

# **NHS CHARITIES: EVALUATION GUIDANCE**

Prepared on behalf of the Maddox Group

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# FOREWORD

The **Maddox Group** is a group of CEOs of NHS Charities looking to build a shared vision, evidence base and understanding of the vital role that NHS charities play in the health system. The group was created in 2013 in response to:

- the ever increasing financial pressures on the NHS;
- the opportunity/need for charities to help create a more effective integrated health and care system;
- the increasingly competitive fundraising landscape;
- the changes in the regulatory landscape which mean NHS Charities can choose to be independent of Department of Health regulation; and
- the desire of these charities to grow, improve, collaborate and learn.

A meeting of the Maddox Group and fellow CEOs led to an agreement between a number of partners to examine and understand how NHS charities can better capture, define, measure and demonstrate impact at both an individual level and across the NHS Charity sector as a whole.

This report has been commissioned by Maddox Group members [CW+ \(Chelsea + Westminster Health Charity\)](#), [Imperial College Healthcare Charity](#) and the [Royal Free Charity](#), and has been led by chosen partner New Philanthropy Capital (NPC).



The Art + Science  
of Patient Care  
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# EXECUTIVE SUMMARY

NHS Charities manage charitable funds on behalf of NHS trusts, and there are approximately 250 of them across England. NHS Charities fundraise in their communities, leverage charitable funding from trusts, foundations and donors, and manage fixed assets and long-term investments to provide an ongoing source of funding. In total they provide £321m additional funding to the NHS each year and manage over £2bn of assets.

The NHS Charities sector is entering a period of change: new governance arrangements are likely to initiate shifts in relationships between NHS Charities and their key stakeholders, including NHS Trusts, funders and the public. In responding to this, a number of NHS Charities are looking to improve the way they measure and demonstrate the impact of their work. This project, with charity consultancy and think tank NPC, seeks to do so collectively to:

- **Demonstrate the effectiveness of NHS Charities' work.** Through impact measurement, NHS Charities can evidence, review and improve their practice, and also use the information they collect to communicate with stakeholders. A shared outcomes framework and agreed ways to measure those outcomes will make it easier and quicker for each organisation to establish its own measurement framework.
- **Articulate a shared vision and the value of NHS Charities for the health system.** In a period of regulatory change and increasing institutional independence, it will be valuable for NHS Charities to articulate a shared vision of what they can achieve and what NHS Charities offer to patients, to communities, and to the health system. A shared goal and language for what NHS Charities hope to achieve can foster a culture of shared practice.

NHS Charities have a strong opportunity to develop and use common measurement approaches. This project found a clear and shared understanding of the purpose of NHS Charities, and agreement that NHS Charities are working to achieve improvements in clinical and non-clinical outcomes. Recognising this shared vision is in itself a valuable step forward, and it provides a foundation on which the NHS Charities sector can build more concrete plans for measuring key outcomes in a more consistent way.

## Summary recommendations for the NHS Charities sector

- Identify a small number of core activities and outcome measures, and agree to use these measures in consistent ways. This is the basis of moving forward from a shared articulation of *how* the sector hopes to effect change, to *what* the sector is achieving.
- Find ways for NHS Charities to share the approaches and tools they have developed on an ongoing basis, to avoid unnecessary duplication of effort and encourage greater consistency of approach
- Recognise nonetheless that as a diverse sector, there will be no 'one size fits all' for impact measurement in NHS Charities. The sector should recognise that measurement needs to generate information which is useful to the individual organisations—and this will look different for different charities.

## Summary recommendations for individual NHS Charities

- Use this document as a starting point for developing something tailored to your activities, building on the outcomes identified in this document.
- Consider establishing different measurement expectations for different types of activity and funding, based on how strategically important that activity is to the charity, and how much influence the charity has over it.
- Draw on this work and ongoing conversations within the NHS Charities sector about measurement wherever possible, rather than duplicating effort by starting with a blank sheet of paper.

# INTRODUCTION

## Purpose

This report provides high-level evaluation guidance for NHS Charities. It is the final part of a project exploring how NHS Charities measure their impact and how they might develop a shared approach to doing so in future. The report builds on two previous stages supported by NPC: a review of current evaluation practice (based on interviews and a review of key documents) and a theory of change for NHS Charities (developed through discussions and a workshop).

The project was initiated by Chelsea + Westminster Health Charity (CW+), Imperial College Healthcare Charity and the Royal Free Charity who came together with the dual aim of improving their own impact practice and using that learning to promote a shared measurement approach across large NHS Charities, through the Maddox Group. By taking a shared approach the partners aim to avoid unnecessary cost and duplication, support improvement within the sector and help NHS Charities to articulate their collective impact more clearly.

NPC, a consultancy and think tank for the charity sector, specialises in impact measurement and has long been an advocate of shared measurement approaches. We believe it can bring many benefits: improvements in standards of impact measurement, greater consistency and comparability, greater understanding of what works, and saving time and resources (compared to lots of different individual approaches).

## Context

NHS Charities manage charitable funds on behalf of NHS trusts, and there are approximately 250 of them across England. NHS Charities fundraise in their communities, leverage charitable funding from trusts, foundations and donors, and manage fixed assets and long-term investments to provide an ongoing source of funding. In total they provide £321m additional funding to the NHS each year and manage over £2bn of assets.

These charities are more important than simply the additional funds they bring. Free from the day-to-day pressures of the NHS, NHS Charities contribute to the extras that can make a patient's stay more comfortable, support staff well-being initiatives and also invest in equipment, facilities and research that have the potential to transform the way care is delivered.

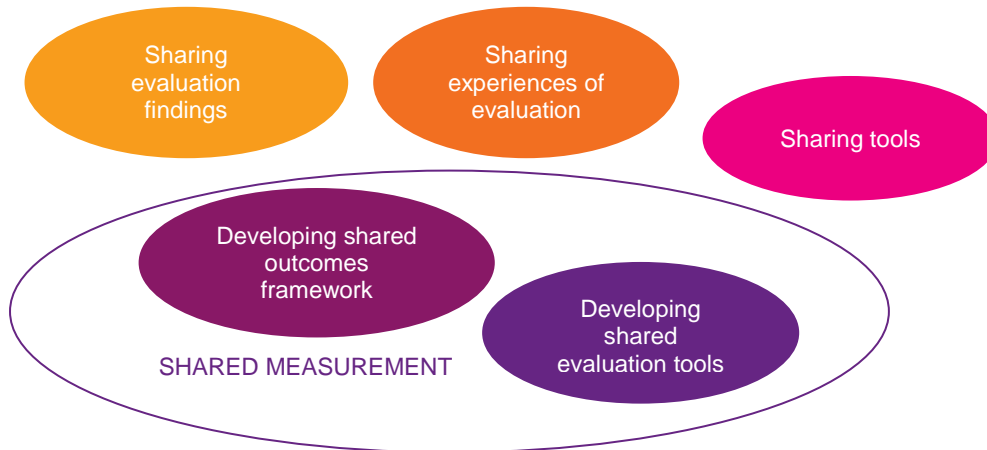
Until recently NHS Charities were regulated by the Charity Commission and the Department of Health (DH), with many having the hospital trust as their sole corporate trustee. A recent legislative change means that NHS Charities are now able, subject to agreement from DH, to become independent and be regulated solely by the Charity Commission—and thereby free to set their own constitution, including charitable objectives and legal form. Some larger NHS Charities have already made this change and others expect to do so over time.

With this change, NHS Charities are developing a new approach and role within their local health system. They want to improve their impact practice both to improve their services and to be able to articulate their impact more clearly. This project aims to help NHS Charities speak with one voice about the work they do and the value that brings to the NHS.

## What is shared measurement?

Shared measurement involves charities and social enterprises that work on similar issues—and towards similar goals—reaching a common understanding of what to measure in terms of the outcomes and impact of their work, and developing the systems to do so. It can refer to any approach or tool used by more than one organisation to measure impact, and also to the process of shared measurement—which includes establishing shared outcomes, engagement and collaboration, and the pooling and comparing of data and results.

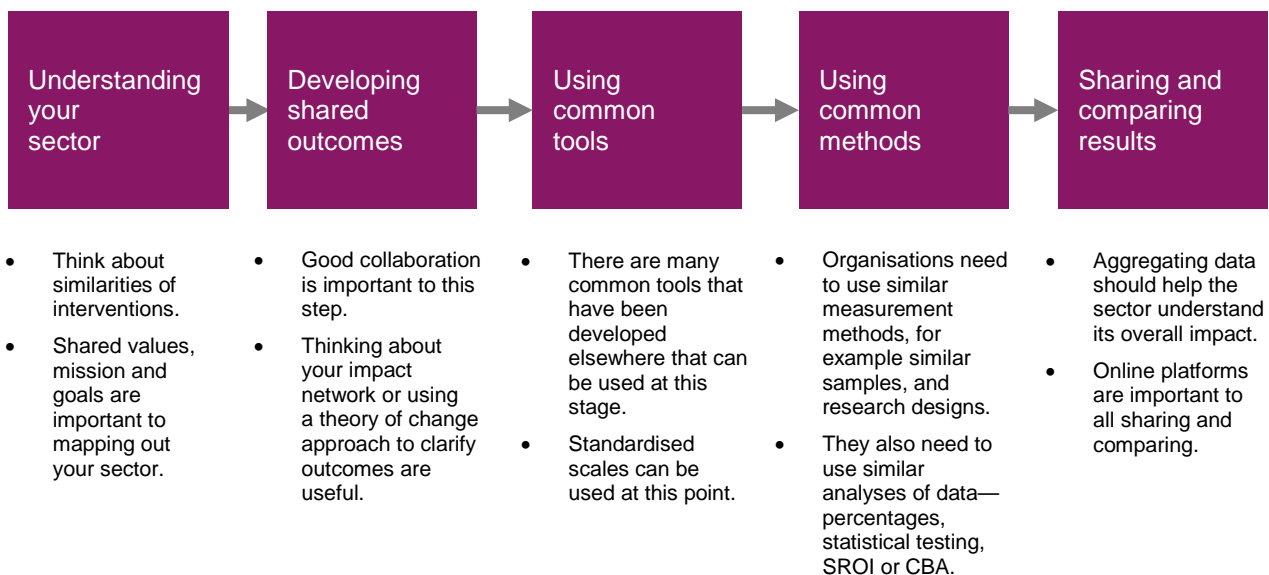
Figure 1: Defining shared measurement



The similarities between different NHS Charities’ aims make the sector a strong candidate for shared measurement.

The diagram below shows the different stages of developing a shared approach.<sup>1</sup>

Figure 2: Stages of shared measurement



<sup>1</sup> Taken from *Blueprint for shared measurement* (2013), developed by NPC as part of the Inspiring Impact programme.

## Why shared measurement?

Several NHS Charities are thinking about their measurement at the moment for two key reasons:

- **To be able to demonstrate the effectiveness of NHS Charities' work:** NHS Charities can use the data they collect to evidence, review and improve their practice. NHS Charities can also use the information they collect to communicate with a widening range of stakeholders, including the public and funders about what they achieve. A shared outcomes framework and agreed ways to measure those outcomes will make it easier and quicker for each organisation to establish its own measurement framework.
- **To articulate a shared vision and the value of NHS Charities for the health system:** in a period of regulatory change and increasing institutional independence, it will be valuable for NHS Charities to articulate a shared vision of what they can achieve and what NHS Charities offer to patients, to communities, and to the health system. A shared goal and language for what NHS Charities hope to achieve can foster a culture of shared practice. This document cannot provide comprehensive guidance, but it can be a starting point for closer work in the future.

## Measurement for NHS Charities

NHS Charities are unusual in that some operate as funders; receiving applications and choosing projects to fund. Others deliver projects directly, and many do a mix of the two.

This range of approaches has implications for measurement. A charity delivering a service directly has greater freedom to choose the data and information collected. While a charity funding projects is one step removed, and therefore has less influence over the data it receives and the methods used to collect this data—although it can use the conditions of its grants to attempt to standardise data capture and methodology.

This has implications for how far the charity (and by extension the sector) can hope to aggregate its achievements to understand the difference it makes on a particular outcome across projects, and across organisations.

## Methodology and how to use this report

This project has involved an initial research phase, followed by a theory of change workshop, after which the evaluation guidance was prepared.

The initial research phase involved a review of documents from ten organisations (contributors are listed on page 39). These included strategic plans, grant application and review forms, published impact reports, internal impact frameworks and one-off evaluations.

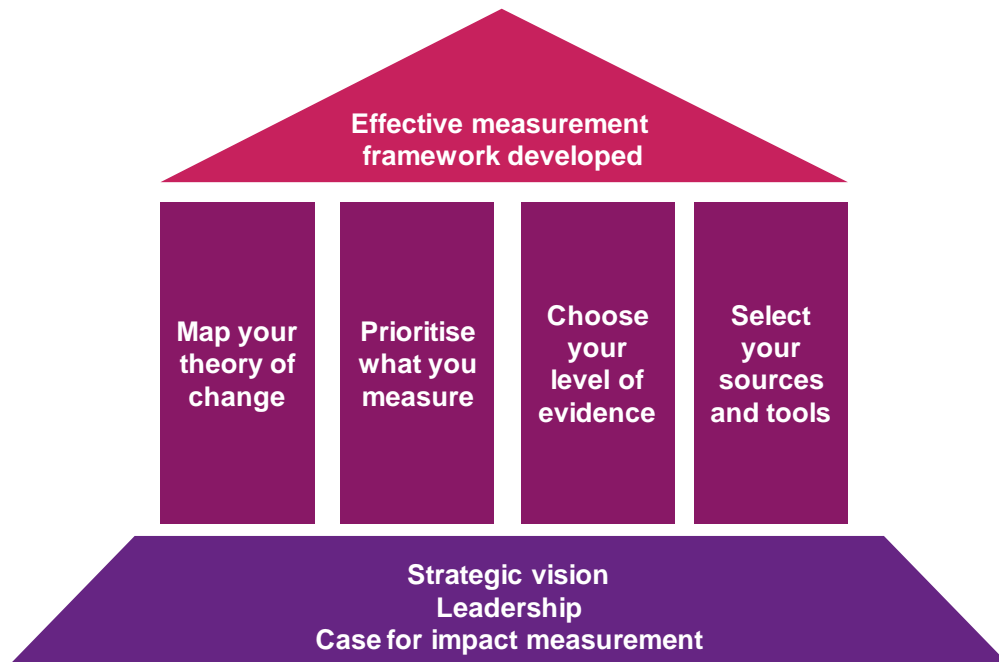
The document review was followed by eight 45 minutes semi-structured interviews which covered NHS Charities' goals and intended outcomes, the activities they undertake and the information NHS Charities currently gather about their impact. Interviews also covered how NHS Charities use information about their impact and NHS Charities' ambitions for the future.

This report is based around NPC's [four pillar approach](#) to impact measurement<sup>2</sup>. It also draws on NPC's experience from other client projects and our work on shared measurement as part of the Inspiring Impact programme.<sup>3</sup>

<sup>2</sup> Kazimirski, A. and Pritchard, D. (2014) *NPC's four pillar approach: Building your measurement framework*, NPC.

<sup>3</sup> Inspiring Impact is a UK-wide collaborative programme, working with the charity sector to help organisations know what to measure and how to measure. Tools and resources are freely available on the website <http://inspiringimpact.org/>

Figure 3: NPC's four pillars of impact measurement



The report is set out around these pillars in four main sections:

- Theory of change: Clarifying what NHS Charities aim to achieve.
- Prioritisation: Choosing what to measure.
- Levels of evidence: Selecting an appropriate level.
- Sources and tools: Starting to identify how to gather the information.

Owing to the variety among NHS Charities, and the scope of this project, we have not set out to develop something which applies perfectly to all NHS Charities. The intention of this work is that it should speak to the Maddox Group of larger NHS Charities. We anticipate that this work will also have relevance for smaller NHS Charities, but we have not been able to tailor advice specifically to that audience within this publication. At the end of each section you will find measurement advice for the NHS Charity sector as a whole, and advice for individual NHS Charities seeking to develop their own measurement practice.



# PILLAR 1: THEORY OF CHANGE

## Why theory of change?

Regardless of whether an organisation wants to measure its own impact or a sector is developing a shared approach, the first step is to map the theory of change. This describes the change the charity or sector wants to make and the steps involved in making that happen. It involves mapping how a project, service, organisation or, in this case, sector intends to deliver its desired outcomes, and the assumptions that underpin this. By gathering evidence on these assumptions, charities can test whether their approach works.

Theory of change has a number of benefits. It can help to understand:

- Whether the sector's activities make sense, given its goals.
- What is working well and what is not.
- Which activities and outcomes the sector can achieve alone and where it needs to work with others.
- How to measure effectiveness and impact.
- How to communicate the rationale and impact of the sector's work.

Starting with the sector's goals and developing a theory of change provides clarity, revealing the causal links between what the sector does and what it is trying to achieve. It provides a coherent framework to underpin measurement efforts so that charities can move away from ad hoc, opportunist data collection towards deliberate, targeted efforts.

## What this means for NHS Charities

NPC facilitated a workshop with representatives from NHS Charities in order to develop a shared theory of change. This is shown on the next page. The theory of change shows that NHS Charities work towards the common goal of 'enhanced experience and care for patients and community of the hospital'.

### Key to theory of change diagram

Final goal: The overall impact NHS Charities are trying to achieve

Intermediate outcomes: Changes that NHS Charities want to happen for beneficiaries

Activities: Core services NHS Charities provide (common across organisations, although the detail may vary)

Enabling factors: What needs to happen in order to achieve the outcomes

→ Arrows in the diagram represent causal links. These are based on evidence and assumptions, reasons why one outcome will lead to another and cases where it will not.



The seven intermediate outcomes in the theory of change are high-level. More granular outcomes can be identified underneath these. These detailed outcomes are shown below for areas prioritised during the workshop.

**Table 1: Intermediate outcome 1—Improved clinical outcomes for patients**

Outcome	Theme	Detailed outcomes
Improved clinical outcomes	Overall outcomes	Reduced mortality (death)
		Reduced morbidity (illness)
	Treatment	The hospital has state of the art equipment
		Faster or more accurate diagnosis
		Referral processes are improved (speed, appropriateness)
		Patients, families and carers are better informed about their diagnosis and treatment
	Capacity	Improved discharge service or better transition from hospital to home
		Reduced length of stay
		Reduced readmissions
		Increase available beds in the hospital
		Patients are less institutionalised
	Skills, resources and behaviours	More trainees have high quality clinical training
		Clinicians' time and skills are better targeted to need
		Patients behave in a way which promotes their health/are advocates for their own health and that of others

**Table 2: Intermediate outcome 2—Improved non-clinical experience for patients and visitors**

Outcome	Theme	Detailed outcomes
Improved non-clinical experience	Experience	Patients and visitors have a more comfortable experience in hospital
		Reduced anxiety or stress for patients
		Better carer and family involvement
		Improved patient and families' well-being
	Access	Improved access and flow to, from, and within the hospital
		Waiting times for patients are reduced
		The hospital offers a more streamlined patient pathway
		Better access to information on condition and treatment
	Care	Patients have a more integrated experience of health and social care
		Increased consistency of care
		Improved discharge service or better transition from hospital to home
		Reduced length of stay

Table 3: Intermediate outcome 3—Improved knowledge and understanding of effective treatment and practice

Outcome	Group	Detailed outcomes
Improved knowledge and understanding of effective treatment and practice	Innovation and implementation	Improvements in diagnosis, treatment and care are available and implemented more widely (including better and new treatments)
		There is greater understanding of the potential of new technologies and materials, and/or of new applications for existing technologies and materials
		Innovations in clinical treatment are developed
	Reach	More patients are able to participate in and benefit from research
		More staff have experience of clinical research
		Staff with experience of research continue on their research journey (for example, securing further funding from other bodies)
	Reputation	The trust's reputation as a place of research increases
		More specialist, skilled and experienced staff are attracted to work at the trust

Table 4: Intermediate outcome 4—Improved staff health and well-being

Outcome	Group	Detailed outcomes
Improved staff health and well-being	Staff health and well-being	Staff are healthier and absenteeism is reduced
		Staff retention is increased and staff turnover is reduced
		Staff work is recognised
		Staff feel valued
		Staff are better role models through looking after their own health
		Patients have more respect for staff and are more motivated to look after their own health
	Staff development	The hospital has the resources (facilities, time, knowledge) to train staff effectively
		Staff are (and feel) better equipped to do a good job
	Impact on patient care	Staff feel greater responsibility for patient welfare
		Increased consistency of care
		Clinicians' time and skills are better targeted to need

This list of detailed outcomes is not exhaustive, and the detailed outcomes sought will differ between different projects and different NHS Charities. NHS Charities may find it useful to develop a theory of change for individual high-level outcomes, especially those which are the main focus of their work. This could help to draw out how different activities contribute to that outcome, and therefore where to focus measurement.

As NHS Charities take this work and apply it to their own contexts, it will be valuable to continue sharing examples of how this can be applied to charities similar to their own, rather than each charity starting from scratch.

## Fundraising and NHS Charities

Not all NHS Charities fundraise, but for some it is an important function of the charity.

NPC usually sees fundraising as an enabling factor which allows charities to continue their activities (and thereby achieve their outcomes). Usually the activities of the charity relate directly to outcomes and therefore to the goal. For this reason fundraising is not included in the theory of change diagram as an activity or an outcome.

Some NHS Charities have less control over how the funds raised are spent (eg, charities with a corporate trustee). These charities exist primarily to raise funds with little influence over how the strategy is likely to be implemented. In this case it may be legitimate to consider fundraising an activity.

In some cases fundraising could be both an activity and an enabler within the same organisation.

Whether fundraising is an activity or an enabler can therefore depend on the size and structure of the charity. For the same NHS Charity this could also change over time. And whether seen as an activity or an enabler, fundraising is in service to the end goal, rather than the goal itself.

As such, NHS Charities with any governance structure should work with their trustees to ensure the charity is working towards the goal of 'Enhanced experience and care for the patients and community of the hospital'.

## NHS Charities as funders

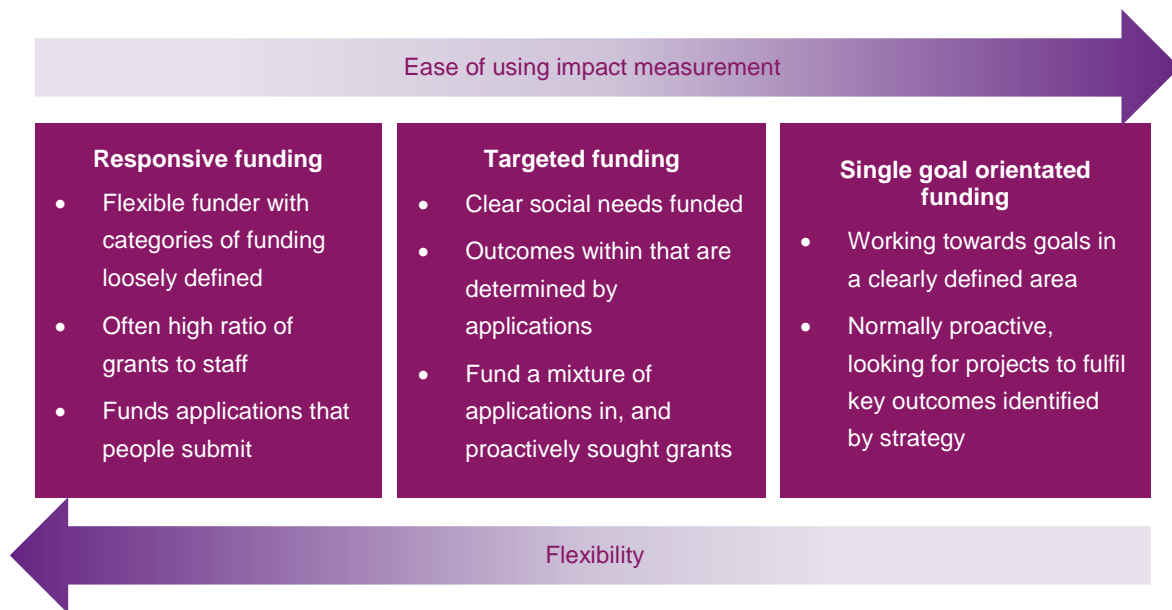
NHS Charities often have a mixed model which sees them both funding activities through grants, and delivering some activities directly themselves.

For all funders, there is a balance over whether they want to be more responsive in their funding or more targeted. The more specific a funder is about the outcomes it seeks through the projects it funds, the easier it is to measure its impact, and to review what it has achieved across multiple projects. A more responsive funder, that allows applicants to choose their own goals, is likely to find it harder talk about their impact in an aggregated way, owing to the breadth of goals identified by applicants.<sup>4</sup> These trade-offs are illustrated in figure 5.

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<sup>4</sup> Baumgartner, L., Kail, A. and Van Vliet, A. (2013), *Funding impact*, NPC

Figure 5: Responsive or targeted funding



It is not always straightforward for NHS Charities to measure the impact of their funding consistently; a range of factors influence how much control the charity will have over how targeted it can be and therefore how easy it is to measure impact.

- NHS Charities may have greater or lesser control over what is achieved by different parts of their funding portfolio. Yet even responsive funding will contribute to at least one of the high-level outcomes identified on the theory of change, and some NHS Charities ask applicants to relate their work to one or more of the charity's intended outcomes.
- Many NHS Charities manage special purpose funds—where donors have stipulated how they want the funding to be used (for example, to benefit a particular ward or area of research). The way NHS Charities treat this funding varies. For some it is completely responsive and treated separately to the charity's strategic goals. Others take a more targeted approach in awarding special purpose funding, to align this spending with their charity's overall goals. Special purpose funds can make up a large proportion of the work of NHS Charities: one charity we spoke to had 400 special purpose funds; another estimated they made up 75% of their time, money and effort. How strategic the NHS Charity chooses to be with special purpose funds will affect how easy it is to measure the impact of those funds.
- NHS Charities often support the outcome of improving clinical outcomes through medical research or piloting of innovations in clinical practice. While generating these insights into clinical practice, the charity is not ultimately responsible for whether or not they are implemented by the hospital. As funders it is important for NHS Charities to consider what role they can play in encouraging implementation and adoption of the work it has supported.



## Application for the sector

The theory of change for NHS Charities sets out what the sector aims to achieve, and how its activities relate to the various intermediate outcomes. It forms the basis for shared measurement and can also be useful as a communications tool.

Workshop participants were struck by how much they had in common, with many commenting on how easy it was to reach a common view. Despite superficial differences, largely of scale, the core functions of their organisations were very similar. Attendees at the workshop were largely drawn from the Maddox Group of large NHS Charities. It will be interesting to see how far this similarity applies beyond the workshop group: does the theory of change still apply to smaller charities (albeit at a smaller scale, or perhaps only focusing on one or two areas of activity), or are the differences so great as to make this theory of change irrelevant for charities below a certain threshold. If so, what might that threshold be?

## Application for individual NHS Charities

The theory of change has been developed to apply to larger NHS Charities and focuses on what is shared. As such, it is quite high-level. Organisations may find that it is sufficient for their needs, or they may want to develop their own theory of change by focusing on the areas they do most work, and drawing on the detailed outcomes to explain how they make a difference. NPC's practical guide to creating a theory of change sets out in more detail how to go about this.<sup>5</sup>

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<sup>5</sup> Harries, E., Hodgson, L. and Noble, J. (2014) [Creating your theory of change: NPC's practical guide](#). NPC

## PILLAR 2: PRIORITISATION

### Why prioritise?

It is not normally possible or desirable to measure everything on a theory of change. Measurement should be proportional, and provide charities and their stakeholders with useful information. To achieve this, prioritisation is important—it is better to measure a few key outcomes well, rather than measuring lots of outcomes in a less robust and meaningful way. It can be tempting to prioritise data that is easy to collect but does not tell you much about your impact—but ultimately this is a waste of resources.

When thinking about what to measure, charities should ask themselves whether the causal link in the theory of change has already been proven. If so, they can use desk research to gather the evidence rather than collecting new data.

When deciding what new data to collect, organisations should prioritise outcomes that:

- They directly influence (rather than indirectly support), although this can be more difficult for funders.
  - For example, NHS Charities typically take a direct role in improving the hospital environment, and a more indirect role in ensuring fast and accurate diagnosis.
- Are important/material to their mission.
  - For example, some NHS Charities will consider the welfare of hospital staff as core to the mission.
- Are important to key stakeholders.
  - For example, certain funders and supporters may be particularly interested in the outcomes of clinical research.
- Are not too costly to measure.
  - Some information may already be collected by the hospital, for example through the Friends and Family Test.
- Will produce credible data.
  - For example, some charities may feel it is not practical for them to assess whether the patient pathway is more streamlined.

## What this means for NHS Charities

Participants at the theory of change workshop prioritised between the different high-level intermediate outcomes. There was clear consensus that the most important of these outcomes were:

- Improved clinical outcomes for patients.
- Improved non-clinical experience for patients and visitors.

Other areas which some participants judged as important for measurement, although to a lesser extent, were:

- Improved knowledge and understanding of effective treatment and practice.
- Improved hospital environment.

We recommend that NHS Charities identify priority outcomes that can be measured consistently across different projects. The theory of change showed that all activities and intermediate outcomes lead into the two key priority outcomes of improved clinical outcomes and improved non-clinical experience. NHS Charities should measure these outcomes in a consistent way wherever relevant and appropriate to the project or programme. If NHS Charities use the same tool to measure an outcome across multiple projects, they will begin to build a picture of their overall impact and to develop an understanding of the outcomes achieved by different services and how they compare. This can be used to inform thinking and research about what it is about programmes that affect outcomes, and how best to allocate resources.

### Detailed outcomes

Measurement should focus on the main priority areas. It is unlikely to be useful for NHS Charities to prioritise collectively within the detailed outcomes since these will vary between organisations. Individual NHS Charities may want to prioritise a couple of detailed outcomes for each of the high level outcomes that are important to them.

Some of the detailed outcomes can be used as indicators of the high level outcomes (eg, reduced mortality is an indicator of improved clinical outcomes). Some are intermediate outcomes on the way to the high level outcome being achieved (eg, better carer or family involvement may lead to improved non-clinical outcomes).

### Attribution

Attribution is the extent to which an organisation can claim responsibility for the outcomes achieved. Attribution is difficult for many charities, and particularly for funders. For NHS Charities, the close relationship between their work and the work of the hospital makes attribution more difficult still. For example reduced mortality and morbidity are outcomes which the hospital will already be measuring, in an area in which the charity and the hospital have a shared interest. Both organisations contribute to the achievement of these outcomes and the charity could not claim responsibility for any change seen.

One way to deal with this challenge is to focus on intermediate outcomes earlier in the outcomes chain. If there is evidence to back up the causal link between these outcomes and those which follow, this can be a practical solution to a common challenge. A literature review of existing evidence of the links between the various outcomes may prove a useful resource to NHS Charities to inform both their measurement practice and any new interventions.

Table 5: Attribution implications for the prioritised high level outcomes

Outcome	Influence over outcome	Implications
Improved clinical outcomes for patients	Low	Attribution is a challenge; lots of factors influence clinical outcomes. It may be difficult for NHS Charities to collect data beyond that collected by the hospital.
Improved non-clinical experience for patients and visitors	High	NHS Charities will need to consider whether they prefer to capture data for: <ul style="list-style-type: none"> <li>• Specific areas where they have a very focused role (for example, navigation within the hospital).</li> <li>• General measures about overall experience within which their role may be more diffuse (for example consistency of care).</li> </ul>
Improved knowledge and understanding of effective treatment and practice	High/medium	Much of NHS Charities' grant-making supports medical research or knowledge of effective practice (for example through staff training). It may be more difficult to assess how far this knowledge is implemented by staff, or adopted by the hospital.
Improved staff health and well-being	High	The NHS already monitors aspects of staff health and well-being—where the NHS Charity has a good relationship with the Trust it should be able to access this data, rather than duplicate data collection. It is important for NHS Charities to check how closely this data aligns with the outcomes the charity wants to see in its theory of change.

## Application for the sector

We have recommended that all NHS charities focus on the high-level priority outcomes of improved experience and improved clinical outcomes. There was clear consensus on this among participants at the workshop when prioritising outcomes on the theory of change. It is striking that improved clinical outcomes and non-clinical experience were considered equally important, even though NHS Charities' role in the clinical space is less direct. This consensus is important in itself, but it will make it more difficult to attribute any improvements to the work of the charity.

Ideally different charities would measure their contribution towards the main outcomes in the same way, around a core set of outcomes measures. This document gives some suggestions as to how this can be done, but NHS Charities will need to continue a conversation about how consistent they want to be, and how practical this is for NHS Charities of different sizes and operating models.

## Application for individual NHS Charities

Beyond the prioritised outcomes, there will be legitimate differences among what different NHS Charities choose to prioritise in measuring their impact. There may be other outcomes which are particularly important to each charity (for example, a particular focus on staff health and well-being), and others which are not relevant. It is for each organisation to discuss and decide. This report should, however, provide a useful framework around which to structure these discussions.

Where NHS Charities fund projects with objectives set by the applicant, we see a wide variety of goals. NHS Charities should aim to move towards a minimum level of consistency across projects, by ensuring that each project identifies an outcome relating to the charity's key objectives. It may not be possible to aggregate outcomes across projects, but greater consistency will still help the charity to articulate what it achieves more clearly across the portfolio. Projects can of course identify other project-specific outcomes in addition.

## PILLAR 3: LEVELS OF EVIDENCE

### Why choose?

Before beginning to measure, it is important to decide how rigorous and credible the evidence needs to be. This will help ensure that the evidence collected is fit for purpose. This is not straightforward, as different stakeholders may have different views about what counts as strong or credible evidence. There is no hard and fast rule as to which approach is best for any given programme or service. Each approach has strengths and weaknesses, and the choice of approach(es) will depend on a combination of what is desired or needed and what is practical.

Here are some general guidelines to follow:

- Make your evidence as rigorous as possible by creating a credible counterfactual (ie, a picture of the world as if your charity or programme did not exist). For example, for location-specific improvements, you could identify a ward or area which has not been affected for comparison. It is also useful to collect a 'before and after' comparison.
- Build on evidence that has already been developed. If existing evidence for programmes similar to yours is already strong, you need only collect data that shows your programme is likely to replicate those results. Some examples of existing projects which are building an evidence base are listed on page 29.
- Consider the resources (time, budget and skills) you have available. Improving the strength of your evidence will typically, but not always, require putting time and money towards planning, collecting data, and analysing the results. Remember that it is better to collect a small amount of data well, than to collect lots badly.
- Where possible, choose validated measures rather than tools you create yourself. While cost and practicality are important in choosing tools, you will need to consider the rigour of the tools. You should prioritise measures that are standardised and validated: standardised tools measure the same thing for different people and organisations across different contexts, so results can be compared, and validated measures produce results you can trust. For example, the [Warwick Edinburgh Mental Well-being Scale](#)<sup>6</sup> is widely used to measure positive mental health, and is free to use.
- Consider tracking medium and long-term changes to improve the evidence of your impact by following up with grantees or beneficiaries after a period of time has passed. This is usually only appropriate for a more in-depth intervention (eg, staff development) rather than something which has a small effect on a large number of people (eg, improving the hospital environment).

### Standards of evidence

The Nesta [Standards of Evidence](#)<sup>7</sup> are a way to understand the robustness of evidence in use. It is important to note that the evidence standards are not synonymous with quality of evidence; it is possible to have good or poor quality evaluation at any level.

<sup>6</sup> Tennant, R., Hiller, L., Fishwick, R., Platt, P., Joseph, S., Weich, S., Parkinson, J., Secker, J. and Stewart-Brown, S. (2007) 'The Warwick-Edinburgh Mental Well-being Scale: development and UK validation' *Health and Quality of Life Outcomes*, 5:63

<sup>7</sup> Nesta (2013) [Standards of Evidence](#).

Figure 6: The Nesta standards of evidence

- 1 You can describe what you do and why it matters logically, coherently, and convincingly.
- 2 You capture data that shows positive change but you cannot confirm you caused this.
- 3 You can demonstrate causality using a control or comparison group.
- 4 You have one or more independent replication evaluations that confirm these conclusions.
- 5 You have manuals, systems and procedures to ensure consistent replication and positive impact.

To build a compelling case, it is useful to use a mixture of qualitative data and quantitative data. We explore different methods for data collection in the next section.

## Application for the sector

NHS Charities will need to take a pragmatic approach to levels of evidence for shared measurement. It will not be possible to claim that *all* evidence is at a certain level, but the sector should instead aspire for all those involved in shared measurement to reach at least level 2, and to be improving the consistency and quality of the evidence they gather over time.

## Application for individual NHS Charities

NHS Charities should choose a level of evidence that meets their needs. This will depend on the charity's own ambitions, what stakeholders (including funders) expect, the nature of the service, and what is plausible given resources.

It is important that the approach is proportionate. It may not be possible to collect high quality evidence across a charity's whole grant portfolio. But each charity should consider aspiring to good quality evaluation on a proportion of their portfolio (for example, 50%), either by number of grants or by amount of funding. As NHS Charities begin to be more specific about the data they require from grantees, it will be important to consider whether to provide resources (funding or expertise) for evaluation as part of their awards, to enable the grantee to meet this requirement. This will require a judgment about how important rigorous evaluation is for that programme. Some NHS Charities already do this according to the scale of funding they provide.

Evidence becomes more expensive or time consuming to collect as you move up the scale. NHS Charities may demonstrate their impact to different levels for different programmes— aspiring to more rigorous evaluation of substantial programmes. It is realistic to aim towards good quality level 2 evidence for most projects; some will aspire to level 3.

## PILLAR 4: SOURCES AND TOOLS

### Why leave the selection of evidence and tools until last?

Charities should only select sources and tools appropriate to the task once they have prioritised the outcomes they want to measure and the standard of evidence required. It is tempting to start thinking about tools and sources of evidence earlier, but waiting until this stage helps organisations to take a proportionate approach, collecting only what is important and useful for demonstrating impact and learning about what is effective.

### What this means for NHS Charities

Table 6 offers some suggested measures for NHS Charities. It is not a fully developed measurement framework, but it does provide guidance for sources of data and possible indicators which NHS Charities could use to assess their impact in the main outcome areas identified in the theory of change. The examples of NHS Charity projects, and of ways in which charities are currently assessing their impact, have been identified through the course of our research. They are included as examples; other NHS Charities may want to develop their own approaches.

In this table, 'Influence' relates to the degree of influence an NHS Charity has over the achievement of that outcome (not to its influence over collecting data). So, for example, a wide range of factors influence clinical outcomes for patients, and the projects delivered by or funded by the charity will play a part in this. The level of influence or control over staff health and well-being is much higher—the work of the charity is not the only influence here, but it could play quite a significant role. These levels are not scientific, and circumstances will vary for different NHS Charities.

Most, if not all NHS Charities already collect output data (eg, number of patients treated; number and level of grants made). This can be used to complement the measurement of outcomes.



Table 6: Outcomes and possible sources of data for NHS Charities

Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
Improved knowledge and understanding of effective treatment and practice	Medium/high	<ul style="list-style-type: none"> <li>Grant monitoring and grantee evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Publication and dissemination</li> <li>New intellectual property</li> <li>Research fundraising multiplier</li> </ul>	<ul style="list-style-type: none"> <li>Seed funding for research projects</li> <li>Building projects for new research centres</li> <li>Trials of new approaches</li> </ul>
<p><b>Example:</b> Funding research.</p> <p><b>Method:</b> The Royal Free Charity calculates a fundraising multiplier for its investment in medical research. The charity analysed all grants made over a three year period and found out whether they proceeded to another stage of research, and if so at what level. This information was combined, with the finding that for every £1 RFC spent on research projects it leveraged a further £4.50.</p>				
Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
New and/or improved clinical practice	Low	<ul style="list-style-type: none"> <li>Administrative data</li> </ul>	<ul style="list-style-type: none"> <li>Reduced waiting times</li> <li>Higher number of patients seen in a fixed time period</li> </ul>	<ul style="list-style-type: none"> <li>Buying materials required for the government's responsible consultant and named nurse initiative</li> <li>Buying laptops for specialist nurses</li> </ul>
<p><b>Example:</b> Dedicated gastroenterology email advice service for GPs and new patient pathways co-ordinator post.</p> <p><b>Method:</b> Administrative data (such as non-attendance at appointments, number of patients discharged following their first appointment, number of first appointments) was used by Imperial College Healthcare Charity to understand the impact of these initiatives.</p>				

Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
Improved clinical outcomes for patients	Low	<ul style="list-style-type: none"> <li>Administrative data</li> </ul>	<ul style="list-style-type: none"> <li>Reduced readmissions</li> <li>Improved survival rates for operations</li> <li>Improved long-term condition management</li> <li>Decrease in average recovery or discharge time</li> <li>Reduced mortality</li> <li>Reduced morbidity</li> <li>Earlier diagnosis</li> </ul>	<ul style="list-style-type: none"> <li>Dance workshop for falls prevention</li> <li>Complementary therapies</li> <li>Advice centres for patients with particular conditions</li> <li>Appointment attendance reminders</li> </ul>
<p><b>Example:</b> Appointment text message reminders.</p> <p><b>Method:</b> Imperial College Healthcare Charity funded a randomised control trial pilot study trialling text message reminders for breast screening appointments. The trial found that text message reminders could improve uptake of breast screening appointments by 14% in patients within a high socio-economic category and by 11% for patients in the lowest socio-economic category.</p>				
Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
Improved staff health and wellbeing	High	<ul style="list-style-type: none"> <li>Staff survey</li> <li>Administrative data</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of staff who feel valued at work</li> <li>Level of sickness or stress-related absence</li> <li>Proportion of staff who would recommend the hospital as somewhere to work</li> </ul>	<ul style="list-style-type: none"> <li>Staff thank-you awards</li> <li>Staff training</li> <li>Funding staff continuing professional development</li> <li>Complementary therapy for staff</li> <li>Fitness classes for staff</li> <li>Arts club for staff</li> </ul>
<p><b>Example:</b> Staff arts club and hospital art collection.</p> <p><b>Method:</b> Imperial College Healthcare Charity uses surveys of visitors and staff to evaluate the impact of its arts programme and uptake of the staff arts club.</p>				

Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
New and/or improved non-clinical practice	Medium	<ul style="list-style-type: none"> <li>• Patient feedback</li> <li>• Patient surveys</li> <li>• Staff survey</li> </ul>	<ul style="list-style-type: none"> <li>• Proportion of staff who would recommend the hospital as somewhere to receive treatment</li> <li>• Reduction in delayed transfers of care</li> <li>• Higher patient satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Grant-funding ideas suggested by patients and staff to improve patient care and support</li> <li>• Complementary therapies</li> <li>• Volunteer service (to smooth the patient journey)</li> </ul>
<p><b>Example:</b> Running the hospital's volunteer service (in this case, managing 600 volunteers in 63 different roles across the hospital).</p> <p><b>Method:</b> The Royal Free Charity (RFC) decided the role of volunteers was too peripheral for the Friends and Family Test to be a useful measure of how volunteering affects patient experience. They are considering instead whether hospital readmission rates and data on missed appointments would be useful measures (their 'sat nav' volunteers help visitors reach their destination). The charity has also started measuring volunteer retention, on the basis that if a volunteer feels useful they are more likely to continue volunteering. In addition they are looking at whether satisfaction levels are higher on the wards with many volunteers.</p> <p>The charity has attempted to calculate the return on its own investment in volunteering, recording the number of hours volunteered and calculating the ratio of volunteer time to the spending by the charity on the service, which is six hours for every £10 spent. RFC has also looked at calculating a financial value for that volunteering—for example, by using the London Living Wage against the number of volunteer hours recorded.</p>				
Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
Improved non-clinical experience for patients and visitors	High	<ul style="list-style-type: none"> <li>• Friends and Family Test</li> <li>• Staff survey</li> <li>• Patient survey</li> </ul>	<ul style="list-style-type: none"> <li>• Higher patient satisfaction</li> <li>• Proportion of carers who would recommend hospital to others</li> <li>• Proportion of staff who agree that care of patients is the organisation's top priority</li> </ul>	<ul style="list-style-type: none"> <li>• Providing support for those in financial hardship</li> <li>• Arts and craft workshops or other diversionary activities</li> <li>• Grant-funding ideas suggested by patients and staff to improve patient care and support</li> <li>• Funding a librarian staff post</li> </ul>
<p><b>Example:</b> Leicester Hospitals Charity helped fund a bespoke children and young people's cancer unit at Leicester Royal Infirmary, providing age-appropriate facilities and accommodation for children and young adults.</p> <p><b>Method:</b> The outcomes identified were higher quality experience for patients, enhanced psycho-social support, and an increase in patient referrals from a wider area. These were evidenced through comments from patients, families and staff, behaviour change observed by staff, and administrative data.</p>				

Outcome	Influence	Source(s)	Possible indicators	Example projects this might relate to
Improved hospital environment	High	<ul style="list-style-type: none"> <li>• Administrative data</li> <li>• Patient survey</li> <li>• Friends and Family Test</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced waiting times</li> <li>• Proportion of carers, patients, staff who would recommend hospital to others</li> </ul>	<ul style="list-style-type: none"> <li>• Art and design within the hospital</li> <li>• Refurbishment of waiting areas, family rooms</li> <li>• Redevelopment of parts of the hospital site</li> </ul>
<p><b>Example:</b> Activities and changes to the hospital environment.</p> <p><b>Method:</b> CW+ has developed a tool, the Arts Observational Scale, to evaluate performing arts activities in healthcare settings. This uses observed changes in patient mood, relaxation and distraction combined with feedback from patients, relatives and staff to evidence impact. Other information collected by the charity includes biometric data from people in the hospital's interactive environments, self-reporting by patients and families, and monitoring of environmental factors (such as noise levels). In many cases CW+ has baseline data to enable before and after comparison. The charity also draws on existing academic research (for example, showing that changes in the physical environment can lead to improved health outcomes) and is aiming to add to that body of evidence. CW+ is aiming to conduct a large randomised control trial of its arts-based interventions to fill gaps in the evidence of the clinical value of art and design for patient care.</p>				

The examples in the table show some of the ways NHS Charities are currently measuring the impact of particular activities. The examples below show how two charities have started to make impact more systematic across the organisation and more closely and consistently related to the charity's own strategic goals.

## Guy's and St Thomas' Charity: Developing an organisational approach to measurement

Guy's and St Thomas' Charity (GSTC) has developed its own theory of change which includes short-, medium- and long-term outcomes. The charity has used the theory of change to develop a measurement framework and is gradually building up a baseline for measuring its impact. They have already done this with their Health Innovation Fund grants programme, the largest area of investment activity, by conducting a 10 year retrospective review of impact, lessons and sustainability of its investments and have shared the findings and lessons from this work through committee reports, seminars and learning papers. They have now embedded the systematic collection of required information throughout the grants process, allowing findings to be reviewed and shared with staff, partners, grant holders and applicants to inform improvements. This year, GSTC will do the same for its research investment and Special Purpose Funds before moving systematically into its other areas of work, including finding ways to measure their role as 'convenor' within the local health system. In this way the charity is gradually building a systematic measurement, learning and improvement system right across the organisation. For more information see <https://www.gsttcharity.org.uk/what-we-do/our-impact/understanding-our-impact>.

## Great Ormond Street Hospital Children's Charity: Structuring measurement around charity impact goals

Great Ormond Street Hospital Children's Charity (GOSH) has defined four impact goals: improved patient outcomes; better patient experience; more children treated; and enhanced experience for families. All projects relate back to one or more of these goals, with the depth of evaluation varying according to the scale of the project. The charity has also developed an impact framework setting out their approach and measures in each area of their activities:

- Redevelopment: before and after evaluation looking at patient and staff experience (survey), percentage increase in the number of patients that can be treated and cost comparison with similar projects.
- Research: Researchfish impact reporting tool used to measure impact across 16 areas.
- Patient, Family and Staff Support Projects: project leads report impact against the charity's four impact goals and other outputs and outcomes identified in the application.
- Equipment and Capital Projects: project leads report impact against the charity's four impact goals, and other outputs and outcomes that have arisen from their projects.

## Available tools

NPC recommends charities use validated tools<sup>8</sup> where they can, rather than tools they create themselves. Where possible and appropriate, NHS Charities should use existing data sources (including information already routinely collected by the hospital) so as to avoid duplication. Many are already doing so; others are finding this more challenging.

## Administrative hospital data

Hospitals collect large amounts of information to assess their performance on a broad range of indicators. Where relevant and timely administrative data is already routinely collected and stored by the hospital, NHS Charities

<sup>8</sup> If a tool is 'validated', this means that it is based on a body of academic research and testing. It is therefore reliable at measuring what it is intended to measure.

should aim to access this information to avoid the duplication of data collection. Examples include data that relates to waiting times, patient admissions and readmissions and information on clinical outcomes.

NHS Charities should seek agreed standards for data-sharing with their local hospital(s). Where possible, and subject to safeguards around confidentiality, this should include identifying cohorts of patients who have benefited from projects funded by the charity that can be benchmarked against comparison groups of other patients.

## Standardised surveys

Patients are also routinely invited to give feedback on their subjective experience of the hospital. For example, the [Friends and Family Test](#) (FFT) could be used as a high-level proxy for patient satisfaction for a broad range of services.<sup>9</sup> The FFT has the advantage of giving extremely quick feedback, although it is quite a crude measure. Alternatively, the National Inpatient Survey tracks a wide range of indicators relevant to evaluating the patient experience.<sup>10</sup>

## Customised surveys

In many circumstances, existing patient surveys may not be adequate to measure the impact of funded projects. For example, a funded project may be working towards a very narrow outcome, or data from existing survey cannot be fed back in a timely way. In these cases, projects funded by NHS Charities could use custom surveys to gather feedback from patients and/or visitors. Many charities are using surveys, interviews and self-reporting from patients and families. Where appropriate, these surveys should borrow indicators from the FFT or National Inpatient Survey so that results can be benchmarked against overall hospital performance.

## Staff surveys

Staff experience is captured by many hospitals in a regular staff engagement and satisfaction survey. Where these surveys are judged not to be a good fit for evaluating specific projects, NHS Charities should ensure any custom surveys borrow indicators from the main survey so that any changes observed can be benchmarked.

## Existing tools and measures

Validated scales such as the [Warwick Edinburgh Mental Well-being Scale](#) or [ASCOT measure](#)<sup>11</sup> (which captures information about an individual's social care-related quality of life) may be useful sources.

[ResearchFish](#)<sup>12</sup> is a tool which originated in the medical research field and is now commonly used by funders and charities to collect data on the outputs and impact of research. It measures impact across thirteen areas, including publication, further funding, development of products or interventions, and influence on policy and practice.

CW+ worked with the Centre for Performance Science and the Royal College of Music to develop the [Arts Observational Scale \(ArtsObs\)](#), an observation tool for the evaluation of performing arts activities in healthcare settings. The scale is available for download and use from the CW+ website: [www.cwplus.org.uk](http://www.cwplus.org.uk).

<sup>9</sup> [www.england.nhs.uk/ourwork/pe/fft/](http://www.england.nhs.uk/ourwork/pe/fft/)

<sup>10</sup> The NHS has a National Patient Survey Programme (comprising Inpatient, Outpatient, Community Mental Health and A&E surveys). These are published annually by the CQC, and are combined to give the Overall Patient Experience Score, which is a national statistic. Over 59,000 survey participants over a four month period. Allows comparison over time and between hospitals. For more information, see [www.nhssurveys.org/surveys/833](http://www.nhssurveys.org/surveys/833) and [www.cqc.org.uk/content/inpatient-survey-2014](http://www.cqc.org.uk/content/inpatient-survey-2014)

<sup>11</sup> [www.pssru.ac.uk/ascot/](http://www.pssru.ac.uk/ascot/)

<sup>12</sup> [www.researchfish.com](http://www.researchfish.com)

## Biometric data

Some outcomes can be demonstrated using data on an individual's physical state—for example anxiety or stress levels can be monitored. CW+ is using biometric data to monitor the stress levels of patients using a space which the charity has invested in improving (for example to reduce noise levels). Biometric data would usually be taken from a sample of people rather than all patients. Where a baseline has been taken, biometric data can demonstrate how an intervention funded by the charity has had an impact on the physical state of hospital users, for example by showing that after improvements to the hospital environment, stress levels of those using the space were reduced.

## Monitoring of the physical environment

Where NHS Charities are improving hospital environments, the effects of these improvements can often be observed. This might include informal observations about the flow of people through hospital spaces, for example after improvements in way-finding.

## Qualitative data

Qualitative research involves talking to users and other stakeholders about their experiences and perceptions, and it allows people to answer questions in their own terms. Qualitative data is a complement to quantitative data, not an alternative to it. Generally, a mix of quantitative and qualitative methods provides the most reliable and useful evidence.<sup>13</sup>

Qualitative research only provides indicative evidence of impact, but is still an integral part of good evaluations, as it is better at explaining how this impact has or hasn't happened. Moreover, these explanations can often be generalised, so qualitative research can help us learn how to maximise and replicate impact. To explore opinions, experience or what something means, qualitative methods are usually the most appropriate.

## Creating a baseline

NHS Charities should aim to capture baseline data prior to a new project, programme or activity beginning, to provide a point of comparison for assessing its impact. Good baseline data is important for ensuring a reliable comparison. Timing matters: think about when is the best time to take a baseline measure, and when to take a follow-up measure to see how things have changed. Depending on your service and the kind of outcomes you are working towards, it may also be worth following up with people or services in the long term—to see if improvements have been sustained. Where programmes involve participants joining at different times of the year or in small groups, you will need to gather data over a continued period. In this case, individual surveys can be administered whenever someone starts using a service for the first time, and then followed up after a set time, eg, two or three months later. This is known as a rolling survey.

## Measurement in grant-making

As funders, in some circumstances NHS Charities are reliant on their grant monitoring to provide information on the charity's impact. This research has identified a range of questions asked by NHS Charities at different points in the grant application process. The list in table 7 summarises examples which were mentioned during interviews but is not an exhaustive collection of the questions asked at each stage.

<sup>13</sup> For a further discussion about qualitative data see Noble, J. and MacLeod, R. (2016) [Listen and learn: How charities can use qualitative research](#). NPC

## NHS Charities' impact

NHS Charities are not tasked with replacing NHS funding or duplicating effort, but to bridge the gap between ever-increasing need and increasingly constrained resources, as well as to support new treatments and models of care. Additional funding beyond what the NHS provides is therefore a critical enabler which allows NHS Charities to do their work. In total they provide £321m additional funding to the NHS each year and manage over £2bn of assets.

In 2014/15, the eight NHS Charities interviewed as part of this project spent a combined total of:

- £29.3m on patient-focused activities.
- £4.9m on staff-focused activities.
- £12m on research.
- £15.8m on capital spending.

Owing to the diverse ways that NHS Charities currently measure their impact, it is difficult to aggregate and provide an overall assessment of NHS Charities' collective impact. Through the shared measurement approach, it is likely that the sector will increasingly be able to speak in a shared language about what it achieves. It may be able to aggregate its data on the prioritised outcomes if charities agree common ways to measure some key indicators.

## How much should NHS Charities spend measuring their impact?

Throughout this guidance we have emphasised the importance of taking a proportionate approach to measurement. What is appropriate will vary between charities according to their particular context, the scope of their work, the potential benefits to them and their beneficiaries of dedicating more resource to impact measurement, the needs of their stakeholders, and so on.

However, it can be helpful to have a sense of how much others are spending. NPC's [2012 survey](#) on impact measurement practice among charities in the UK<sup>14</sup> suggested that on average, charities spent 3% of their total budget on monitoring and evaluation—lower than the 5-10% that is typically recommended.

Among the NHS Charities we spoke to as part of this project, the absolute level of resource dedicated to evaluation varied considerably, with a few charities having—or recruiting for—a staff post (FTE or fraction of FTE) dedicated solely to evaluation. For most, however, impact evaluation forms part of the grant monitoring process and for some of the smaller charities responsibility sits within marketing or fundraising.

NHS Charities should not ask themselves 'how much should I spend?' but rather 'how valuable is this information to the charity and its beneficiaries?' Developing a charity's impact practice is likely to require an initial upfront investment of time and energy, which would be expected to reduce once new systems are established and become routine. Shared measurement also takes investment to set up and to maintain. If NHS Charities decide to pursue shared measurement further, they should consider what resources will be required.

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<sup>14</sup> Lumley, T., Ni Ogain, E. and D, Pritchard (2012) [Making an impact](#). NPC



Table 7: Options for measurement in grant-making

Area	Question asked through grant-making process	At what stage
Objectives	Concept note submitted against charity's key criteria	Pre-application
	What is the problem this work is trying to fix? What are the specific outcome-based objectives of the project?	Application
	What effort has been made to evaluate whether similar work has been done elsewhere?	Application
	Why was this item considered a priority?	End of grant reporting
Output and outcome measurement	How will the work be monitored/success measured?	Application
	How many patients will be affected?	Application
	Report progress against project measures and outcomes listed in application	6 month report
	How has the initiative benefited patient health over the last 6 months? How many (or what proportion of) patients have been positively impacted?	6 month report
	How many staff have been involved? How has the project benefited staff development?	Annual reporting
	Describe the impact against the charity's impact goals. How has the work contributed to the strategic objectives of the charity?	End of grant reporting
	What difference has this work made – provide specific examples and metrics including baselines against [charity defined goals of] clinical quality improvement/service continuity/patient numbers treated/saved time/increased income	End of grant reporting
Financial management	Report on financial management	6 month report
	Did the project generate IP/does it have income generation potential?	6 month report
Communication and dissemination	Report on dissemination	6 month report
	Communication/engagement work completed	Annual reporting
	What are the implications of this work? How will it influence clinical practice?	End of grant reporting
Sustainability	Sustainability/long-term outcomes	12 months after the end of charity funding
	Overall, what have you achieved so far?	Annual reporting
	How are you monitoring progress/please attach evidence of monitoring and evaluation completed to date	Annual reporting

## Application for the sector

In a sector with the diversity of NHS Charities, it is not practical or useful for each charity to measure all the same outcomes in the same way—each will fund or deliver different projects, and have access to different data sources. No template could cover all eventualities. Two things will be important for NHS Charities, however. The first is to decide whether NHS Charities want to agree some common ways to collect data on the priority outcomes in a way that could be aggregated. The second is to develop habits of sharing, and spaces where ideas can be shared, so that the methods individual charities find to measure both the high level and detailed outcomes can be used by other NHS Charities and resources aren't wasted thinking about these challenges from scratch.

## Application for individual NHS Charities

A measurement framework is a plan for action and a reference point for the future. At a minimum, it should include:

- A list of the outcomes that you want to measure.
- Indicators or proxies of those outcomes (ie, something you can measure that informs you if that outcome has been achieved).
- Sources of data of the indicators (ie, where the data will come from).
- How the data will be used.

The framework could include other relevant information, such as the measurement tool you will use, the method for analysing the data, the frequency of data collection, and known limitations of the data.

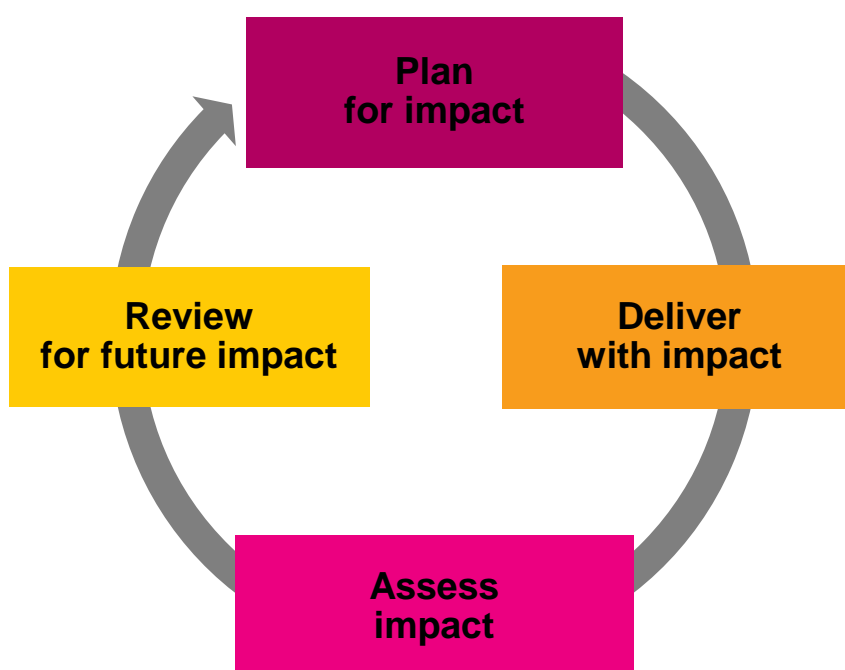
Data collected by the hospital—whether on outputs or outcomes—may be useful to NHS Charities. As a first step, NHS Charities should look at what already exists and assess its suitability, and talk to the hospital about the practicalities of accessing the data. NHS Charities will need to make a judgement about whether the measures the hospital uses are appropriate for their needs. They may choose to supplement general measures such as the Friends and Family Test with measures that can provide more sophisticated evidence of their impact.

NPC recommends that organisations do not try to do too much at once, but start small and develop an approach iteratively. Where appropriate data is already captured, it is far more efficient to use this than to develop a new data source.

## USING MEASUREMENT TO DRIVE IMPROVEMENT

Measuring impact is not just about demonstrating what NHS Charities achieve. The crucial stage of the measurement cycle is to learn from the data collected. Impact measurement should always take place within a feedback loop where results are reviewed and improvements are made to maximise impact. NPC believes that impact measurement is crucial not only for communicating with stakeholders, but for charities to learn from their activities, develop their strongest work, and provide effective help to the people who rely on them.

Figure 7: The impact cycle<sup>15</sup>



Therefore the challenge of measurement is not simply of developing an appropriate framework to collect data, but also of then analysing the data, understanding what it tells you, and adjusting your strategy or practices accordingly.

Two key questions to ask are:

- What do the results say you are doing well?
- What do the results say about what you need to improve?

The results may give indications of practical ways to improve—this might be about the services delivered, who those services are targeted at, any unintended consequences, whether some services are more effective than others, and whether it would make sense to allocate resources differently.

It is also important to think about whether you have got sufficient data to allow you to answer these questions—are you measuring the right things? And, as you develop a better understanding of how your activities and outcomes link together, consider whether you can update your theory of change to reflect this more accurately.

<sup>15</sup> Adapted from: Inspiring Impact (2013) *The Code of Good Impact Practice*.

Once you have made changes to your services, it is important to continue to assess your results to see if these changes are working. It can often help to give a member of your board and/or senior management team responsibility for ensuring you regularly review and act on results data. It is also important to engage frontline staff and show them that the data they gather is put to good use—share results with them, and show how you are using results to improve services.

It may be worthwhile investing in training for staff who input data or interpret the outputs. Training may help you to understand your results and so implement changes to your projects. Whether you need to bring in an external trainer will depend on your internal training capabilities, the existing skills and knowledge of your staff and the complexity of your system and what you do.

# CONCLUSION

Shared measurement offers an opportunity for NHS Charities to demonstrate the sector's impact for beneficiaries, to tell donors a stronger story about the difference their money makes, to benchmark against peers, to inform decisions on future spending and to demonstrate good governance and accountability.

Through this project, NHS Charities have established a common understanding of their sector, developed shared outcomes and started to consider common tools that could be used in measurement. The next steps will be to implement common methods and then to share and compare results, as well as test and refine the approach. As they do so, NHS Charities will need to build consensus both across the sector as a whole and within organisations about the value of measuring outcomes.

## Summary recommendations for the sector

This research has identified and prioritised shared outcomes for the NHS Charities sector, and outlined some examples and tools for how these outcomes are being measured. The task now is for NHS Charities to reach a consensus on whether they want to put this work into practice.

A useful starting point would be to use the prioritised outcomes to identify a small number of core measures which interested NHS Charities could agree to collect in consistent ways. This would be the basis of moving forward from a shared articulation of *how* the sector hopes to effect change, to *what* the sector is achieving.

It would be useful if these common metrics focused on outcomes, but collecting and sharing other basic monitoring data could also be beneficial. For example, NHS Charities could agree to report on their spending in relation to some headline categories (similar to those outlined on p31 for example), making it easier to explain what the sector does, at an aggregate level.

The sector could also build on this work to make it easier and more efficient for each individual charity to develop its impact practice, by finding ways for NHS Charities to share the approaches and tools they have developed on an ongoing basis. It may be useful for the group who commissioned and participated in this research, and the Council of the [Association of NHS Charities](https://www.assoc-nhs-charities.org.uk)<sup>16</sup>, to come together and decide what kind of forum for sharing these ideas might be useful to the sector.

As NHS Charities develop habits of working collectively and learning from each other, there will also be much to learn from other parts of the charity sector, some of which are further in their journey of shared impact practice, and will have useful insights on some of the challenges NHS Charities experience.

While building on and celebrating the common ground among NHS Charities, it is essential to remember that this remains a diverse sector in terms of size, level of independence, the mix of direct delivery and grant-making activity, and the balance between restricted (or special purpose) and unrestricted (or core strategic) funds. Shared measurement offers a great opportunity for NHS Charities to be more efficient and more strategic, but the sector will not be able to devise a 'one size fits all' for impact measurement. The sector should aim to reach consensus on a shared core of outcomes and ways to measure those, share examples of good practice for others to use, and still recognise that above all measurement needs to generate information which is useful to the individual organisations—and this will undoubtedly look different for different charities.

<sup>16</sup> [www.assoc-nhs-charities.org.uk](https://www.assoc-nhs-charities.org.uk)

## Summary recommendations for individual NHS Charities

NHS Charities who are thinking about their own measurement approach should use this document as a starting point for developing something more tailored to their activities. Shared theories of change are of necessity high level, but individual organisations can select the high level and detailed outcomes which are applicable to their operating model, and use this approach to explain how they make a difference. They may also identify additional outcomes which are important to their organisation but not discussed here.

As charities move through the pillars of prioritising outcomes for measurement, choosing an appropriate level of evidence, and selecting appropriate resources and tools it may be useful to set different measurement expectations for different types of activity and funding. This should be based on how strategically important that activity is to the charity, and how much influence the charity has over it. So, for example, a charity may choose to establish consistent measurement for activities which it delivers directly, a minimum standard of consistency in measuring the outcomes of strategically important grants, and focus less on funding that it has less influence over.

It will also be important for individual charities to pay close attention to collaborative efforts by NHS Charities to reach consensus about how key outcomes will be measured. Maximising opportunities for individual charities to learn from each other and incorporate shared approaches into their own work will help to set up an effective measurement approach.

## Final thoughts

The NHS Charities sector is entering a period of change; new governance arrangements are likely to initiate shifts in relationships between NHS Charities and their key stakeholders, including NHS Trusts, funders and the public. In commissioning this evaluation guidance for NHS Charities, and in taking a shared approach to measurement, the Maddox Group has clearly signalled an appetite to understand the difference they make, both individually and collectively.

The benefits of a shared approach to measurement are twofold. It will enable individual charities to improve their impact practice more efficiently by learning from each other and sharing what works. It will also assist the sector in communicating strategically with its stakeholders.

It has become clear through this project that NHS Charities have a strong opportunity to develop and use common measurement approaches. The organisations involved in this project had an appetite to share with and learn from each other. There was a clear and shared understanding of the purpose of NHS Charities, and agreement that NHS Charities are working to achieve improvements in clinical and non-clinical outcomes. Participants at the workshop were able to identify the logical links between outcomes, and recognise that different NHS Charities are likely to focus on different parts of the high level theory of change—and achieve outcomes through a range of different activities.

Recognising this shared vision is in itself a valuable step forward, and it provides a foundation on which the NHS Charities sector can build more concrete plans for measuring key outcomes in a more consistent way.

If you have any questions for NPC about our work, we would be happy to discuss. Please get in touch via 020 7620 4850 or [info@thinkNPC.org](mailto:info@thinkNPC.org).

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## TRANSFORMING THE CHARITY SECTOR

NPC is a charity think tank and consultancy which occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

**Increasing the impact of charities:** NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact.

**Increasing the impact of funders:** NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

**Strengthening the partnership between charities and funders:** NPC's mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.

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