

# Relational welfare

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The welfare state is based on an outdated, transactional model, and needs to be replaced with something that is shared, collective and relational.

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**T**he current parameters of the debate around welfare reform are inadequate. A relentless focus on finance and costs has obscured the systemic challenges facing our post-war welfare institutions. Although exacerbated by the current financial crisis, these challenges have deeper roots, and are as much about culture, systems and relationships as they are about money. When we look through the eyes of those families most reliant on the welfare state, as I will do in this article, we can better understand the nature of problem. We can also start to see the beginnings of new models and approaches, which are struggling to be born. I will argue here that the left should focus on understanding and growing these new models in five key ways, rather than on debating the life support that might be needed for our inherited and ageing post-war systems.

Let's start with the fundamental challenges that are facing our post-war model, which can be summarised in two ways. Firstly, there is a mismatch between the services on offer and the needs of the population. Challenges such as ageing, chronic disease and the scale of entrenched inequality were not foreseen in 1942. For example, today, one in five Britons has a chronic disease - problems such as diabetes, asthma, obesity and heart conditions - that medical interventions cannot cure. A health service designed in the 1950s as a centralised, industrial system to distribute drugs and combat the prevalent infectious diseases of the day (usually in hospitals) is struggling to cope.

No-one is to blame for this. As citizens, we believe in the NHS and the medical profession and look upwards for help. Keen to provide that help, the institutions

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and professionals who work within them medicalise or reformulate the problem, offering us statins for our heart, insulin for our diabetes and operations when all else fails. The costs are exponential: 80 per cent of hospital costs are now associated with chronic disease. Yet our health rarely if ever improves.

With 80 per cent of the nation's health problems lying beyond the effective reach of a medical model, the answer cannot be further reform of the existing institutions. Both preventing and living with these conditions requires motivation, lifestyle change and, in the later stages, palliative care. All of these are best addressed locally, in the home, the workplace and the community. However, the proposed re-structuring of the health service around a model of GP commissioning offers only a mechanism for re-ordering the National Health Service and ostensibly achieving financial efficiency. What this and previous reforms (the reduction in waiting times, the re-building of hospitals, the introduction of consumer choice) do not do is focus on the heart of the problem: how can we support a healthy nation.

The difficulties facing the health service are raised here just to illustrate the wider problem of a debate that is framed by the reform of existing institutions rather than the social challenges we face today. Addressing the requirements of an ageing population is another example of this mismatch between services and need. This mismatch, then, is the first fundamental challenge.

At the same time as the services on offer have seemed to be increasingly out of step with wider society and current needs, the demands on these services have been rising relentlessly. The stresses of increasing national inequality have been shifted onto the public sector in alarming ways, leading to the second fundamental challenge faced by our welfare institutions: where should the boundary be drawn between the economy and the welfare state? This is not to suggest that welfare should be left as a residual activity, or that a citizen should only have a relationship with the state at times of life emergency; but it is to question the compounded social effects of economic inequality. Compensating for the declining real share of wages in the economy, through housing benefit, working family tax credits and other transfers, is not culturally neutral. Those who receive such transfers are also on the receiving end of attitudes and cultures that are limiting and unhelpful.

These issues, if not explicitly debated by politicians, have not gone unnoticed by them, but the reforms on offer - the introduction of quasi-markets and the private sector under Labour, and an intensification of this strategy accompanied by fast and

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draconian cuts under the Coalition - have to date rarely improved outcomes, and have often made things worse. Most importantly, this activity and accompanying innovation has taken place within a 1950s paradigm: in other words, the mass, industrial model of service delivery and centralised bureaucracy has not been fundamentally questioned, as evidenced by the vision of the Lean Toyota health model, rather than an alternative socially based one.

The social and cultural effect of the market reforms has been to intensify a transactional relationship, when what is actually wanted is something more human, caring and time rich. A small story about the fate of meals on wheels in two local authorities where I have worked in the last year illustrates the point. In an effort to save money, the authorities in question contracted a large private-sector provider to take over the provision of meals on wheels. Cost savings were planned by the provider in two ways: the meals themselves would cost less, and time and motion studies showed that they could also be provided much faster in terms of turn around on the door step. However, older people with whom we work have rejected the meals if at all possible, partly on the basis that they are 'revolting', but more importantly because what was really appreciated was the chat on the doorstep or in the home, and this has now gone. Anecdotally, we might also predict that the costs associated with this need to chat have been displaced elsewhere - perhaps on to GPs. Certainly we can see where we have introduced Circles, our members' visits to GPs have dropped off.<sup>1</sup> They are no longer lonely, and are in better health, due to increased social activity - just one of the unpredicted benefits of this membership service for the over-50s.

## **A relational approach**

So what might a relational model of welfare look like, and how could we create the conditions for more social, collaborative approaches to welfare? Equally importantly, how can we do this in ways that might support large numbers of people nationally? There are new approaches emerging at the margins, many of which have been documented by Robin Murray in what he has called the rise of the new social economy.<sup>2</sup> Key features of these new approaches to care, education, welfare, food and energy are the intensive use of distributed systems; blurred boundaries between production and consumption; an emphasis on collaboration; and a strong role

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for personal values and missions. This emerging economy, as described by Robin Murray, lacks capital, with skills and money still locked up in older models and institutions. But it does provide real life, if small-scale, examples of new relational approaches.

Can such approaches really work, and provide the lessons for a twenty-first-century welfare state? I believe they can. Participle, the organisation I work with, has been developing new approaches to the welfare state. We take entrenched social problems and develop new solutions that can scale nationally. As part of this work we live alongside those whom we are working with - the young, the elderly, and, in the case I will explore here, families suffering from entrenched deprivation: financial, social and psychological. These are families who have previously been hardest to support, and with whom we also see these new relational approaches working - families like Ella's.

Ella lives in a mean and cramped house on a run-down estate - there are no shops, the pub closed years ago, the playground is desolate and never used. Inside Ella's house the tension is palpable and the noise levels deafening. The TV is on at full volume, Ella's older son is fighting with one of her daughters, another keeps up a constant stream of abuse from the kitchen. The dogs are locked behind a bedroom door.

Ella is stuck - she has lived with crisis for forty years - she knows nothing else and she knows no way out. Abused by her father, she has since lived with four abusive partners of her own. One of her children has been removed by social services and the three who remain with her suffer from a range of problems. None are in full-time education or working. Ella, rather like the welfare state she knows so well, desperately needs a radical plan to build a way out so her children do not repeat the cycle, as she is repeating her own mother's history. Her first grandchild is expected this autumn - whether he can expect a different future is the real question we might ask of welfare reform.

Ella (not her real name) lives in Swindon. She is the mother within one of Britain's so called chaotic families. The last government estimated that there were over 100,000 families like Ella's in Britain, struggling to break a cycle of social, economic and emotional deprivation. The treasury has focused on these families under both the last and the current government, due to their cost, estimated to be £35 billion annually (at least £250,000 per family, per year).

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Members of the Participle team have spent time living alongside Ella and other families like hers over the last two years because we are interested in what we can learn from the places where the need is greatest, and where the welfare state in its current form seems most challenged. We have found again and again that if we can design solutions that work with those most in need, we can create solutions that will work for many.

Swindon has seventy-three services on offer for families like Ella's, run out of twenty-four departments, and both she, her children and her partners are known to most of them. Mother and children alike think nothing of calling social services to control one of the many arguments that erupt. The family are also visited on a regular basis by a social worker, a youth worker, a home tutor, a housing officer and their local police officer. But, as the police officer describes, 'I deliver the message and I leave'. None of these well-meaning visitors are part of a general plan with an end goal in sight, and none of them are focusing on the underlying issues. Indeed, when we asked Swindon to introduce us to a family they had worked with and whose fortunes had been transformed, they were unable to do so.

Ella's family and the many others like hers are a manifestation of the breakdown between the state and the citizen. The constant visits and delivery of messages do not constitute a conversation, and the families do not feel properly listened to or understood. Asked to change, the families have no lived experience of what this might feel like; and, worse still, they know that these commands are accompanied by the dead weight of expectation that they can't change - 'this family will never change', it was explained to us.

From the perspective of the state or the front-line worker, it is also a genuinely impossible situation. Little can be done within the constraints of managerial, bureaucratic welfare systems. Spending time alongside social workers, such as Ryan, who works with Ella's son Tom, we saw that 86 per cent of time is system driven - filling in forms for accountability and discussing them with colleagues. Most shockingly, even the 14 per cent of time spent face to face with a family member is not developmental. The dialogue between Ryan and Tom is dictated by the forms and their need for data and information. This squeezes out any possibility of the sort of conversation that might be needed to develop a supportive relationship as a first step in fostering change.

'Chaos', we understood from the outset, is an elastic concept. There are days

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when my own family home seems pretty chaotic to me, and a scene of devastation to my child-free girl friends. As in most financially comfortable households, though, a combination of money and strong social and family bonds papers over the cracks. Perhaps more surprisingly, we have learnt that 'cost' is an equally slippery concept. When the treasury says that a family like Ella's 'costs' quarter of a million a year, it turns out that what they really mean is that the system around Ella costs quarter of a million a year, because not one penny of this money actually touches Ella and her family in a way which supports change. The system is a costly gyroscope that spins round the families, keeping them at the heart of the system, stuck exactly where they are.

What would it take to stop this cycle of deprivation? What kind of actions and relationships might make a difference? In a remarkably brave step, Swindon agreed that a starting point would be to reverse Ryan's ratio. In other words, all those who came into contact with Ella and other families would be able to spend 80 per cent of their time focused on the families rather than the system. Even more radically, the families would decide who was actually in a position to support them.

Ella and another mother were asked to be part of a panel who interviewed and selected a team, from existing front-line workers in Swindon, who could work with one hundred families in similar circumstances. These mothers had no time for those they thought would be 'soft' with them, and even less for those they saw as somehow dehumanised representatives of the system. They chose professionals who confessed that they did not necessarily have the answers, but who convinced them they would stick with it. These were individuals from housing, social work, and the police, who did not rely on jargon or codes. What they offered was driven by their human qualities rather than the rule books.

These new teams have been allotted only a sliver of the former budget. What they can do is spend this money in any way the families decide - on their very first family outings in some cases, in others as a float to start very successful social enterprises. All initiatives are chosen and driven by the families themselves, which is key to transformation. The team is also supported to work in new ways, with space given for supervision, reflection and learning - thereby making the difficult, open and high intensity engagement with families possible to sustain. Investing in relationships and empathy is emotionally costly, and needs its own high-calibre professional support and systems.

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These were the first steps in a programme developed by Participle called LIFE (building new Lives for Individuals and Families to Enjoy), which can be found, as of this year, in six places in Britain. Over time, four broad stages of the programme have crystallised: an open invitation; building aspirations (making a plan); building capabilities to realise the plan; and building the opportunities to change your life. We have learnt that it takes an average of two years for a family like Ella's to turn their lives around, and that there will be many steps both forward and backwards. In Ella's case, her children are back in full-time education, and she herself has a job she enjoys, new friendships and, as she describes it, a space within herself to continue growing.

Why then does LIFE seem to work, and how is it different from more traditional service approaches? Interestingly, many of the elements and characteristics that make LIFE successful are common to other areas of Participle's work (with the young, the old, the unemployed), and with programmes we have learnt from internationally.

The focus on capabilities which underpins LIFE (and the merits of which have been debated by Jon Cruddas and Jonathan Rutherford in their review of Amartya Sen's *The Idea of Justice* in *Soundings* 43) is fundamental and implies a radical departure from a transactional model of welfare. The settings and professional roles in which things are delivered to you and done to you have no place. Capabilities cannot be delivered, they have to be home-grown, with support. In LIFE, professionals and others in a supporting role are not there to intervene and solve problems; they are there to listen, challenge and support a process of discovery and transformation. Enabling this to happen involves a training process which essentially strips the system away from those at the front line.

The relationships within and between families and between families and the team are key, as is a set of wider relationships and social connections. LIFE conceptualises the problems faced by families like Ella's as something shared. In other words, the state that Ella is in cannot be disconnected from wider society and our particular forms of capitalism, politics and welfare. Change is also therefore the responsibility of the wider community - a very different approach to the ASBO culture of blame, which also surrounds these same families. Bonds are repaired with neighbours (whose initial starting point is to hope that the family might be evicted), friendships are built, and the wider web of connections that can lead to jobs, new interests and support are gently nurtured.

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The capabilities approach and the time needed to nurture relationships (the 80 per cent rule) are enabled and supported by technology, elements of which can be seen on [www.alifewant.com](http://www.alifewant.com). The technology makes all the tools available, reduces the burdens of reporting and other back office functions, and connects family members to each other in new ways, enabling individuals to track their progress and share things of which they are proud. The LIFE operating system is an example of the ways in which technology can support and enable new cultures and new distributed ways of operating. This level of innovation can be contrasted with investments in complex technology systems that serve the opposite function, in propping up out of date models of service delivery.

Those who are developing and changing their lives through LIFE can tell a story about themselves (many of which are captured and shared through the LIFE site). This ability to tell a story - of where you have come from and where you hope to go - is a significant indicator of progress and of resilience. It is an indicator that also works with young people and the unemployed, we have found, in terms both of identifying who is at risk and in measuring progress. In the case of the LIFE families, story-telling is not something any of our families can do at the outset - the past is too painful a place to revisit, and anger and rage cover up for the fear that nothing positive lies in the future. Narrative, then, is a measure of personal development and of active engagement with progress (as opposed to passive receipt of traditional welfare). It is an indicator of developmental change that would lie at the heart of relational welfare, and can be contrasted with traditional, transactional measures of inputs and outputs.

### Five principles of relational welfare

What then are some of the core principles that might define and underpin relational welfare more broadly, and how does this practice translate into a bigger vision? Five principles emerge as potential building blocks for this future state.

#### *Take care of root causes*

As the much cited work of Richard Wilkinson shows, the more unequal the society, the worse every quality of life indicator. Any new imaginings about the welfare state

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will be only a sticking plaster at best without an economic strategy that takes care of root causes, and a debate about the boundaries between the economy and welfare.

### *Adopt a developmental approach*

Our existing welfare system is not built around developmental opportunities for change. For those uncomfortable with the focus on families in greatest need, a parallel example can be found in current approaches to youth work. Youth services today are about evading risk: services to stop young people taking drugs or getting pregnant, places to keep you safe and busy after dark - all supported by investment in buildings and professional youth workers. But actually it has been proven time and again that young people thrive when they know how to engage with risk and when they are emotionally resilient. This resilience comes through relationships and experiences, so what we need are youth services that provide this in community rather than professionalised youth-only spaces.

The welfare state needs to start with a high-level vision of how we would like to live - the Compass work on the Good Society provides just one example of the potential on offer - as opposed to what problems we are trying to fix. Such a vision would be realised in practice with tools and systems designed to support developmental approaches, underpinned by measures which in turn would reinforce development, relationships and collective resource pooling. All our current service targets are economic; they support an overarching market objective of economic growth, and human factors are squeezed out. We need measures of social change that drive the appropriate forms of investment.

### *Be infrastructure light (relationship heavy)*

Historically our welfare models have focused on centralised infrastructure: resource and service models are then designed from the perspective of these institutions. Politics too revolves around infrastructure: opening new youth clubs, building shiny new family centres. Debate (and control) is then centred on the costly (and culturally poisonous) bureaucratic systems that underpin this infrastructure. So, for example, when Ed Balls was Secretary of State for Schools and Families he promised us the best child protection system in the world, as opposed to making Britain the

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best place in the world for a child to grow up.

A future welfare state will need to relegate to the background this traditional infrastructure and the culture, systems and politics which revolve around it. The resource which is currently locked within these buildings and systems needs to be released and harnessed to new models which, as I have argued above, are heavy in terms of relationship and social contact, and are supported by the light, distributed possibilities of modern technology. Circle, which I have referenced above, a membership service for those who are over 50, can provide a universal support service because investment has been made in technology that connects members and helpers, as opposed to the expensive infrastructure of mini-buses and buildings.

### *Seed and champion alternative models*

There is a need to invest in models of the future - distributed systems that can support and galvanise collective capacity and shared solutions. Circle, like LIFE, is an example of just such a system, and is frequently cited by the Coalition government as an example of the Big Society in action. The reality is that Circle came into being through a significant state investment. Models of mass participation like Circle need organising principles, state support and investment. This lack of understanding of the dynamic relationship between the state and the citizen is one of the fundamental weaknesses of the Big Society model.

In redefining the relationship between the economy and the welfare state we need to rethink the allocation of GDP to research and development in a systematic manner, with robust follow-through. Neither the last government's love of short-term pilots, with no second-round funding for sustaining the innovations that work, nor this government's total absence of innovation funding is going to deliver new models.

The state needs to actively provide living models of different ways of organising, valuing, and providing - that is, alternatives to the domestic and to the market. One example of this is the movement from owning to sharing emphasised in the Green New Deal. If the economic crisis has taught us one thing, it is of the dangers of an over-reliance on one dominant model. It is also clear that even a financially straitened state still has the resource to develop things where no financial promise can be made.

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## *Facilitate the dialogue*

Politics has to create the conditions for the LIFE work, and so it must do the same for a relational welfare state. Ultimately, a new settlement like that of 1945 will need deep debate and popular support, and politics will need to lead not follow. We have seen Ed Miliband tentatively try to set a different pace, which is to be welcomed. Politics needs to create the conditions for new forms of creative, developmental conversation - just as between the front line and families - beyond the traditional political meeting, the focus group or the complaint form. It is through this new conversation that something shared, collective and relational will be grown.

Relational welfare is a richer approach: and it not only costs considerably less in financial terms, it fosters social capital. A welfare state defined in principle and practice by human possibility and relationships, rather than the agenda of institutional reform and efficiency: this is what the left should develop and propose.

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## Notes

1. Circles are a membership service for the over 50s providing on demand support and a social network of paid and unpaid helpers. For more on this see *Soundings* 42.
2. Robin Murray, *Danger and Opportunity; Crisis and the New Social Economy*, NESTA 2009.