

Funding Research with Impact

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What am I talking about?

- Introduction to JRF principles, themes and research programmes
- Our (emerging) approach to impact
- Examples of impact from **poverty** research
- Can we identify some common principles?

The Joseph Rowntree Foundation

- An endowed charity that funds a large, UK-wide research and development programme
- We seek to:
 - understand the root causes of social problems
 - identify ways of overcoming them
 - show how social needs can be met in practice
- Based in York but with a UK-wide remit
- Also run a Housing Association and care homes

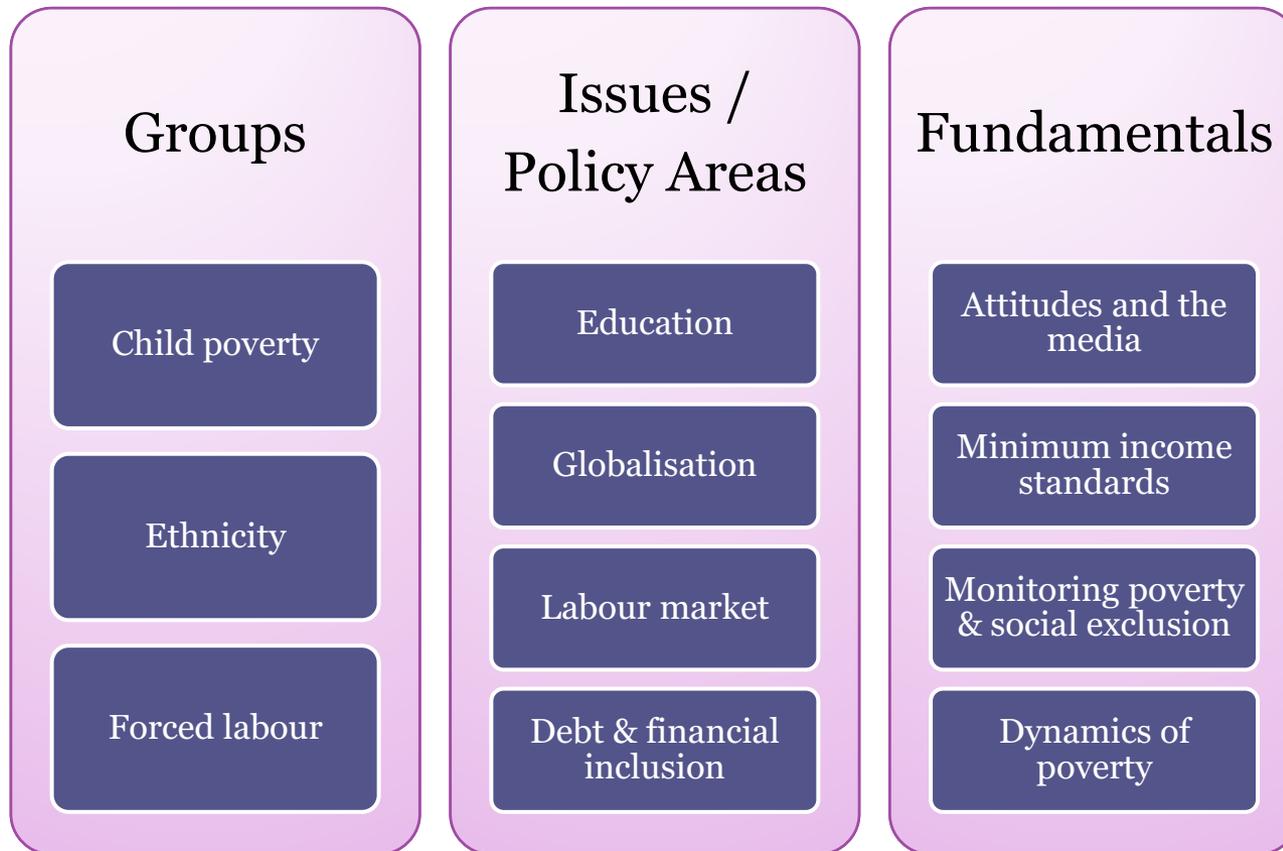
JRF principles

- Independence
- Partnership working with all sectors
- Strong evidence base
- Balanced and unbiased
- Practical and realistic solutions
- Focus on people in poverty and disadvantage
- Reflect diversity
- Work across all parts of the UK

JRF themes

- **Poverty**
 - To examine the root causes of poverty and disadvantage and identify solutions
- **Place**
 - To contribute to the building and development of strong, cohesive and sustainable communities
- **Empowerment**
 - To identify ways in which people and communities can be enabled to have control of their own lives

Poverty research programmes



How we work

- JRF Programme Managers
 - Work with partners to realise potential of a project
 - Alongside programme (and/or project) advisory groups and networks
- Active communications and influencing to achieve a Programme's influencing goals
 - May involve media, social media, online reports, JRF Findings, seminars, events & meetings...
- Just beginning a new 'theory of change' approach to impact assessment of our work

Impact assessment



Policy/practice knowledge categories

- Know-about *problems* (and potential *solutions*)
- Know-*why*:
 - about need for action & values involved
- Know-about *what works*:
 - policy, strategy, interventions, costs, risks
- Know-about promising *innovations*
- Know-*how* to put into practice
 - First steps, sequencing, combinations
- Know-*who* (to involve)
 - Leaders, capacity, relationships, alliances, systems

Real-world examples of impact

1. A minimum income standard for the UK
2. Affordable credit
3. Child poverty
4. Recurrent poverty

Pause for quick Q&A after each?

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MIS: Background

- First published 2008, with fieldwork in 2007
 - Grew out of Seebohm Rowntree's work
 - Combines 'consensual budgets' with Family Budget Unit approach
 - JRF committed to funding to at least 2013/14
- A different way of conceptualising poverty
 - Brings together the income and spending components
- (Relatively) easily understood by the public
 - Compared with "below 60% of median contemporary equivalised income"

MIS: Method in brief

- A sequence of groups have detailed negotiations about the items and activities people should have for an acceptable living standard
- Experts check that these meet basic criteria such as nutritional adequacy
 - In some cases, this information is fed back to subsequent groups who check and amend the budgets
- Each group is typically made up of 6-8 people from a range of socio-economic backgrounds
 - But all from the **particular demographic category under discussion** – for example, pensioner groups decide the minimum for pensioners

MIS: Budgets compared (Apr 2010)

<i>Family Type</i>	Single working age	Pensioner couple	Couple + 2 children	Lone parent + 1 child
Weekly net budget	£175	£222	£403	£234
Rise on 2009	5.7%	5.5%	4.1%	6.2%
% provided for by benefits	41%	102%	62%	65%
% median income AHC	72%	53%	73%	72%
Hourly Wage	£7.38	N/A	£7.60	£6.37

MIS: Implications/context

- To afford a minimum income:
 - A single person needs to earn >£14,400 a year gross
 - A couple with two children need >£29,200
- Over past decade, 'MISPI' ↑38%; CPI ↑23%
- Computer & home internet now considered essential for all non-pensioner households
- Tax/tax credit freezes in 2010 mean people need to earn substantially more to reach MIS
- Tax allowances raised in 2011, which makes it easier
 - But for some families, other measures offset the gains

MIS: Impacts

- Informing **Living Wage** calculations
 - NB: These are not straightforward!
 - Used as a basis for negotiating a local government pay settlement for England, Wales and Northern Ireland for 2010-11
- Being used by **grant-giving charities** to assess need
 - Research team are working with the Association of Charity Officers to consider software applications using MIS as a means test
- Used as a basis for analysing **income tax threshold** changes
- Becoming a routine part of **discussions of poverty** and exclusion
 - Opened up new ways of engaging with the public
 - 55,000 hits in 2010 on the minimum income calculator website
 - 2,000 comments on the BBC blog when the report first launched
- Used to estimate the **carbon footprint** of minimum consumption

MIS: Who benefits?

- People getting a living wage based on needs
 - Interacting with the tax-benefit system
- People having needs more accurately assessed by grant-giving charities
- Opinion formers and policy-makers have a basis on which to make decisions affecting need
 - Whether they use it or not is another question!
- Other research can use and build on MIS to create a larger body of evidence
 - But does that then lead to impact?

MIS: Any questions?



Real-world examples of impact

1. A minimum income standard for the UK
2. **Affordable credit**
3. Child poverty
4. Recurrent poverty

Affordable credit: Background

- Body of evidence accumulated over 20 years+ about debt and financial inclusion
 - From point of view of people in poverty
- Interviews with users of home credit shows that they appreciate:
 - Flexibility
 - Clarity over costs
 - Regularity of collection (weekly)
 - No *additional* charges for default
 - Friendly face-to-face service
 - Small loans (no more than £500)

Affordable credit: Method/results

- Key research question:
 - Could a home credit (doorstep lending) service be provided on a not-for-profit basis?
- Extensive financial modelling and interviews with stakeholders & providers:
 - With an £18m subsidy, the APR on an average loan would be **123%** (compared with 183% commercially), saving customers **£50** per loan
 - Reducing to 100% APR would require a **£90m** subsidy

Affordable credit: Impact

- Not *impossible* to provide through Community Finance Institutions but very difficult
 - Credit Unions: ethical, legal and practical issues
- Evidence emerged as credit crunch started to bite
- A meeting was held with five UK govt ministers
- On the basis of the findings, as well as the evidence from other research and the reputation of the group, they increased Social Fund money by **£250m** in the Budget
 - Not a bad return on investment from a £30k study!

Affordable credit: who benefits?

- People who could access the Social Fund who might not have been able to without the additional funding
 - A (rare) direct impact on deprivation and poverty
- Wider impacts?
 - On the home credit industry?
 - On public services that lost the £1/4bn?
 - On the taxpayer?
 - Did Government borrow the additional funding?
 - Social Fund users still have to pay the money back...

Affordable credit: Any questions?



Real-world examples of impact

1. A minimum income standard for the UK
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3. **Child poverty**
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Child poverty: Background

- The % of children in poverty has risen hugely in the last 30-40 years
 - **1968**: one in ten children lived in poverty (1.4m children)
 - **1995**: it was one in three (4.3m children)
- The UK has more children in poverty than most rich countries
- All political parties have signed up to the goal of ending child poverty by 2020 and to the Child Poverty Act enshrining this in law
- In 2009/10, 2.6m children were living in poverty in the UK
 - **800,000 children fewer than in 1998**
- To reach the Labour Government target of halving child poverty by 2010/11
 - **900,000 more children would need to move out of poverty by next year**

Child poverty: Methods

- Research Questions:
 - What causes child poverty in the UK?
 - What range of policies, practice and behaviours will reduce and end child poverty? How effective will current policies be?
 - What are the consequences of **not** tackling child poverty?
- A five-year programme of research and influencing activity:
 1. Modelling: IFS forecasts of the cost of meeting targets
 2. Original research
 - Expert papers on different policy areas
 - Estimate of the costs of child poverty to society
 3. Consultation with parents experiencing poverty: Carried out with grassroots partners across the UK in London, Sheffield, Liverpool, Glasgow, Belfast and Cardiff

Child poverty: Results

- In addition to the human cost to families and children of allowing high levels of poverty to continue, we estimate that child poverty costs **£25 billion** each year in:
 - costs to the Exchequer
 - reduced GDP
- Ending child poverty requires action in a wide range of policy areas including:
 - childcare
 - skills
 - the availability, quality and flexibility of jobs
 - families and parenting
 - benefits and tax credits
- To meet the 2010 target on halving child poverty would have required an extra **£4bn** a year in Tax Credits & Child Benefit

Child poverty: Impact

- “...the research is less likely to influence audiences as such, but gives individuals the **evidence and language** to use in briefings to Ministers, advocacy work and capacity-building work on child poverty with local authorities.”
- “...JRF evidence validates and offers a quality control for their own views and experience, **confirming that the direction of travel** is the right one. Case-making happens mainly in terms of giving people arguments as to why it is important to tackle child poverty.”
- “...in Scotland and in particular Northern Ireland and Wales ... JRF research **filled a gap** in so far that little other research evidence on child poverty directly relevant to their national contexts was available.”

Child poverty: Who benefits?

- Additional money **was** put into Child Tax Credits (as well as other measures that we didn't think of!)
 - But not enough to meet targets
- So families claiming Tax Credits are probably better off than they would have been
 - Although in some senses, in-work benefits are subsidies to employers
- Anti-Poverty organisations have evidence, tools and soundbite numbers to use in campaigns
- A better-informed debate?
 - But evidence is never enough – ideologies are strong(er)

Child poverty: Any questions?



Real-world examples of impact

1. A minimum income standard for the UK
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4. **Recurrent poverty**

Recurrent poverty: Background

- “Work is the best route out of poverty”
 - Yes - but only because other options are so bad
 - And ‘best’ does not necessarily mean ‘effective’
- Poverty rates for couple families:
 - When neither of them have a paid job= **64%**
 - Both working full-time = **1%**
- BUT – **70%** of households in persistent poverty remain poor when someone in the family gets a new job

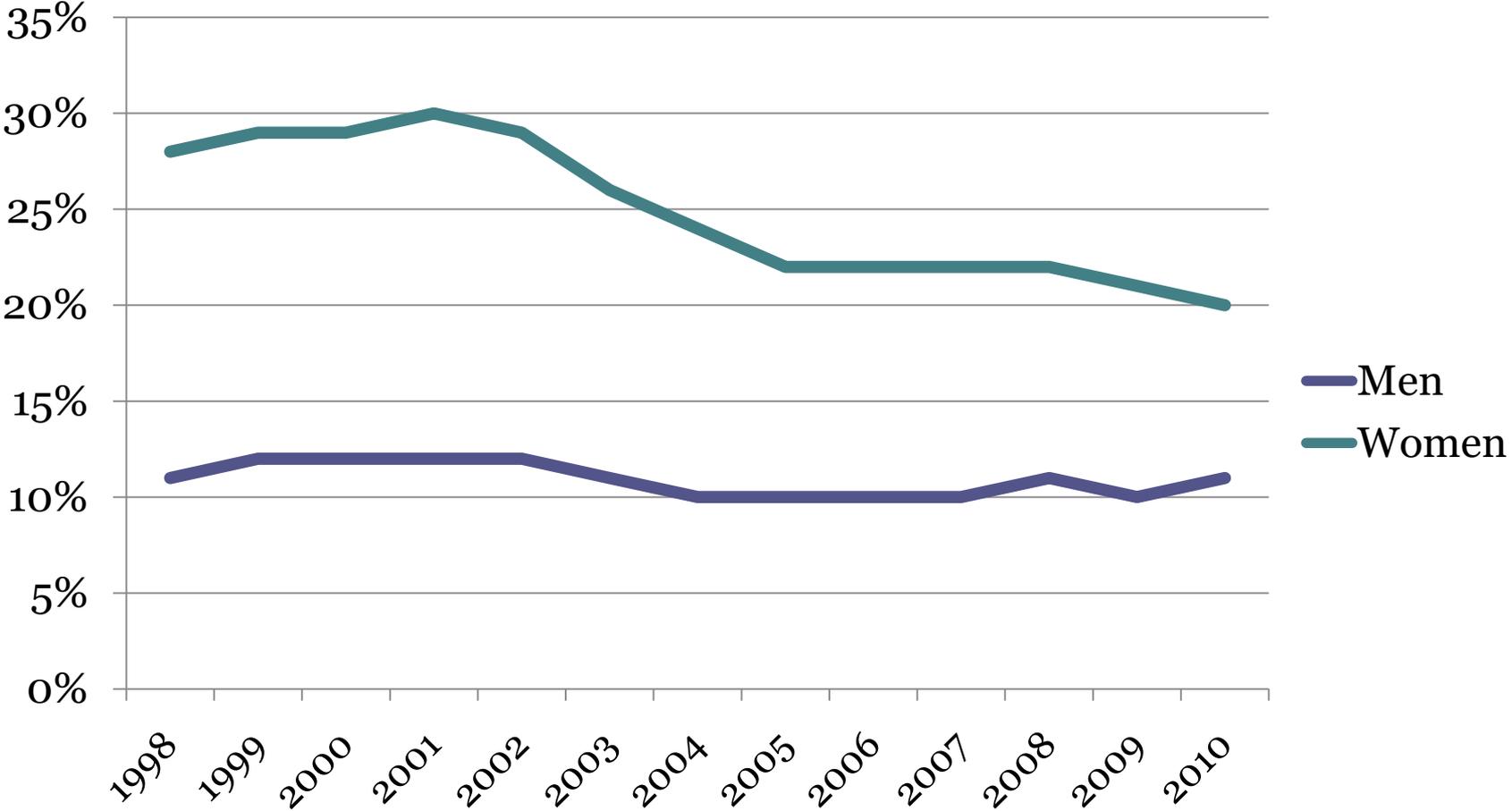
What did we fund?

- Longitudinal qualitative research among workers at the margins of the labour market
- Qualitative research with parents who had been involved in policy interventions
 - Scotland (Working for Families)
 - x-GB (Employment Retention & Advancement)
- Analysis of the British Household Panel Survey looking at the drivers of recurrent poverty
- Case studies of employers using low paid, temporary workers in different sectors

Recurrent poverty: Job security and low pay

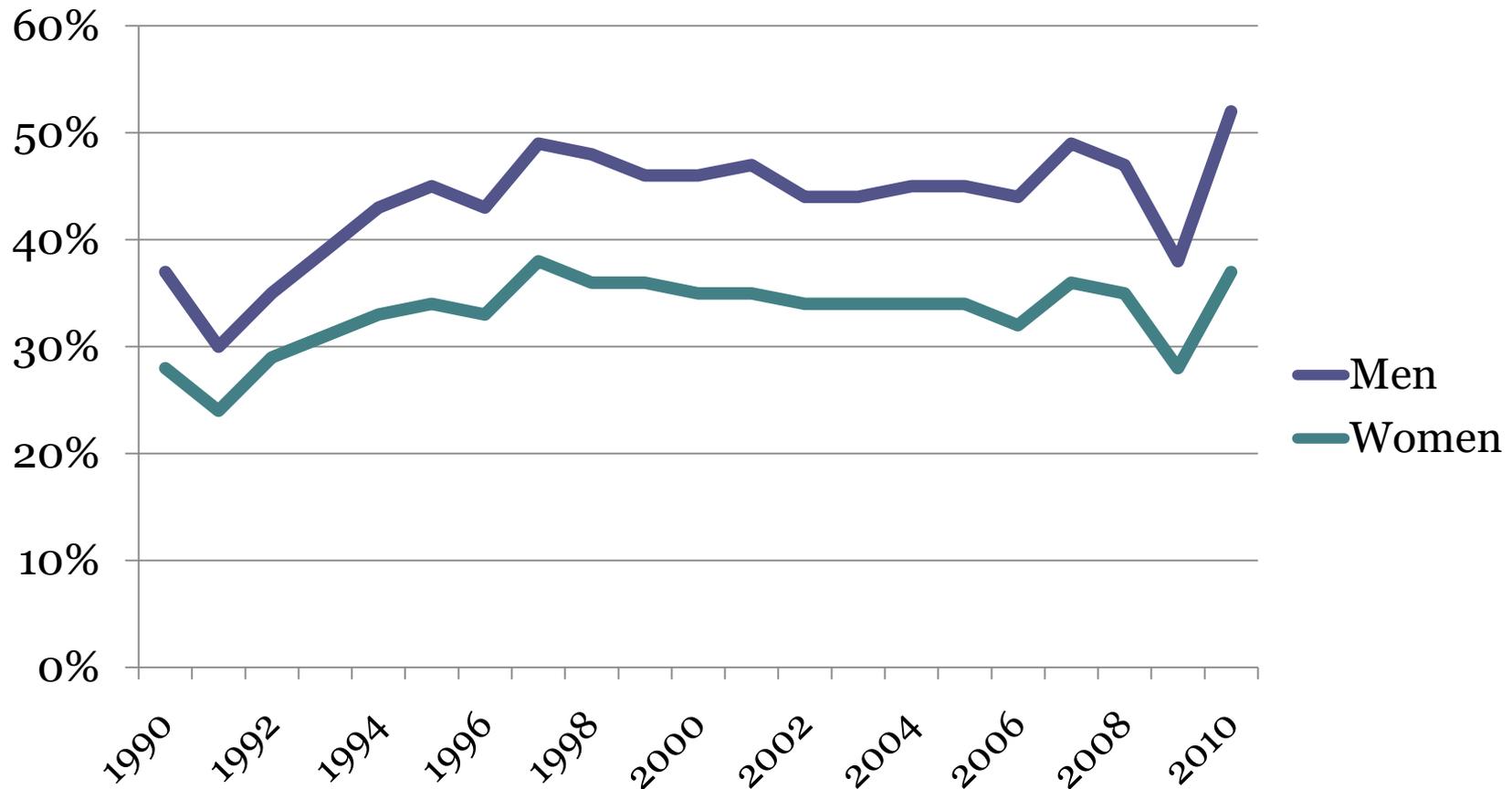
- **6%** of all employees are temporarily employed
- **1 in 3** temporary jobs are low paid (vs. 1 in 5 overall)
- Extent of low pay among temp workers varies
 - Two-thirds of **seasonal** workers
 - Half of **casual** workers
 - Two-fifths of **agency** temps
- Low-paid temps more likely to want a perm job
 - And more likely to be **part-time** and want full-time
- Temporary posts are associated with **less training**

Trends on low pay



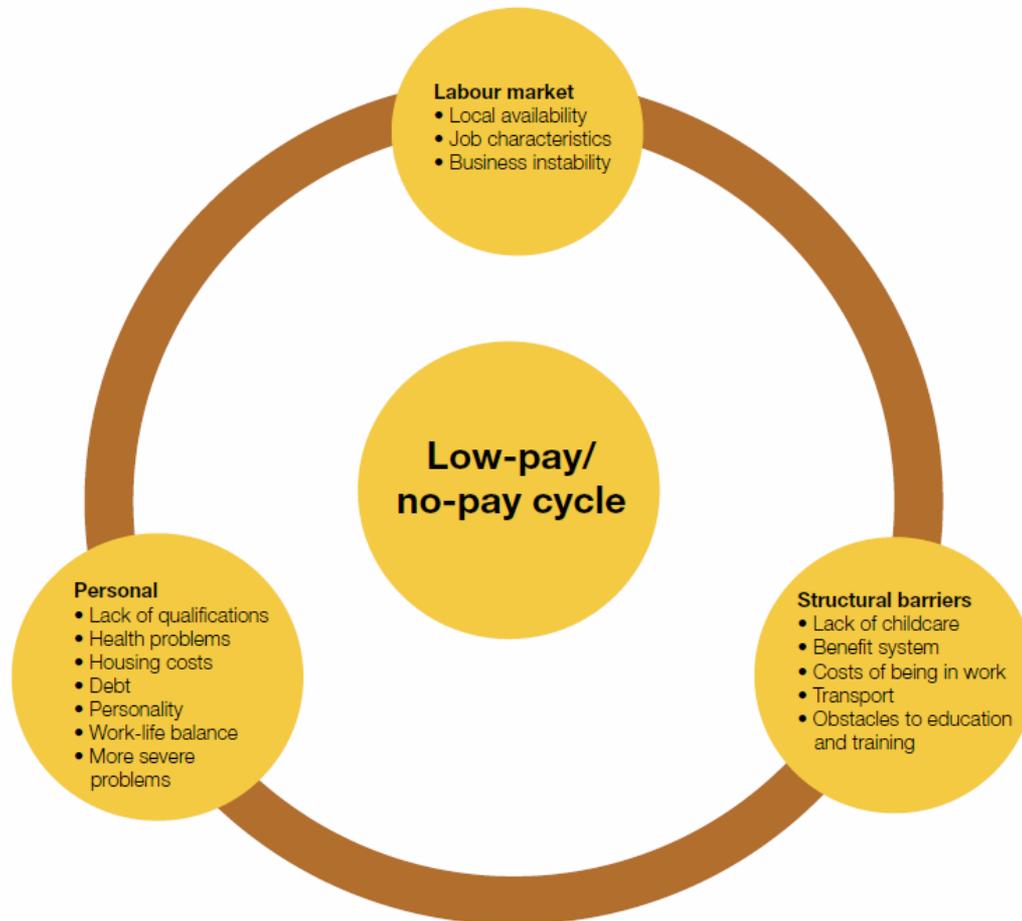
% of employees aged 22 to retirement paid below £7 per hour in 2010 deflated for the average rise in earnings; source: www.poverty.org.uk

Cycling between work and benefits



Of those starting a new claim for Job Seeker's Allowance in the first quarter of the year, the % whose last claim was within the previous six months, 1990-2010; source: www.poverty.org.uk

Recurrent poverty: Barriers



Recurrent poverty: Implications

- Policy & practice must reflect income dynamics
 - Low-pay/no-pay cycling has risen **60%+** in recession
- **Employers:** *could* choose different HR models
- **Agency workers:** improve rights & conditions
 - Agency Worker Regulations in force October 2011
- **Pay:** raise through 'living wage' or NMW
- **Public sector purchasing:** address issues in contracts
- **Job advice:** should cover security, pay & progression
- **Childcare:** more flexible, available and affordable

- Common interest in a high-skill / wage / GDP economy?

Recurrent poverty: Impact

- *Much* less certain impact than other programmes
- Research focus was on **describing** and investigating the nature of an under-researched issue
- Has it had an impact on the way ‘work’ is talked about?
 - In some circles, maybe...
 - Supplementary document to the last Labour Budget – “Ending child poverty: mapping the route to 2020”:
 - *Barriers to entering employment would need to reduce and there would need to be greatly improved progression in work for parents underpinned by increased skill levels, and skills utilisation by employers, alongside progress on the other “building blocks”*

Lots of other JRF research...!

The screenshot shows the JRF website in a Windows Internet Explorer browser. The address bar displays <http://www.jrf.org.uk/publications/browse>. The browser's Favorites bar includes links to JRF, Twitter, is.gd, Poverty Site, Google, Guardian, BBC NEWS, HBAI, LinkedIn, Hotmail, Facebook, TFL, and Rail. The website's navigation menu on the left includes: Home, Blog, Publications (highlighted), Browse publications, Media centre, Our work, Events, Funding, and About us. The main content area features a search bar with 'Category' and 'Date' filters, and an alphabetical index (A-Z). Below the index, there are 12 columns of research categories:

- Income and poverty**: Benefits, Debt, Finance, Household expenditure, Income, Living standards, Poverty, Taxation
- Education, training and employment**: Education, Employment, Learning difficulties, Skills / training, Unemployment
- Equality, diversity and inclusion**: Accessibility, Attitudes, Disabled people, Equal opportunities, Ethnicity, Faith and religion, Immigration, Independent living, Social exclusion
- Government and legal**: Central government, Europe, JRF responses to government consultations, Legislation, Local authorities, Local government, Devolution
- Housing and communities**: Affordability, Home ownership, Homelessness, House prices, Housing, Housing associations, Housing supply and demand, Housing with support, Neighbourhoods, Renting, Residential care, Social housing, Tenant participation, Tenants, Tenure
- Environment**: Environment, Planning, Public spaces, Regeneration, Rural, Transport, Urban
- Demographic groups**: Children, Demography, Families, Men, Older people, Women, Youth
- Families**: Children
- Social problems**: Crime / anti-social behaviour, Drugs / alcohol, Poverty, Social exclusion
- Health and care**: Care, Carers, Community care, Disabled people, Health, Independent living, Mental health, Residential care, Sexual/sexuality, Social services
- Involvement and engagement**: Civic participation, Community involvement, Tenant participation, User involvement, Volunteering
- Regions / countries**: England, Northern Ireland, Scotland, United Kingdom, Wales
- Arts, culture and technology**: Arts / culture, Information technology

The browser's status bar at the bottom shows 'Trusted sites | Protected Mode: Off' and a zoom level of 100%.

Lots of other JRF research...!

Strong
evidence
of real-world
impact is
rare

What makes research have impact?

- Good **quality** research: numbers *plus* experiences
- A building up of evidence over the **longer term**
 - Use of programmes rather than just one-off projects
- **Innovative** but **robust** methods and theory
- Individual/institutional **expertise & reputation**
- Good **timing**
- Filling **gaps** and providing **tools** for others to use
- Relevance to the current socio-economic **context**
 - Responding to changes in that context

A LOT OF LUCK!

Q&A

www.jrf.org.uk

Twitter: @jrf_uk / @chris_goulden

