we should resist uncritical replications of existing or historic models. It is naïve to think that countries sharing common characteristics necessarily share the same motivations for engaging with SIBs, or end up with the same models. For example, while SIBs have been associated with neoliberal welfarism (Betzelt and Bothfeld, 2011; Dowling, 2017), stakeholders are therefore keen to develop a clearer idea of how their local ecosystem may support or hinder the design and implementation of SIBs. Rather than ask the question of: “Which SIB model should we implement here?”, stakeholders have instead been asking themselves: “How will our local context influence the way we go about developing SIBs?”. In addition, stakeholders are also interested in: “How should we go about embedding social outcomes thinking and practice in a way that is authentic to the context?”. It would be a mistake to look at SIBs only through the lens of discrete projects. Stakeholders have prioritised system mapping and are taking a strategic approach that sees SIBs as part of a wider effort to enable system change and innovation. At the most basic level, a SIB requires (a) outcome payer(s), (b) social investor(s), and (c) service provider(s). There are of course multiple additional stakeholders that may come into play depending on need and context. Where SIBs were an alien/new concept, and where thinking and practice around improving social outcomes through public policy is still largely unfamiliar, stakeholders have identified a fourth core group – intermediaries that can provide expert technical, financial and relational support effectively within the local ecosystem. Outcomes Based Commissioning – including SIBs – has been suggested as a way to provide ‘more’ social services for ‘less’ public resources. Such commissioning is often linked with an innovative financing tool called a Social Impact Bond (SIB). Whether the SIB approach aligns with the theoretical predictions of social innovation is an ongoing question – answering this question there is evidence that SIBs facilitate capital injections from the private sector into the production of social goods as well as facilitate parts of the process of social innovation – namely, piloting and scaling.

Application/critique: SIBs/OBC are innovation set to change/transform the way things have always been done/the status quo. The SIB/OBC is the vehicle for change and sustainability. The OBC principle allows for clear change to be defined and the vision sets the actions.

* + 1. **Grounded Theory**

The Hope Collective learns as it goes – we don’t assume answers until we have gain insight from young people, experts and our partners. Grounded theory is a systematic methodology that has been largely applied to qualitative research conducted by social scientists. The methodology involves the construction of hypotheses and theories through the collecting and analysis of data. Grounded theory involves the application of inductive reasoning. A study based on grounded theory is likely to begin with a question, or even just with the collection of qualitative data. As researchers review the data collected, ideas or concepts become apparent to the researchers. These ideas/concepts are said to "emerge" from the data. The researchers tag those ideas/concepts with codes that succinctly summarize the ideas/concepts. As more data are collected and re-reviewed, codes can be grouped into higher-level concepts and then into categories. These categories become the basis of a hypothesis or a new theory. Thus, grounded theory is quite different from the traditional scientific model of research, where the researcher chooses an existing theoretical framework, develops one or more hypotheses derived from that framework, and only then collects data for the purpose of assessing the validity of the hypotheses.

Application/critique: Promotes the living/learning (HLS) side to service development – they are organic learning tools. Seeing new services in a grounded theory context has validity, it promotes their flexibility, but a system learning and capabilities understanding offers more because it allows discovery/induction in a more contextual way that enables replication through a best practice guideline.

* + 1. **Redistributed wealth (economic theory)**

Scarcity is the underlining topic throughout the study of economics and considering the fact that there are limited resources and infinite wants, there will always be the problem of scarcity (Porter, 1965). Scarcity is the reason for the difference between the rich and the poor in society and this difference is termed as the Income Gap or Income Inequality (Keynesian). The purpose of Wealth Redistribution is to solve or at least minimize the gap between the poor and the rich. Wealth Redistribution is an economic practice which is aimed at levelling the distribution of wealth or income in a society through a direct or indirect transfer of income from the rich to the poor. Economists or Governments adopt economic policies and strategies like progressive taxation to implement this phenomenon. Considering the social vices and the cost of extreme poverty or the negative effects an extremely widened income gap can have on a nation, economists across the world try their best to close this gap or maintain a positive difference. There is a wrong perception that Wealth Redistribution is aimed at improving equality by taking it from those who have more and giving it to those who have less. However, the aim of this is to avoid a perilous income situation which proponent economists describe as unreasonable or extreme inequality. There are various approaches to wealth redistribution. Some involves Governments whiles others involve organizations and individuals. A more common example or approach to wealth redistribution is the Progressive Tax system. Many countries, if not all, have adopted the Progressive Tax system whereby people who earn above certain calibrated amounts of income pay higher tax rates. The concept of redistributing wealth is somewhat controversial. One approach holds that the accumulation of assets should be based on the efforts of the individual, with those who work harder receiving a greater share of the available wealth. A different point of view is that all individuals are entitled to an equitable living standards and while efforts to earn what they can are encouraged, the redistribution of wealth by those who are more fortunate allows those who are not able to generate enough income to achieve that equitable standard to receive some type of assistance. The idea is that when poverty is kept to a minimum, the national economy is more stable and everyone ultimately benefits from that stronger economy.

Application/critique: “Redistribution of wealth is economic justice” (economic conflict theory). How does the Hope Collective play into redistribution? Commercial agencies working with the Hope Collective certainly believe they can, and Tax systems seem a sledgehammer to a nut when more direct methods could lead the way especially in place-based systems.

* + 1. **Value for money in procurement approach**

The National Audit Office (NAO) uses three criteria to assess the value for money of government spending i.e. the optimal use of resources to achieve the intended outcomes: 1) Economy: minimising the cost of resources used or required (inputs) – spending less, 2) Efficiency: the relationship between the output from goods or services and the resources to produce them – spending well; and 3) Effectiveness: the relationship between the intended and actual results of public spending (outcomes) – spending wisely. Gaining value for money (most economically advantageous tender) in procurement is enshrined in commissioner requirements – i.e. all public spending (through any public body) should seek to gain value for money, this is mainly interpreted as seeking competitive responses to a specification of works/requirements. Legal/financial sections oversee the process. Most specifications require a response, and whilst some negotiation with providers is promoted, often price is the determining factor. There are three inherent problems with this approach: 1) specifications focus on inputs (not wider measuring of functional outcomes) and are often time limited to short periods (i.e. when the budget is available), 2) the process is not dynamic (not evolving) over time or to changing circumstance or to multi-agency (consortia-type) responses because attributing value to components parts is not developed, and 3) performance management on delivery is low level and when in place, adversarial – despite the growing interest is ‘relational’ contracting (Frydlinger, 2021), the focus is still on contract terms, albeit in a softer way, that still define the success. These problems often lead to a lack of value for money, lack of partnership, lack of share-ownership to what is required, and a focus on what’s been done before. Procurers are reluctant to seek different methods to secure value for money because of the perceived relative complexity and difficulty in proving the value, which leads to seeking responses to tenders that promote the same approach (often proven to under-deliver) and organisations that meet a defined level of due diligence. This leads to a static procurement market favouring what has been done before by organisations that are tried and tested and meet procurement thresholds. Greater promotion of social value/social return on investment (SROI) made should be preferred over value for money theory.

Application/critique: Flexible service development promotes a more flexible/evolving way to achieve value for money because they are outcome focused, the partnering is non-adversarial and focused on shared responsibility. Arguably, the outcomes are clearer and measured better. Risk transfer (part of the value for money principle procurers consider) is also more complete as investment is independent and outcomes only paid upon proof of delivery. Easier ways to show SROI (social return on investment) are needed, this should include valuing the qualitative: learning, engagement, service innovation and system transformation.

**2.2 Which theories are best applied?**

The key theoretical approaches that help understand success coalesce around 4 of the approaches cited above. Utilising these theories gets to the heart of best practice aligned to Hope Collective aims.

1. The relational/relationships that engender successful social impact products is a central theory. The theoretical application in this research will be set within **capabilities theory**, and what behaviours in the social impact actors/players support innovation (Mulgan et al, 2007) especially around a public health approach which benefits systems to promote the established impact value of prevention and earlier intervention.
2. **Human Learning theory** (Lowe, 2017) will be considered through a whole system engagement lens (Osborne, 2018) both within the players setting up and running social impact schemes but also the beneficiaries of those schemes through the behaviour and societal change the impact innovation model creates.
3. Early intervention (promoted by WHO and Public Health England) and services showing **coproduction** in housing, health, education, employment and social care services in an integrated way show greater impact results (Durose et al, 2014). VCSE coproduction with local communities, the public sector, using local non-profit enterprises and integrated services in health and social care is a useful model (Osborne, 2018). At a local/regional level cross-sector coalescence and integration will be examined where prevention, working ahead of the curve, is required to deliver social impact (Hebb, 2014).
4. Under the SVA (Social Value Act 2012), public authorities/ commissioners consideration of how the services could have an even further reaching impact on the local community will be reviewed from a relational perspective of shared goals to realise the ambition of the SVA (The Big Society, ACEVO 2016, and Nicholls, 2016) and truly transform commissioning practice. Social Impact is by design **innovatively** integrated and can look at multiple and simultaneous outcomes (DCLG: Case Study on Integration (Total Place), NAO, 2013) leading to greater efficiency and prevention of unnecessary duplication and encourage inter-agency work – i.e. to what extent can innovation be seen to work against current and traditional service design of serial-inefficiency via standard specification and tender exercises.

The theoretical approach will therefore draw on 1) the innovation present as New Public Management, 2) capabilities theory in terms of wider community skills and vision, 3) human learning theory around holistic public health systems approaches, and 4) cocreation/coproduction with place-based agencies and service users. These 4 theoretical approaches/ perspectives help to investigate and establish the Hope Collective success determinants which are central to their aims. The other theories have a bearing but not as significantly as these underpinnings.

1. **Literature search to support this theoretical approach**

Research has been done on the theoretical approaches above – we refer here to more recent reviews over the last decade or so. As shown above, literature tends to fall into categories raised in the initial framing discussion. All are useful in this research. Core existing research and its theoretical value to this research is described here:

1. **Innovative as New Public Management**

Traditional tendering (Most Economically Advantageous Tender - MEAT) process is hard to align to future needs. Most services in our sector to date have been tendered in some way especially using quasi-Government related funds (e.g. Better Outcomes Fund, National Lottery community funds, etc) which strips out local ownership and the evolving innovation/local coproduction. The Hope Collective (as an alternative to traditional procurement ushering in a new Public Management) without doubt focus on outcomes (not specification inputs) but the complex process of allocating value and attributing this has limited and stifled interest and investment and has not had the anticipated attraction for corporate/commercial investors (Tan et al, 2019). New Public Management raises as many issues as it solves. Seeing new Public Management as the antidote to institutionalisation (even ‘third sector marketisation’ - Joy, 2013) (Nicholls, 2010) is to address the Hope Collective’s real potential or transformative value.

1. **and c. Hope Collective as innovation, human learning, building capabilities**

The innovation the Hope Collective brings is clear especially when applied to a known problem that is perennial and needs a new root-cause/prevention solution (Nicholls, 2017). Innovative qualitative outcomes aligned to (harder quantified) economic benefit have been shown to work mainly when the problem and theory of change is well developed (Moore et al, 2012). This requires capability and capacity in the parties developing a new service models and often looks at root cause solution and focuses on prevention/earlier intervention (a public health approach) which currently public budgets do not fund (i.e. are not statutory-required or a ‘crisis’). Relationships and shared-vision matter when designing new narratives and applying learning (Lowe et al, 2020) into services (Donati, 2010, and Schinckus, 2015). Brogan et al describes the human learning dominant in public service development, this applies to a greater extent through the inter-sector relationships integral (Brogan et al, 2018). Dayson et al (2020) compares new service products to other service procurement and confirms Lowe et al’s view that active real world human learning delivers deeper and longer lasting social change. Nussbaum (2011) attributes this human learning and development of greater capabilities to active problem-solving.

 **d. Local coproduced vehicles**

Involving end-beneficiaries and local place-based partners is a valuable route to defining outcomes and services (Sinclair et al, 2014). This elevates the value of the new services especially utilising human learning principles applied as the service matures. The focus on dynamic and changing outcomes allows the service to evolve and mature to direct resource to deliver best value through system change. Co-production brings new capabilities (filling acknowledged gaps) and balances the definition of outcomes making them more real-world (qualitative and interpretive) rather than binary financial scores (Unwin, 2018, and Cooke & Muir, 2012). Wilson & Post (2013) make the case that people and human learning from lived experience are central to social business and the social value they deliver.

1. **Theoretical approach as applied to Hope Collective actions**

The Hope Collective will continuously return to check its work is seen:

as innovation,

as human learning,

as a task requiring capabilities across players with shared vision,

as coproduced human learning.

For consistency these issues (as approaches/theories) are applied to all aspects of our work – i.e. developed into an assessment scale to analyse service delivery. Within a critical realism epistemic approach, the theories above are the best way to answer the Hope Collective vision and values questions because they get to the relational/coproduction, innovative, preventative and human learning perspective driving the best results we aim to deliver.

*Authored: Lee Whitehead - Hope Collective partner (**lee@smartsocial.org.uk**)*

**Reference List (directly cited or used to develop this document):**

[Alenda-Demoutiez](https://journals.sagepub.com/doi/full/10.1177/1388262720965586), J. (2020) Local social innovation to combat poverty and exclusion. A critical appraisal, Radboud Universiteit, the Netherlands.

Andreu M. (2018) [European Social Models From Crisis to Crisis: Employment and Inequality in the Era of Monetary Integration, edited by Jon Erik Dølvik and Andrew Martin [Book review]](https://eprint.ncl.ac.uk/270642). British Journal of Industrial Relations, 56(1), 234-236.

Baines, S. Fox, C. Painter, G. (2021) Social Impact Bonds 2.0. Manchester Metropolitan University, UK

‘The Big Society, public opinion and the new Socialism’, (2015) in The Blue Book of the voluntary sector civil society and the Conservative Party after the 2015 elections. CAF/ACEVO. p 44. UK

Brogan, A., Eichsteller, G., Hawkins, M., Hesselgreaves, H., Jennions, B., Lowe, T., Plimmer, D., Terry, V. and Williams, G. (Eds.) (2018) Human Learning Systems: Public Service for the Real World, Allithwaite: Social Pedagogy

Chiapello, E., et al, (2020) Social Impact Bonds and Urban Transformation, Journal of Urban Affairs p815, US on-line

Chiapello, E. & Knoll, L. (2020) The Welfare Conventions Approach: A Comparative Perspective on Social Impact Bonds, Journal of Comparative Policy Analysis: Research and Practice, 22:2, 100-115

Claassen, R (2021) Capabilities in a Just Society: A Theory of Navigational Agency – Cambridge University Press.

Cooke, G. & Muir, R. (2012). The Relational State: How Recognising the Importance of Human Relationships could Revolutionise the Role of the State. London: IPPR.

Corry, D. (2016) ‘The importance of voluntary sector research’, in ESRC blog, 2 December 2016

Corry, D. (2016) ‘Too Many Charities - We need to make sure the best survive and the bad ones don't,’ in Civil Society Voices, 6 June 2016

Daly, S., and Howell, J. (2006). For the common good? The changing role of civil society in the UK and Ireland. Carniegie UK Trust p. 14.

Dayson, C. Fraser, A. & Lowe, T. (2020) A Comparative Analysis of Social Impact Bond and Conventional Financing Approaches to Health Service Commissioning in England: The Case of Social Prescribing, Journal of Comparative Policy Analysis: Research and Practice, 22:2, 153-169

Donati, P. (2010) Relational Sociology, A New Paradigm. Routledge, London.

Durose, C et al, (2014), University of Birmingham; For Co-production Panel, Political Studies Association Conference, April 2014. Accessed online.

Fitzgerald, C., et al, (2020), Tackling Big Questions in Social Impact Bond Research through Comparative Analysis, in Journal of Comparative Policy Analysis, Oxford University UK

Fraser, A et al (Tan, S, McHugh, N & Warner, M) (2018 and 2021) 'Widening perspectives on social impact bonds', Journal of Economic Policy Reform, vol. 24, no. 1, pp. 1-10.

Frydlinger, D, Vitasek K. et al (2021) Contracting in the New Economy: Using Relational Contracts to Boost Trust and Collaboration in Strategic Business Relationships 1st ed. (ISBN: 9783030651015)

Gallucci C et al (2019) Foundations of Banking Origin and Social Rating Philosophy—A New Proposal for an Evaluation System. [Sustainability](https://www.researchgate.net/journal/Sustainability-2071-1050) 11(13):3518

Hebb, T. and Thaker, R. (2014). Partnerships between not-for-profit organizations and business: Challenges and opportunities. Carleton Centre for Community Innovation. Ottawa, Canada

Haggerty, P. & McCowan, K. (2018) Prevention in Social Work. Journal of the Society for Social Work and Research. Vol 9, 4 p 741-763. US

Harrison, S. J., Barney, B. J., Freeman, R. E. & Phillips, A. R., (2019) The Cambridge Handbook of Stakeholder Theory. Cambridge: Cambridge University Press,.

Hazenberg, R. (2017) [Neo-liberalism and sustainability: is social investment a ‘cure-all’ for the third sector?](http://nectar.northampton.ac.uk/10068/) Paper presented to: 9th International Social Innovation Research Conference (ISIRC 2017), Swinburn University of Technology, Melbourne, Australia, 12-14 December 2017

Haxeltine, A et al (2018) Transformative Social Innovation: Implications for Transitions Research International Sustainability Transitions conference June 2018, Manchester (UK)

Institute of Fundraising and Good Values, (2015). Corporate Fundraising: A snapshot of current practice in the UK non-profit sector. UK

Joy, M. & Shields, J. (2013). Social Impact Bonds: The Next Phase of Third Sector Marketization? Canadian Journal of Nonprofit and Social Economy Research, 4(2), 39

Joy, M. & Shields, J. (2020) Debate: How do Social Impact Bonds economize social policy?, Public Money & Management, 40:3, 190-192.

Kingdon, J. (1995). Agendas, alternatives, and public policies. Harper Collins, US

Lowe T, Wilson R. (2017). Playing the game of Outcomes-Based Performance Management. Is gamesmanship inevitable? Social Policy and Administration, 51(7), 981-1001.

Lowe T, French , M.,  Hawkins , M., Hesselgreaves, H. & Wilson, R. (2020): New development: Responding to complexity in public services—the human learning systems approach,*Public Money & Management*

Marks, A. (2017) ‘Businesses want to make responsibility part of their core strategy. So what’s stopping them?’, in Business in the Community blog, 24 January 2017.

Mathie, A and Cunningham, G (2003) From Clients to Citizens: Asset-Based Community Development as a Strategy for Community-Driven Development. [Development in Practice](https://www.researchgate.net/journal/Development-in-Practice-1364-9213) 13(5):474-486

McHugh, N., Sinclair, S., Roy, M., Huckfield, L. and Donaldson, C. (2013) ‘Social impact bonds: a wolf in sheep’s clothing?’ *Journal of Poverty and Social Justice*. Vol 21(3) pp.247

Moore, M., Westley, F. & Nicholls, A. (2012) The Social Finance and Social Innovation Nexus, *Journal of Social Entrepreneurship*, 3:2, 115-132

Murray, P. Shea, J. and Hoare, G. (2017). Charities taking charge. New Philanthropy Capital. UK

Mulgan, G. Tucker S, Ali R, and Sanders B (2007) Social Innovation: What is it?. Oxford Said Business School, UK.

Nicholls, A. (2010). The institutionalization of social investment: The interplay of investment logics and investor, Oxford University, UK

Nicholls, A. (2016). Landscape of Social Impact Research. Oxford University, UK

Nicholls, A. (2017) SIBs may be overhyped but their focus on outcomes is a vital policy innovation, PIRU Blog

Nussbaum, M. (2011) Creating Capabilities: The Human Development Approach**.** Harvard University Press, US

Ogman, R. (2019) ‘Ethical capitalism’ in the city: embedded economy or marketisation? The case of social impact bonds, J*ournal of Urban Affairs*, Vol.42(6) pp. 833-855

Osborne, S. (2018) Are public service organisations capable of co-production and value co-creation? Public Management Review, 20: (2) 225-231.

Rosen, J. & Painter, G. (2019). From Citizen Control to Co-Production: Moving Beyond a Linear Conception of Citizen Participation. Journal of the American Planning Association. 85.3, 335-47

Savage, O, & Pratt, B. (2013), January, INTRAC briefing paper 38, UK History of Civil Society, Oxford, UK

Schinckus, C. (2015). Financial innovation as a potential force for a positive social change: The challenging future of social impact bonds. *Research in International Business*

Sinclair, S., McHugh, N., Huckfield, L., Roy, M. J., & Donaldson, C. (2014). Social Impact Bonds: Shifting the Boundaries of Citizenship. Social Policy Review 26: Analysis and Debate in Social Policy 2014, 119–136

Sinclair, S., McHugh, N. and Roy, M. J. (2019) Social Innovation, Financialisation and Commodification: A critique of social impact bonds, *Journal of Economic Policy*

Sodha, S. (2016). The future of doing good in the UK. Big Lottery Fund, UK

Sorrentino, M (2018) & Michael Howlett. Understanding co-production as a new public governance tool, Policy and Society, 37:3, 277-293

Sutton, R. (1999). The Policy Process. Overseas Development Institute, London

Tan, S., Fraser, A., McHugh, N., & Warner, M. (2019). Widening perspectives on Social Impact Bonds. *Journal of Economic Policy Reform, UK*

Unwin, J. (2018) Kindness, emotions and human relationships: the blind spot in public policy. London: Carnegie UK

Voorberg, W. and Bekkers, V. (2018) Is Social Innovation a Game Changer of Relationships Between Citizens and Governments? [The Palgrave Handbook of Public Administration and Management in Europe](https://link.springer.com/book/10.1057/978-1-137-55269-3) pp 707-725

Warner, M. (2013). Private interest in public finance: Social Impact Bonds. *Journal of Economic Policy Reform*, 16(4), 303–319

Warner, M. (2020) Debate: Do SIBs make markets in the welfare system? Should they? For whom?, Public Money & Management, 40:3, 188-189

Wilding, K. et al. (2006) [and each subsequent year up to 2020], The UK Voluntary Sector Almanac: The state of the sector. NCVO, London

Wildman, J, Moffatt S, Steer M et al (2019) [Service-users' perspectives of link worker social prescribing: a qualitative follow-up study](https://doi.org/10.1186/s12889-018-6349-x). BMC Public Health, 19, 98.

Wilson, F, and Post, J. (2013) ‘Business models for people, planet (& profits): exploring the phenomena of social business, a market-based approach to social value creation.’ Small Business Economics, 40(3), pp. 715-737

Wilson R et al, (2020). Futures in Social Investment, p179 Public Policy & Management, UK (published on-line)