

ChangeUp/Defra Infrastructure Programme in South East

Additional Support to the voluntary/community sector across the region to support the greater involvement in and awareness of social enterprise as a potential;

- **Funding regime for Voluntary/community organisations (VCO's)**
- **Legal framework/entity for VCO's**

This additional support also seeks to begin to develop appropriate social enterprise/organisational planning infrastructure services across the region.

This paper seeks to describe the potential of an additional programme of support from the ChangeUp programme available from 1st May 2005 to 31st March 2006.

1. Government is working with the VCS and other stakeholders to find ways of improving the infrastructure support which is offered to frontline VCO's. Funding and finance to the VCS is changing in shape and volume and has historically been one of the key barriers to successful service delivery for the VCS as it has not been sustainable.
2. The report, 'A Review of Voluntary/Community Sector Infrastructure in the South East' highlighted that there is very little infrastructure support for social enterprise across the region. The provision that was being provided was only rated as poor or adequate and it was seen by the VCS as a new area of work that was not necessarily well understood. Infrastructure organisations and statutory bodies saw this as a gap in provision. Whilst acknowledging the need for these services there were queries as to the best way forward for their development as it was felt that this was a cross sector initiative
3. Within our region a Regional Social Enterprise Strategy called '**It's business but not as we know it**' has been developed. This provides a social enterprise framework for the South East. Following extensive consultation in 2003/2004 this strategy is to be launched in June this year. A cross sector steering group exists to oversee the strategy which is currently being led by the Regional Development Agency (SEEDA). However the Steering Group are clear that the strategy is owned by the South East region and therefore needs to be developed collectively across all sectors if it is to achieve its aims and objectives. For the purposes of this paper this strategy is referred to as the 'Regional Strategy' from here on in.
4. Dti provide a definition of social enterprise from the national social enterprise strategy 'Social Enterprise a Strategy for Success' (2002) as follows;

“A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for the purpose in the

business or in the community, rather than being driven by the need to maximise profit for shareholders and owners”.

This model is being promoted as a way of securing more sustainable funding for the VCS and to this end it is critical that the infrastructure support is appropriate, available and accessible.

5. There is an emerging network of 8 local social enterprise networks that offer full coverage of the South East Region. These networks are in differing stages of development with some well advanced whilst others are just starting. They are cross sector and working within their locality and are taking a strategic lead on social enterprise. Members include VCS infrastructure organisations, social enterprises, Business Link, intermediary bodies such as Banks, local development trusts etc. It is recognised that VCS engagement is patchy and more can be done to strategically engage with the VCS at both an infrastructure and frontline level.

Existing Funding to support the social enterprise strategy currently stand as follows;

Funding	Amount	Confirmed yes/no
SEEDA funding	Up to £1.5 million over 3 years	yes
Equal Project (European funding)	1.6 million	Yes
Potential funding source	Up to £1 million	No – awaiting decision

The funding described in the table above is for a particular area of activity relating the Regional Strategy. Some of the funds will be spent within the VCS and this paper proposes that the ChangeUp funds, match funds some of the VCS activity to enable better involvement by the VCS. If we utilise the ChangeUp funds of approx £100k in isolation of the regional strategy we will cause confusion within the VCS, not maximise the impact of our funds and we will not be able to secure a full regional coverage of activity.

There are 3 key strategic areas where the ChangeUp funds can make a significant difference.

1. VCS and Business Link Engagement:

Funding has been secured to provide SFEDI accredited courses for up to 100 candidates, cross sector from the region. Each place on the course costs £3k which is to be funded by the existing funding. We have already agreed that a minimum of 20 places are secured for the VCS. However the course is 6 months in duration, there are resources required and there is cost of travel and expenses. These costs are prohibitive for the VCS and will without doubt be a barrier to getting involved.

Potential outcomes from the course are likely to be as follows;

- Candidates receiving an accredited/recognised qualification as a social enterprise advisor
- The cross Business Link/VCS training will start to improve understanding between the sectors and development of partnership working.
- There will be a minimum of 20 social enterprise advisors from the VCS across the region by March 2006, who can begin to build the joint business support services required by the VCS both at an infrastructure and frontline level
- The 20 candidates will act as a pilot to test the models available as they will be from a variety of voluntary/community organisations and backgrounds.

Proposal:

To offer a bursary of up to £2k per candidate for cost of travel, resources and expenses.

Total spend of ChangeUp funds £40k
Match fund from existing funds £300k

2.Embedding Social Enterprise into the 19 Infrastructure Development Plans in the South East Region

Through the local social enterprise networks we need to ensure robust VCS involvement and then look to the network to engage with the Infrastructure Development Plans in their locality. This engagement is critical as the VCS need to be able to access support services to look at developing social enterprise, trading for social purposes or broadening their funding base in order to achieve more sustainable funding models in the future.

Potential Outcomes of investment in this area of work:

- Increased engagement of VCS on social enterprise networks.
- Give the VCS a lead responsibility for the network.
- Will ensure a focus within each IDP of social enterprise-this will vary.
- Offer match funding specifically ring fenced for the VCS involvement against regional strategy investment

Proposal:

To offer each social enterprise network up to £2k for each infrastructure development plan that exists within their area.

The table below shows the allocation of funding based upon the location of the social enterprise networks and how many IDP's exist.

Social Enterprise Network	IDP's within area	Amount of funding @ £2k per IDP
Hampshire and IOW	<ul style="list-style-type: none"> • Hampshire • Portsmouth • Southampton • IOW 	£8k
Surrey	<ul style="list-style-type: none"> • Surrey 	£2k
Buckinghamshire	<ul style="list-style-type: none"> • Buckinghamshire • Milton Keynes 	£4k
Oxfordshire	<ul style="list-style-type: none"> • Oxford 	£2k
Berkshire	<ul style="list-style-type: none"> • West Berkshire • Wokingham • Bracknell • Windsor and Maidenhead • Reading • Slough 	£12k
East Sussex	<ul style="list-style-type: none"> • East Sussex 	£2k
West Sussex	<ul style="list-style-type: none"> • West Sussex • Brighton and Hove 	£4k
Kent	<ul style="list-style-type: none"> • Kent • Medway 	£4k
Total		£38k

Total spend of ChangeUp funds	£38k
Match funds from existing	£70k

3. Enhancement and further development of the fledgling VCS regional social enterprise network

Throughout the development of the regional social enterprise strategy the VCS have been very involved, via RAISE and other organisations. Bringing the VCS together through regional events, think tanks, workshops, and conferences has created a database of interested VCO's. Approx 60% of these organisations are infrastructure organisations with the remainder being frontline organisations.

RAISE would like to utilise their skills to develop this regional network further to include;

- Development of the database and e-mail communication/group
- Creating stronger links to the regional social enterprise strategy website with a specific VCS focused area
- To support the development of a minimum of 4 VCS led events across the region to track the development of the local social enterprise networks and VCS involvement with IDP's.

Potential Outcomes of investment in this area of work:

- Offers the opportunity to support the VCS with the inevitable continuous learning curve in a non confrontational or threatening environment.
- The continuation of information dissemination through a dedicated, interested network, rather than a blanket approach to the RAISE membership.
- Create the opportunity to track the development of the VCS at a local network level.
- Offer a perspective on how the local networks are reaching out to both the IDP's and wider VCS.

Proposal:

To commission this work as follows;

Area of Work	Days of work @£350 per day	Total
Development of the database and e-mail communication/group	7 days	£2,450
Creating stronger links to the regional social enterprise strategy website with a specific VCS focused area	7 days	£2,450
To support the development of a minimum of 2 VCS led events across the region to track the development of the local social enterprise networks and VCS involvement with IDP's.	20 days	£7,000
Total		£11,900

There are no funds currently allocated to this area of work within the regional social enterprise strategy funds.

Fund Management:

RAISE would like to offer to fund manage this programme of activity as we already have social enterprise as one of our key 7 policy areas within our Business Plan 2004-2007. There is a 10% management fee for project management or in this case fund management. Therefore the total allocation of ChangeUp funds for this programme are shown in the table below

Summary of expenditure:

Activity	Expenditure	Match Funding
1. VCS and Business Link Engagement:	£40k	£300k
2. Embedding Social Enterprise into the 19 Infrastructure Development Plans in the South East Region	£38k	£70k
3. Enhancement and further development of the fledgling VCS regional social enterprise network	£11,900	
Fund Management	£10k	
Total	£99,900	£370k

**Catherine Johnstone
CEO
RAISE**