

# Business Justification Case

## Single Assurance Framework



West Midlands  
Combined Authority

**BUSINESS JUSTIFICATION CASE**

The purpose of the **Business Justification Case (BJC)** is to:

Act as a single stage business case, using the Five Case Model, for the delivery of relatively low risk spend for which firm prices are available.

A BJC may be considered within WMCA for smaller items of spend, which:

- Are not novel or contentious and
- can be procured from an existing pre-competed arrangement whilst
- recording the findings of the procurement phase to identify the option that offers the ‘most economically advantageous tender’ (MEAT) and best public value.

**To support better spending, investment decisions and better procurement, this Business Justification Case should be written using West Midlands Combined Authority (WMCA) guidance. In addition, it is a requirement that all proposals for public funds submitted to WMCA are guided and based around the HM Treasury’s Green Book and supporting information can be found [here](#).**

<b>PROJECT DETAIL</b>			
<b>Project Name:</b>	Social Economy Growth Programme		
<b>Programme Name (if applicable)</b>	Business Support & Place Based Clusters		
<b>Directorate (if WMCA internal):</b>	Strategy, Integration & Net Zero (SINZ)		
<b>Organisation (if WMCA external):</b>	Subject to Tendering & Selection process		
<b>GOVERNANCE</b>			
<b>If external to WMCA, when was this project approved by your internal governance?</b>			
<b>STAKEHOLDER INVOLVEMENT</b>			
Provide the names of the following stakeholders who have been sighted on this business case prior to submission, note this is a mandatory requirement:			
<b>Senior Responsible Owner (SRO):</b>	Melissa Brown		
<b>Programme SRO (if applicable)</b>	Charles Rapson		
<b>WMCA Executive Director:</b>	Ed Cox		
<b>Finance Lead:</b>	Aqeel Rizvi		
<b>Legal Representative:</b>	Angela Wills		
<b>Procurement Lead:</b>	Victoria Zhao		
<b>Other (i.e. HR / Health &amp; Safety):</b>	n/a		
<b>VERSION CONTROL</b>			
<b>Version:</b>	1	<b>Date:</b>	24 Feb 2023
<b>BJC Prepared by:</b>	Charles Rapson	<b>Job Title:</b>	Strategic Lead – Social Economy Growth

## EXECUTIVE SUMMARY

PLEASE PROVIDE A ONE-PAGE STAND-ALONE SUMMARY OF THE PROPOSED PROJECT WHICH INCLUDES

- A BRIEF PROJECT DESCRIPTION AND WHY IT IS NECESSARY
- TARGET OBJECTIVES
- ASSOCIATED OUTPUTS

The Social Economy plays an important part in achieving inclusive growth. In January 2020, the Mayor launched a strategy to double the size of the Social Economy from an estimated £3.5bn per annum to £7bn and released a paper, produced by a sector-led Social Economy Task Force, entitled *“Growing the Social Economy in the WMCA area: A Framework for Action”*. <https://bit.ly/3DqggCF>

In the two years which have elapsed since the Framework document was authored, market conditions and needs have changed in two key areas.

- The number of Social Enterprises starting in response to the pandemic and cost of energy/living inflation has increased significantly. At the same time, many have closed.
- The amount of external support for start-up enterprises has fallen sharply and likely to remain low.

The plan outlined in this BJC has been developed for phase 1 of Social Economy Growth Framework that recognises the above factors. It focuses on two parts of the ecosystem – (A) Business Support and (B) Place Based Clusters – but these have an impact on other elements of the ecosystem identified within the Framework such as Contract & Investment Readiness and Sector profile & awareness:

### **(A) Business Support (CWGLEF £1.743m)**

This will provide specialist business support programmes for 120 organisations to help them gain the skills and confidence needed to run a sustainable social business plus a further 40 with contract & investment readiness targeted to organisations with the capacity to engage with major investment.

It also acknowledges the fact that WMCA wishes to increase the involvement of Social Enterprise in the delivery of major investment programmes; uptake of Social Investment in the region is poor; and survival rates are below the national average.

15% of Social Enterprises have Environmental action as their prime objective. This will be reflected in recruitment targets. Over half of the remaining sector has environmental impact as a secondary objective

The Social Economy growth strategy is closely aligned with the mainstream Business West Midlands programmes. Two members of the Business West Midlands team are involved in the Social Economy Advisory group and the Social Economy Growth Lead is in regular contact with the wider team to ensure continued alignment and secure referral routes between both activities. Ongoing dialogue will continue, and the two areas will shortly come under the same directorate.

## **(B) (B) Place Based Development/Clusters (CWGLEF £215k + WMCA £150k & PtC £35k)**

7 areas will be selected in partnership with the 7 Metropolitan local authorities where there is evidence of social economy activity and potential for growth.

A lead organisation in each locality will receive a development grant of £50k to facilitate bringing together the local community, organisations, and stakeholders to create a development plan that addresses local need and links social enterprises and trading VCOs with wider opportunities and markets locally and across the region.

The outcome of which will be an action plan and business case that can attract additional investment.

Note: There is an 8<sup>th</sup> 'cluster' which is funded by our partners, Power to Change – Witton Lodge Community Association for Perry Barr.

### **Supporting Actions (CWGLEF £42k + PtC £40k)**

- **Communication & Engagement (£32k)** - Raising the profile of and levels of engagement with all parts of the Social Economy.
- **Monitoring & Evaluation (£40k)** - Data that demonstrates the impact and effectiveness of such interventions from a number of sources is limited and inconsistent. Gathering impact data and case studies will help secure and inform future investments.

The organisation(s) brought in to deliver the business support programme and the lead organisations in the place-based clusters will be required to gather impact data against several key metrics and undertake an internal evaluation of the programme. The value of contract delivery costs reflects this.

The specific value of £40k set out in the Business Justification is purely for an independent assessment of impact and value and the true amount of spend on evaluation will be closer to £80k.

There are additional sources of data, such as Social Enterprise UK who undertake regular research including regional and monthly barometer reports.

The limitation of this fund is the end date of March 2025 which does not allow for more meaningful longitudinal evaluation.

Future phases of the 10-year Social Economy Growth plan will include deeper longitudinal evaluation.

- **Contingency (£10k)** – Providing the ability to respond to emerging opportunities or challenges.

FINANCE SUMMARY

<i>Table 1</i>	
Finance Summary	BJC (£)
<b>Total Project Cost:</b>	<b>£2,225,000</b>
<b>WMCA Funding Required:</b>	£2,000,000
<b>WMCA Funding Stream:</b>	DCMS (CWGLEF)
<b>Funds Secured:</b>	<b>£225,000</b>
<b>Funds Not Secured:</b>	£2,000,000

N.B. The funding allocation for this programme has been approved by the WMCA Board and has been announced by DCMS. However, the business case for the overall CWGLEF has not yet received final sign-off by government, hence the table above indicates that the CWGLEF funding is not secured. We expect government sign-off to come through in April 2023.

### Return on Investment

From available impact evidence, a Social Return on Investment can be estimated of at least £3.57 for every £1 invested can be achieved, rising to as much as £21.28 over 5 years.

No. of Participants	~ Cost	* SROI 1 Year Per £1 invested	* SROI 5 Years Per £1 invested
160	£1,743,000	£3.57 to £8.11	£9.24 to £21.28

~ Costs are delivery (subject to tender) and include incentivised Match Trading grants for participants of £909k.

\* SROI is indicative based on several data sources covering just under 3000 social enterprises and calculated by forecasting a range of outcomes, lowest & highest, for revenue growth, number of additional FTE jobs & additional Volunteering hours. Jobs and volunteers valued at the national living wage. The final figure is then scaled according to the level of attribution participants gave to the support provided – ranging from 1/3<sup>rd</sup> to 3/4<sup>ths</sup>.

1 - STRATEGIC CASE

PROVIDING STRATEGIC FIT SUPPORTED BY A COMPELLING CASE FOR CHANGE

1.1 PROJECT SPENDING OBJECTIVES AND ALIGNMENT TO WMCA AIMS

Specify the spending objectives for the project. Note, all programmes need to consider Inclusive Growth and its contribution to Net Zero. These should focus on the target outcomes for the intervention and be SMART (Specific, Measurable, Achievable, Realistic and Time-Dependent). Desired outcomes include improved economy, efficiency, effectiveness, replacement and compliance.

**Table 2**

#	Objective	Quantitative Baseline	Target	Specific actions to achieve objective	How will the customer be impacted? (i.e. Outcomes)	Alignment to WMCA Aims and Objectives
1.	Improved Business Skills & Confidence across a wide range of Social Economy organisations (120 in year 1).  Includes additional targeted focus on Investment readiness and	The need to increase levels of business skills and confidence to grow, invest and secure public sector contracts.  (SEUK State of the Sector, West Midlands Report)	160 Social Enterprises supported  A +20% increase in Business Skills & Confidence.  An increase in employment (c290 FTE)  An additional +380k volunteer hours pa	A range of Business Support programmes that are geared and responsive to the needs of Social Enterprise and accessible to all sections of that community.  Specific focus on Investment & Procurement Readiness targeted towards WMCA & LA key investment areas.	Improved sustainability  Income & Employment Growth  Increased support for disadvantaged people and communities  <i>e.g. #1 Colebridge Enterprises, having participated in such a programme, went from a £100k per annum operation with 85% grant funding to a +£300k pa turnover with zero grant funding.</i>	Promote inclusive economic growth in every corner of the region

## SINGLE ASSURANCE FRAMEWORK

	<p>Procurement readiness. (40)</p> <p>Include targets for participation for disadvantaged communities, minoritized groups and environmental focused organisations</p>		<p>An increase in trading revenue of +£8 million pa (21%)</p> <p>An additional c100k beneficiaries pa</p> <p>Additional targets for participation from organisations from disadvantaged communities and environmental organisations</p>		<p><i>In the process, they created 20 jobs for disadvantaged people, 50% of these have a learning disability.</i></p> <p><i>e.g. #2 Rising Stars Property Services went from a start-up in 2013 with zero assets or revenue by attending a similar programme with a small grant and are now the 3<sup>rd</sup> largest Commercial &amp; Industrial Cleaning company in the region, servicing around 20,000 properties.</i></p> <p><i>Both would say the support programmes attended were transformational.</i></p>	
2.	<p>Develop place-based clusters to encourage cooperation, pool resources, share best practice, engage the whole community and build a local eco-system</p>	<p>Informal and unstructured with organisations working in isolation with only limited resources and little collaboration.</p>	<p>A series of 7 linked local clusters across the region who work with 10 organisations each and work in partnership to create a local action plan and eco-system. And to connect to support each other and share best practice.</p>	<p>Provide resources and guidance to build on and shape activity already in place and create connections between each place</p>	<p>Efficiency &amp; Effectiveness</p> <p>Improved sustainability</p> <p>Income &amp; Employment growth</p> <p>Increased support for disadvantaged people and communities.</p>	<p>Ensure everyone has the opportunity to benefit</p>

## SINGLE ASSURANCE FRAMEWORK

3.	Engage Social Economy organisations in the development, implementation and ownership of the ecosystem and growth plans	Dwindling engagement and loss of faith over time. (Conversations began in 2018. Framework published 2021)	Positive and proactive engagement from a wide range of partners that reflects the Social Economy	Prove through tangible and visible action by delivering the first parts of the growth plans and ensure these are widely understood and accessible	Partnership working Programme effectiveness Community cohesion	Develop our organisation and our role as a good regional partner
4.	Develop an evidence base on the effectiveness and impact of interventions	Limited evidence base other than evaluations from external organisations that are short term, incomplete and missing key data	A solid evidence base that will better measure programme impact and focus on WMCA priorities	Set up robust measuring and data collection on key indicators	Efficiency & Effectiveness	Secure new powers and resources from central government
5.	Contingency Response	No current contingency provision	Provide funding to realise emerging opportunities and/or overcome unforeseen barriers	Monitor market, economic, health and performance trends and metrics	Response capability	Develop our organisation and our role as a good regional partner



## 1.2 EXISTING ARRANGEMENTS AND BUSINESS NEEDS

Provide a complete summary of the organisation's current service model referring to its Business as Usual (BAU) offer, this may also include elements of services provided within the organisation's external environment.

Also, state the deficiencies associated with the current provision and the implications if the project does not proceed.

- Include suitable quantification of needs/demands where possible.
- Provide details around the service gap – i.e., the difference between current provision and where the business wants to be in line with the spending objectives of this proposal
- Why is public sector investment required?

### BAU

Investment in the social economy within the region to date has been more reactive rather than proactive – maintaining the status quo or responding to short term needs or opportunities. Some seed funding, or funding short term initiatives have been made. The investment is patchy across the region and there has been no concerted pan-regional strategy or investment in any structured social economy growth programme.

LEPs have provided support, albeit largely designed for mainstream business rather than tailored to the needs of the Social Economy. Restructuring of the Growth Hubs will reduce the support until alternative provision is in place. Discussions with the Economy, Skills & Communities Directorate are taking place to establish how any new business support provision can be more accessible and relevant to Social Economy organisations.

Other mainstream business support is available but does not always recognise the unique nature of the Social Economy and the entrepreneurs involved, nor does it fully address their specific needs. Engagement by the sector with business support programmes is weak.

### External Environment

There is a limited number of support organisations for the social economy. These rely on trading, commercial sponsorship, in kind support and grant funding with some local, regional, central government or EU funding.

There has been a loss of EU funding and limited reach, to date, from Levelling Up funds, and a recent significant reduction in start-up support caused by end of grant, contract or sponsorship plus economic stagnation and competition for limited resources (e.g. *iSE & SSE*).

We have seen a recent surge in start-up businesses in response to Covid and Cost of Living issues (*SEUK*), and demand that greatly exceeds supply by a factor of 4 to 5 (*SSE*).

### Service Gap

Social Entrepreneurs are predominantly 'experts by experience' who have a deep understanding of the complexity of the social issue they are tackling and who are creative in developing solutions. But they often lack the necessary business skills and confidence to make a longer-term success of their social enterprises, and they can find mainstream business support difficult to engage with.

The level of provision of specialist support from within the sector falls significantly below the demand. Specialist support that understands the social economy model, can address the challenges and which provides a safe, non-judgemental space is highly valued. *(SSE demand at 4 to 5 times available support & Feedback gathered through Social Economy Task Force work).*

Peer learning, with likeminded individuals, is valued as it creates support networks that continue beyond the duration of any support programme. *(Feedback gathered through Social Economy Task Force work).*

### Public Sector Investment

A pan-regional programme, taking a full ecosystem approach, will provide an environment which will make growth easier and more purposeful. A longer-term strategic investment programme will provide a more effective use of public funds by addressing all the barriers to growth – being proactive rather than reactive.

WMCA's goal is to grow the Social Economy from £3.5bn to £7bn within 10 years.

The Social Economy has grown slowly and organically in response to societal and environmental issues. Major events such as Covid stimulate growth and the need for support at a time when resources to meet that need are most limited.

To realise the ambition to double the size of the social economy over the next 10 years, further significant investment is required beyond what the sector can access through current investments, grants, sponsorship or generate from its own trading activity.

Evidence was gathered by the School for Social Entrepreneurs in a survey of 1393 participants across various programmes plus a study of 600 recipients of support programmes which had a Match Trading™ (aka Trade Match) grant. This demonstrated that a support programme with Match Trading grant produced an increase in trading of up to 35% and between 2.5 and 4 FTE jobs. This translates into a Social Return on Investment of up to £18 for every £1 invested. Evidence from Aston Business School, Goldman Sachs 10K SME programme (albeit different methodology and cohort make up) supports this.

In 2018, a Social Economy Task Force was established made up of over 30 individuals with experience of, interest in, or ability to influence the Social Economy. The Task Force undertook extensive study of the current needs and provision, looked at available (albeit limited) data and best practice around the country. From that work came “**A Framework for Action**” document in July 2021 which described the eco system needed to grow the Social Economy. This paper was adopted by the WMCA Board in November 2021.

The document can be found at <https://bit.ly/3DqggCF>

The Framework included outline business cases on two ecosystem areas covered in this Business Justification – “Business Support” and “Place Based Clusters”.

The specifics around both have been modified from what was originally set out in the Framework, in order to reflect developments in the Social Economy since the Framework document was authored –

primarily the surge in new start up organisations in response to Covid and the cost of living and how this has impacted on the sector and communities.

Additional consideration has also been made as to how these programmes can also contribute to other parts of the ecosystem, in particular:

- Access to Finance & Investment
- Access to Markets
- Commissioning & Procurement
- Social Economy Marketing & Profile

### 1.3 PROJECT SCOPE AND SERVICES

To deliver potential service improvements, it is useful to classify needs / requirements. For this project, please outline the requirements of the project based on the following hierarchy:

<i>Table 3</i>	
<p><b>The 'Essential' requirements</b></p> <p><i>Without these requirements, the project would not be judged to be a success i.e. the 'must have'</i></p>	<p>A broad package of business support programmes that reaches as many organisations as possible – early stage to larger mature organisations. In this case 120. Including specific training in Investment &amp; Procurement readiness. Also Post programme support to ensure any remaining barriers to growth are addressed and survival rates improved. (£1.743m)</p> <p>Support for local cluster development and investment that extends across the region. One in each of the main LA areas – 7 in total. (£215k)</p>
<p><b>The 'Desirable' requirements</b></p> <p><i>The project may justify these requirements on a value for money basis i.e the 'could have'</i></p>	<p>A system of gathering impact data to create an evidence base that will justify future investment and guide future investment decisions. (£20k).</p> <p>A budget to support communication and engagement with the sector, through existing and revitalised networks. For example, an extension of the Birmingham (Digbeth focused) Social Enterprise Drive across the region. And funds to demonstrate the value of input from previously unfunded voluntary involvement. (£12k)</p>
<p><b>The 'Optimum' or 'Highly Desirable' requirements</b></p> <p><i>The project may justify these requirements on a marginal low cost and affordability basis i.e. the 'nice to have'</i></p>	<p>Contingency funds to take advantage of emerging opportunities or address any unforeseen barriers to success (£10k)</p>

1.4 KEY RISKS

Specify the main risks associated with the achievement of the project's objectives. Outline the proposed counter measures for avoidance, mitigation, and management.

The information provided should align to the Risk Register and Issue Log attached with this BJC.

*Table 4*

ID	Risk	Impact (1-5)	Probability (1-5)	RAG Rating	Risk Owner	Mitigation
1	Failure to recruit suitable delivery partners for the Business Support elements	4	1	Green	Charles Rapson	Allow sufficient time to respond to the tender, even if this means taking steps towards this in Q1 23/24 ahead of Investment Board sign-off. There are a number of organisations waiting and with capacity to deliver.
2	Failure to identify suitable place-based Clusters that meet the investment criteria and willingness or capacity to deliver	4	1	Green	Charles Rapson	Early work with LAs to identify and support suitable areas and lead organisations.
3	Failure to recruit/engage enough suitable Social Entrepreneurs for the Business Support programmes	4	1	Green	Charles Rapson	Demand already exceeds supply, and so we expect grant funding to incentivise participation. The key mitigation here will be communication & engagement about the programme through existing networks, channels & events, and through Social Media & Press
4	Drop out of participants from Business Support programmes.	4	2	Amber	Charles Rapson	A degree of drop out is inevitable. Grants to participants tied to attendance for early-stage enterprises and trading performance at latter stage enterprises provides a powerful incentive.

## SINGLE ASSURANCE FRAMEWORK

						<p>Include minimum attendance/completion in contracts with providers and a responsibility to secure attendance.</p> <p>Careful and rigorous recruitment process to ensure commitment from participants.</p> <p>A formal learning agreement between participants and provider.</p>
5	Lack of engagement and cooperation within the local Clusters between the lead organisation and other local organisations due to political or personal reasons or different agendas.	3	3	Amber	Charles Rapson & LA Leads	<p>Work closely with LAs on the selection of localities and lead organisations.</p> <p>Build on work already underway rather than starting from scratch.</p> <p>Call for expressions of interest with clear expectation of outcomes</p> <p>LA involvement in fostering good partnership working.</p> <p>Create strong, purposeful connections between local clusters to share best practice and learning.</p>

### 1.5 CONSTRAINTS

Specify any constraints that have been placed on the project.

To date, the absence of funding plus Covid and internal resource, has delayed tangible action on this programme which was announced in January 2021.

Support from Power to Change has resolved the internal resource issue. Commonwealth Games Legacy Funding will enable a substantial start to this commitment.

This proposal is just one part – the first phase - of a longer-term investment in growing the Social Economy with no real indication, as yet, of where future investment might come from. The expectation or hope amongst some parties is sight of a 10-year plan.

To address this, monitoring and evaluation is key to building a strong evidence base to demonstrate the impact and justify future investment. Current evidence is limited and compromised.

Support from the Social Economy Task Force and Virtual Team is vital to gather evidence in order to justify further investment and partnership working to secure investment.

Engagement with a broad range of sector partners via the Social Economy Advisory Board in developing the longer-term plan will assist in demonstrating commitment beyond one year. This may require demonstration of value through reimbursement for specific work streams.

### 1.6 DEPENDENCIES

Specify any dependencies outside the scope of the project upon which the success of the project is dependent.

The success of these social economy programmes is linked to the overall state of the economy. The Social Enterprise UK February 2023 barometer report indicates that up to 18,000 Social Enterprises nationally are at risk of closure this year (c.2000 in the West Midlands), which demonstrates the need for the funding.

The programme has very low levels of dependency on other projects so it is very unlikely that this would be a source of delay or failure. Unexpected or significant events, such as Health, Climate, Humanitarian or Economic, that impact delivery or shift the baseline significantly could have an impact, but this risk applies across the board rather than specifically to Social Economy schemes. Change in Leadership or Key Stakeholders at a local, regional & national level which may result in policy changes that shift the priority away from or put even greater focus on the Social Economy.

**2 ECONOMIC CASE**

*MAXIMISE PUBLIC VALUE TO SOCIETY THROUGH THE SELECTION OF THE OPTIMAL COMBINATION OF SCOPE, COSTS AND OUTCOMES*

**2.1 CRITICAL SUCCESS FACTORS**

List the critical success factors i.e., what must this project achieve to be successful?

*Table 5*

#	Critical Success Factor (CSF)	Alignment to Project Objectives
1.	Issue ITT and select best quality provider(s) for Business Support aspects with adequate response time and transparent selection criteria	Maximising impact through improved Business Skills and Confidence and other key economic & social metrics through programme delivery by an experienced and effective partner.
2.	Recruitment of participants on the Business Support programmes through a robust selection process and eligibility criteria.	Maximising impact through improved Business Skills and Confidence and other key economic & social metrics through participation from the right candidates.
2.	Selection of suitable local clusters with the support of the 7 main LA members	Develop place-based clusters to encourage cooperation to develop sustainable local plans and eco-systems.
3.	Restore faith and involvement in the WMCA Social Economy Growth objective	(Re) Engage Social organisations in the development, implementation and ownership of the eco-system and growth plans.
4.	Collect and analyse robust impact data on the key performance metrics	Develop an evidence base on the effectiveness of interventions.
5.	Enable rapid response to emerging opportunities and/or challenges	Maintain a contingency provision to enable a speedy response to emerging opportunities or challenges.

**2.2 BENEFITS APPRAISAL**

Validate the main benefits associated with the achievements of the project's spending objectives by beneficiary. Distinguish benefits from outcomes.

*Table 6*

#	Benefit	Benefit Type	Beneficiary
1.	A stronger, more sustainable, resilient Social Economy that's growing	Inclusive growth	Social Economy organisations and the infrastructure that supports them.

2.	Increased employment & volunteering opportunities and increased impact.	Inclusive growth	Disadvantaged individuals and communities.
3.	Greater cooperation and partnership working within local communities leading to better outcomes and cohesion	Community engagement, cohesion & Inclusive Growth	Lead and partner organisations and the communities they serve.
4.	A sense of ownership and responsibility for growth within the social economy	Sector led and beneficiary focused development.	Social Economy organisations and those they support
5.	A more robust data set which demonstrates impact that helps secure further investment.	Secure new powers and resources which will in turn be better targeted to areas of need	Social Economy organisations and the supporting infrastructure
6.	An ability to respond to opportunities, unforeseen obstacles or events	Develop our organisation and role as a good regional partner	The Social Economy and those they support.

Item 1 is a Quantifiable benefit that can be measured via the Social Economy Monitor conducted by Social Enterprise UK. This is an annual report. This provides a picture of the state of the sector and can be compared to previous data.

Item 2 is a Cash Releasing benefit that can be measured as part of the delivery partner contract and monetised. A real time measure of employment, volunteer value and beneficiary reach can be gathered at the start, mid-point and end of the programme with the option of longitudinal research.

Items 3, 4 & 6 are Qualitative benefits that cannot be measured nor monetised but can be evidenced through case studies.

Item 5 is a Non Cash Releasing benefit that can be measured and monetised to secure better investment decisions and efficiency of spend.

### 2.3 VALUE FOR MONEY ASSESSMENT

Complete the table below to provide decision-makers with a summative VfM assessment:

<i>Table 7</i>	
<b>Social Benefits and Costs</b>  (With ranges)	Total Programme Costs - £2m from CWGLEF plus £225k from WMCA and Power to Change.  Social Return on Investment is calculated by the sum of Income growth, FTE Jobs created and additional Volunteer hours. Jobs & Volunteer Hours are valued at the national living wage. The final value reflects the level of attribution participants allocated to the



	<p>support. The span of values reflects the lowest &amp; highest results from the data available.</p> <p>The data used comes from a combination of impact studies by The School for Social Entrepreneurs across various funded programmes, the Match Trading Task Force, Aston Business Schools 10k Goldman Sachs programme, and Power to Change Community Business programmes.</p> <p>A SORI of between £5.9m &amp; £13.4m million in year 1 = between £3.57 and £8.11 for every £1 invested in year 1</p> <p>The continuing impact over 5 years, produces a SORI of between £15m &amp; £35m = Between £9.24 and £21.28 per £1 invested</p>
<p><b>Whole Life Public Sector Costs of Preferred Option (£m)</b></p> <p>(Aligned to Section 3.2 below)</p>	<p>£2.2 m in year 1. (£2m CWGLEF)</p> <p>An estimated £25 million over 10 years would be required to develop the full eco-system and double the sector size.</p>
<p><b>Value for Money Judgement</b></p> <p>(Why is this option being chosen over others)</p>	<p>This proposal provides a minimum Social Return based on income growth, job creation and volunteering value of £3.57 for every £1 investment in year 1 alone with benefits continuing over future years. This is before accounting for the social value for the final beneficiaries supported and is hence a conservative estimate</p> <p>This option provides the broadest level of support, across the region to the maximum number of beneficiaries within the available funds.</p> <p>It provides the best return on investment.</p> <p>It engages a wide range of Social Economy organisations and communities.</p> <p>It gives the widest tangible signal of WMCA commitment to the Social Economy</p> <p>It provides some contribution to other aspects of the social economy ecosystem</p> <p>It is also the least risky in that it is using, largely, tried and tested approaches and extends the support to a large cross section of the Social Economy.</p> <p>It secures impact data to inform future investment.</p>



It is responsive to emerging needs, barriers and opportunities.

2.4 OPTIONS ANALYSIS AND APPRAISAL

**Analysis** - Please identify a minimum of 4 options and complete a shortlisting exercise within the table below; options must include 'BAU/Do Nothing' and 'Do Minimum'.

*Table 8*

Option	Description	Shortlisted (S) / Rejected (R)	Meets Objectives? (Y/N)
1.	Business As Usual – Uncoordinated investments	R	N
2.	Limited Business Support for high growth organisations only & Limited Clusters	S	Y
3.	Invest and support a limited number of high growth organisations only (e.g. £500k in 4 organisations)	R	N
4.	Programme as outlined in this paper	S	Y

**Appraisal** – Using the same option numbering above, complete the following options appraisal summary:

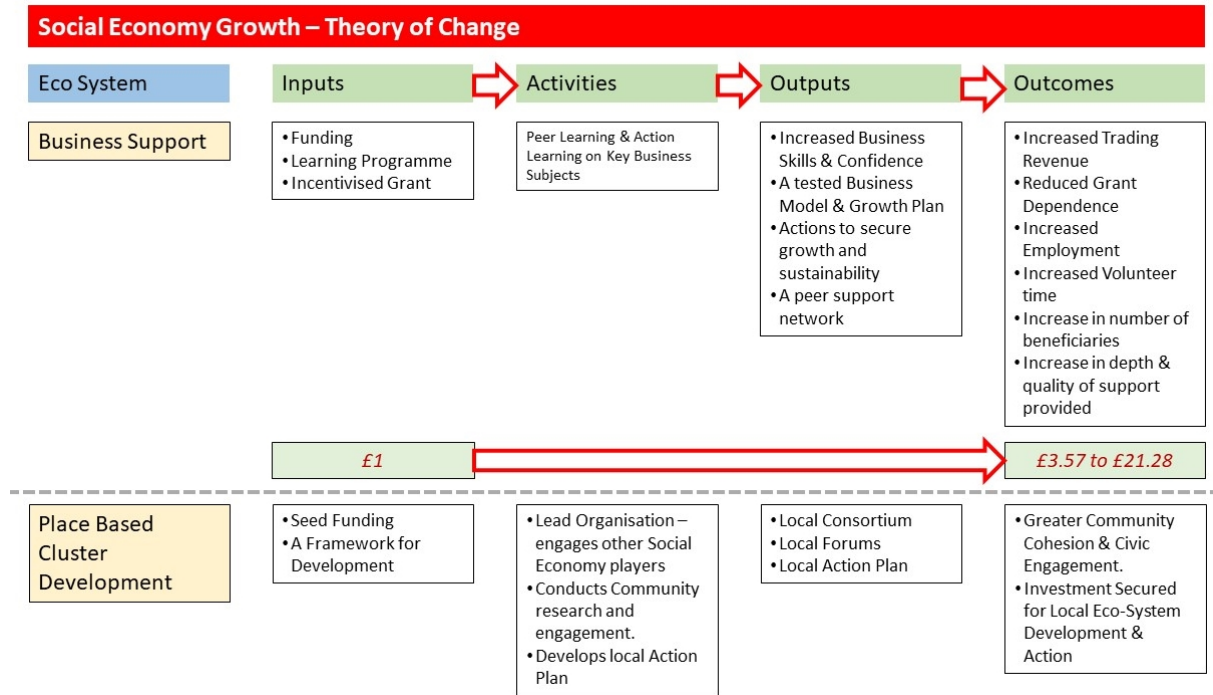
*Table 9*

	Option 1	Option 2	Option 3	Option 4
<b>Net Costs</b> (opex)	£0	£1.5 m	£2 m	£2.225m (£2m from CWGLF + £150k WMCA + £75k PtC)
<b>Benefits that arise</b> (monetary and non-monetary)	£0	Up to £2 m SROI  Supports 45 SEs & 2 Clusters	£?  Supports only 4 organisations with growth potential	Between £5.8m & £35m SROI  Supports 120 SEs, plus 40 additional on Investment & Procurement Readiness + 7 Clusters
<b>Risks associated</b>	Reputational risk to WMCA after public launch of programme. Especially with Social Economy players.	Some new start-ups and early-stage enterprises fail.	No evidence base. High risk that no benefits arise. Too many eggs in too few baskets	Minimised, spread and manageable

2.5 RECOMMENDED / PREFERRED OPTION

Please confirm which Option you deem to be the preferred option. Conclusions should be drawn on each of the different options considered in terms of cost, benefit, risk and its ability to meet the spending objectives.

Theory of Change



Option 4 - Preferred Route

This is the route proposed by the Social Enterprise Task Force and described in the Social Economy Growth Framework with updates to reflect the current market conditions.

Business Support programmes for 120 organisations plus 7 local Clusters with budgets for Communication, Engagement, Measurement & Evaluation and contingency. Delivered by trusted partners with experience, a strong track record and evidence base. It also enables targeted capacity building around Investment & Procurement Readiness. This option produces the largest SROI benefit and spreads the least and most manageable risk.

It also provides the best signal of WMCA commitment to growing the Social Economy with the largest number of beneficiaries across the entire region and helps with engaging support across the sector and key local authorities.

Option 1 - BAU/No Action

Whilst this has zero financial cost it does nothing to grow the economy and has zero return. There is however a reputational risk to WMCA having made a commitment 3 years ago. There is a risk, therefore, that Social Economy organisations disengage with the process and are left with bad experience of years of engagement.

Option 2 - Reduced Programme

67% of the preferred route would provide a much-reduced return in that it would only support 45 businesses and 4 clusters. It would leave at risk, a significant part of the Social Economy. It also risks sending out the wrong messages about the WMCA commitment to the sector.

### Option 3

A sizeable investment and support for a small selection of Social Economy organisations could benefit a few with limited and localised reach but high risk of focussing on a very small proportion of the sector. This does not signal 'growing the social economy' and leaves large numbers of vulnerable people without the help they need.

**3 COMMERCIAL CASE**

*COMMERCIALLY VIABLE AND ATTRACTIVE TO THE SUPPLY SIDE*

**3.1 EXPECTED OUTPUTS**

List the goods, services and works that will be procured in relation to the recommended / preferred option within the table below:

<i>Table 10</i>	
<b>Output 1</b>	A programme of business support to 120 Social Enterprise organisations plus 40 on investment & procurement readiness across the region enabling them to improve business skills and confidence
<b>Output 2</b>	The development of local area plans led by a local anchor organisation and involving all Social Economy and other stakeholders in those localities.
<b>Output 3</b>	A series of workshops and training events to raise awareness and understanding of the public sector procurement process and how social investment can facilitate increased %age of public sector contracts with Social Enterprise.
<b>Output 4</b>	A marketing & communications strategy to demonstrate WMCAs commitment to growing the Social Economy and Inclusive Growth
<b>Output 5</b>	Reengagement of Social Economy organisations and revitalisation of networks.
<b>Output 6</b>	Collaborative activity in at least 7 localities across the region with connectivity created between the networks.
<b>Output 7</b>	An evidence base of impact data to better demonstrate the Social Return and secure future investment

**3.2 ROUTE TO PROCUREMENT AND EXISTING RULES AND REGULATIONS**

State the ability of the marketplace to provide the required goods or services and the attractiveness of this proposal to potential service providers. Also include detail on how the respective procurement and legal teams have been consulted with regards to the impact of subsidy control on the project (including HR/IT personnel implications).

For the business support elements there are 3 key organisations that have been engaged in the process to date, who have the capacity skills, experience and track record and are eager to deliver this programme. They are iSE, School for Social Entrepreneurs and Aston Business School. There will be others across the region within the Social Economy, Academia and Private Sector able to deliver parts at least. These elements would be broken into Lots to enable organisations to bid on those parts they have most experience in and capacity to deliver.

For Clusters, there is work to do around selecting these areas and lead organisations. Knowledge will exist in the 7 main Local Authorities on where these clusters would be best located and who the lead organisation might be. Solihull and Wolverhampton are already interested and would be able to support. This presents an opportunity to engage LAs more closely in the overall strategy. An 8th Cluster will be selected with support from Power to Change who are contributing financially.

In terms of Communication & Engagement, there are existing channels and networks through which this can and best happen – for example, BSSEC, iSE, SSE, SWEDA, CWCDA, CVSSs, etc. There are also events on the horizon such as the Social Enterprise Drive which has been Birmingham/Digbeth focused but should extend across the region.

Data collection will be built into this work stream and could be built into other external activity if we are clear what data needs to be collected and why. For example, the Arts Council sponsored programme at SSE was primarily interested in the leadership skills and confidence growth of participants. However, revenue, employment, volunteering and beneficiary reach were also impacted but not formally recorded. It would not be difficult to embed these metrics.

Business Support will be a competitive process, managed through the WMCA Common Assessment Framework process and subject to contract.

Finance have been provided with spend projections to End March 2025.

The Cluster element and lead organisation will be selected by local authorities (and Power to Change) with support from WMCA Strategy, Integration and Net Zero Directorate. Clusters will develop an outline work plan against a template and contractual arrangements set against this.

Procurement and Legal Teams have been provided with details of this Business Case and have no specific comments at this stage. They have already seen and approved the contracts and agreements with two key partners, Power to Change and Barrow Cadbury Trust. Draft specifications for the two key elements – Business Support and Place based Clusters have been provided for consideration. They will continue to work with the SRO and Programme SRO on the best procurement route and to ensure legal compliance.

### 3.3 CHARGING MECHANISM

State how the project intends to make payment for its key services and outputs over the expected lifespan of the contract(s) and to tie down risks in the charging mechanism. Include details of the contract for the deal.

Payments for key services should be made at quarterly intervals, in advance, during the duration of the programmes with a %age held pending final impact report. Projections, based on £2.0m CGLF, are:

Q1 23/4	Q2 23/4	Q3 23/4	Q4 23/4	Q1 24/5	Q2 24/5	Q3 24/5	Q4 24/5
0%	26%	8%	15%	26%	0%	0%	25%

**NB:** *Payments in advance is necessary in a sector with limited working capital or reserves and where much of its funding is ring-fenced.*

### 3.4 RISK APPORTIONMENT



## SINGLE ASSURANCE FRAMEWORK

Clarify the potential risk apportionment and identify how the service risks in the design, build, funding and operational (DBFO) phases of the project may be apportioned between the public and private sectors. This should align to the Risk Register appended to this BJC

Selected providers will be expected to adhere to the terms of the contract.

The Business Support and Cluster development would be co-designed with providers and participants.

For Business Support, providers will bid in against a clear specification and desired outcomes. They will be required to design the precise delivery with the participating entrepreneurs to ensure individual skills gaps and barriers are addressed.

Following completion of the main Business Support programmes, participants will receive additional one to one tailored support through the 'Sustain' element to ensure lessons learnt are being applied effectively and any remaining barriers are addressed.

For Cluster development, expressions of interest will be sought against a clear set of objectives and outcomes. These will be discussed in detail with LAs to select the most fruitful and provide additional support.

Clusters will be connected to share learning and best practice. The aim being to create a network of connected communities who will continue to share and support each other.



**4 FINANCIAL CASE**

*AFFORDABLE AND FUNDABLE OVER TIME*

Unrounded figures should be used throughout the Financial Case

**4.1 CAPITAL AND REVENUE FUNDING STATEMENT**

A summary of the overall affordability of the project and the funding that has been secured to date must be provided.

All secured funding identified below should be verified by a written confirmation attached to this BJC with details of any conditions etc.

*Table 11*

	Status (Secured / Not Secured)	£M
<b>Gross Costs</b>		<b>£2,225,000</b>
<b>Revenue</b>	Not Secured	£2,000,000
<b>Revenue</b>	Secured	<b>£225,000</b>
<b>Capital</b>	n/a	£0
<b>Total</b>		<b>£2,225,000</b>

*Table 12*

Funder	Amount	% of Total	Status (Secured / Not Secured)	Details of Funding Status / Timing / Conditions etc.
CWGLEF	£2,000,000	<b>89.9</b>	Not Secured	CWGLEF grant funding (pending government sign-off)
WMCA core budget	£150,000	<b>6.7</b>	Secured	Paid out as grant funding to Barrow Cadbury Trust
Power to Change	<b>£75,000</b>	<b>3.4</b>	Secured	Grant funding (with WMCA)
<b>Total</b>	<b>£2,225,000</b>	<b>100</b>		

4.2 OVERVIEW OF FUNDING AND AFFORDABILITY SUMMARY

A written summary of the overall affordability of the project and the funding that has been secured to date must be provided. Where there is a shortfall in available funding, provide details of how this will be addressed, and the level of contingency included.

WMCA has already committed £150,000 and lodged with Barrow Cadbury Trust who will manage the grant giving element to the Clusters at nil cost.

Power to Change have committed to working in partnership with WMCA and are part funding the 'Strategic Lead for Social Economy Growth' post plus committing £75,000 towards Clusters, Communication & Engagement and Monitoring & Evaluation.

The remaining £2 million is being sought from the Commonwealth Games Legacy Enhancement Fund.

£10,000 of this is held in contingency with the primary objective of using it to support emerging opportunities.

Complete the table below to provide an overview of WMCA funding:

<i>Table 12</i>	
<b>Funding Type</b> <i>Grant / Cashflow (repayable) / Underwrite</i>	Grant
<b>Funding Commencement Date</b>	01/04/2023
<b>Funding Completion Date</b>	31/03/2025
<b>Basis of Reimbursement</b> <i>Quarterly in arrears of expenditure incurred (WMCA Standard)</i>	The grant will need to be claimed quarterly in arrears from DCMS, requiring WMCA to cashflow this.
<b>Any Conditions Precedent?</b> <i>e.g. securing DfT funding. Include any spend deadlines, eligible spend outputs and high priority items likely to be included in any Conditional Grant offers or development agreements in principle (Heads of Terms)</i>	The programme will be delivered over a 9-to-12-month window which, allowing for the approvals process, tendering lead-times, recruitment of participants, management of participant Match Trading grants and monitoring & evaluation will extend this to March 2025, start to finish.  The delivery partners will be required to report on the key metrics of distance travelled in skills & confidence, income gains, jobs created, volunteering hours and beneficiary reach. This will take place at the start (baseline), middle (progress) and end (outcomes) stages of delivery.



## SINGLE ASSURANCE FRAMEWORK

	<p>A separate external independent evaluation is likely to dig deeper into the effectiveness of the programme.</p> <p>Participants will receive grant support as part of the programme. For smaller start-up organisations this will be a business development grant dependant on participation. For larger organisations on a growth or accelerator programmes, the grant will be conditioned on increased trading income on a £ for £ basis up to specified limits. This becomes unrestricted funds.</p> <p>Grants and funds can only be used for business development.</p>
<p><b>Order in which WMCA Funding is to be drawn</b></p> <p><i>1<sup>st</sup>/2<sup>nd</sup>/3<sup>rd</sup></i></p>	<p>See above payment schedule 3.3</p>
<p><b>Work streams for which WMCA Funding is available to be drawn against</b></p> <p><i>e.g. all / workstream 1, 3 and 4 etc.</i></p>	

### 4.3 BORROWING SUMMARY

Please state if any element of the project costs is to be financed by borrowing. No

If applicable, please complete the following table and provide an explanation of the borrowing required to fund this project:

<i>Table 13 – Not applicable</i>	
<b>Principle expected to be Borrowed</b>	£0
<b>Source of Finance</b>	n/a
<b>Loan Type</b>	n/a
<b>Interest Rate Assumed</b>	n/a
<b>Loan Term</b>	n/a
<b>Expected Loan Draw Down Date</b>	n/a
<b>Repayment Source</b>	n/a
<b>Other costs Associated with Borrowing</b>	n/a

#### 4.4 CASHFLOW

Complete the cashflow table below setting out both income and expenditure. Amend fiscal year dates as required and number of funding sources.

<i>Table 14</i>					
Year (fiscal)	Q1-2 23-24	Q3-4 23-24	Q1-2 24-25	Q3-4 24-25	Q1-2 25-26
<b>Income (£)</b>					
Revenue	0	743,800	923,300	£0	557,900
<b>Expenditure (£)</b>					
Revenue	(570,800)	(513,800)	(582,500)	(557,900)	0
<b>Net position</b>	<b>(570,800)</b>	<b>(340,800)</b>	<b>0</b>	<b>(557,900)</b>	<b>0</b>

#### 4.5 STAKEHOLDER SUPPORT

Evidence of stakeholder support must be provided where other public sector organisations are funding the project's outputs and services.

No other public sector body is involved in funding this programme. There is however external investment by Power to Change

The agreements and arrangements associated with these are attached.

Plans have been developed through the Social Economy Task Force and this sector engagement will continue via an Advisory Group.

For the Clusters programme the proposal is to work closely alongside the 7 main WMCA LA members in selecting and supporting development. There will be an 8<sup>th</sup> Cluster, with funding from Power to Change, with particular emphasis on Community Business. Opportunities or the need for further LA investment will be explored. For Business Support, LA involvement in recruitment would be welcome.

For the Business Support programme, there will be specialist training providers for the Business Support programmes who will work with the Social Economy Lead. However, we are keen to engage the 7 Met Authorities in all Social Economy growth activity, to help secure the desired outcomes, help with region wide participation and to seek synergies and avoid duplication with local activity.

For the Place based 'Clusters' we will be relying heavily on local authority knowledge and experience and have asked them to select the area and lead organisation. We, and the local clusters will work closely in partnership with each local authority lead.



## **SINGLE ASSURANCE FRAMEWORK**

There will be a Social Economy Advisory group set up to inform future plans. Local authority officers will be invited to participate.

## 5 MANAGEMENT CASE

*CAN BE DELIVERED SUCCESSFULLY BY THE ORGANISATION AND ITS PARTNERS*

## 5.1 MANAGEMENT AND GOVERNANCE

Provide an overview of the necessary management and governance arrangements both in the delivery phase and in operation i.e., include detail on:

Governance and decision-making arrangements

The Social Economy Growth Programme will fall within the overarching governance arrangements for the CWGLEF, which will have the following components:

- Core project team members from WMCA delivery portfolio for Senior Responsible Officer, Pillar SROs, Governance and Finance will remain throughout project delivery to ensure that there is both consistency in delivery approach and knowledge retention, adding in other areas of the business as requires such as Programme Assurance, Procurement, Human Resources, Legal and Monitoring & Evaluation.
- An internal programme team will continue through the life of the programme, being adjusted as necessary to best support the programme as it develops and grows. This will be reviewed and confirmed for the start of the delivery stage. The programme team will meet monthly (possibly more regularly at the start of the mobilisation/delivery stage). Those monthly meetings will include reports on key workstreams and provide the required details for informed decision making for WMCA as the accountable body.

The Programme Management team will be given authority to deal with small deviations from the plan, handling changes, problems and changes. These will be agreed during the project initiation and reviewed periodically. The project will also be managed live to the possibility that governance arrangements will need to be modified as the project is delivered over the course of the programme. The SRO for the programme will make the decision where items need to be escalated to WMCA Senior Leadership Team and/or WMCA Board.

It is also anticipated that the CWGLEF will have a Steering Group with partner representation. The purpose of the Steering Group will be to ensure that there is stakeholder engagement with the programme as it progresses and a mechanism for resolving any issues that require input from partners. It will also allow for regular progress updates on finances and outcomes as well as risk reporting.

For the specific Social Economy Growth Programme, there will be ongoing sector engagement on programme delivery through the Social Economy Advisory Board.

Key programme decisions and risks will be discussed with the Advisory Board as appropriate, but decision-making will run through the CWGLEF governance internal to WMCA, i.e. firstly through the Programme SRO, then the Director-level SRO, and through the Programme Management Team and/or Executive Board as appropriate.

## SINGLE ASSURANCE FRAMEWORK

The Business Support elements will go out to competitive tendering against a clear specification and outcome targets. The selection of provider(s) will be based on:

Measure	Weighting
Quality - Track record and experience in delivering similar programmes, including grant giving. Evidenced by Impact data and testimonials from past programme evaluations and data gathering.	60%
Time – The ability to deliver outcomes and evaluation within the specified time frame.	20%
Costs - including Direct & Indirect apportionment.	20%

The selection process for clusters will need to be informed by the knowledge within Local Authorities for 7 of these and Power to Change for any community business focused cluster. These organisations are best placed to judge where the greatest need, best conditions and lead partner is based.

### Contract & Project Management arrangements

Business Support providers will be required to submit a methods statement in bids.

Cluster lead organisations will be required to submit a stakeholder engagement and work plan prior to funding.

Title	Frequency	Attendees	Aim
Business Support Kick of meeting	One-off	Programme SRO and Providers	Agreeing scope, budget, timescales, ownership of risks
Cluster Kick of meeting	One per Cluster	Programme SRO, LA Lead & Cluster lead organisation	Agreeing scope, budget, timescales, ownership of risks
Quarterly Review Meetings	Quarterly	Business Support – Programme SRO & Providers  Clusters - Programme SRO, LA Lead & Cluster lead organisation	To monitor progress, attendance by participants, progress towards outcomes, risks, deviations and engagement as appropriate
Project Closure Meeting	One-off	Programme SRO, Providers, Cluster Leads and Cluster participants plus SE Advisory Group members	Review of project, evaluating outcomes and collecting lessons learnt
Project Celebration Event	One-off per business support programme & one for Clusters	Programme SRO, Senior SRO, WM Executive Director, WM Board, CGLF Board & Investment Committee other	A celebration of the programme(s) successes, highlighting the achievements and outcomes



		Stakeholders, Funders & VIPs	
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Change management arrangements (inc. reference to WMCA Change Process)

Progress is monitored through regular formal reviews and in ongoing discussions.

Providers for the Business Support and Lead organisations for the Clusters will notify the Programme SRO as soon as they believe a change is necessary.

Programme SRO will meet with the organisation(s) to discuss the cause and need for a change and the impact that this might have in terms of financials, timing or outcomes.

Reference made to the risk register to determine if mitigating actions have been applied or appropriate.

If change justified, the request will be elevated as per the process for WMCA Change Management - to Senior SRO -> WMCA Executive Director -> Executive Board. Elevation to WMCA Board if deemed necessary.

Benefits realisation & Post evaluation arrangements

Business support providers and Cluster Lead organisations will submit quarterly KPI reports to support the quarterly review meetings.

Business Support Providers will gather data from participants on key metrics such as income growth, employment, volunteering and beneficiaries supported. This will take place at the start (baseline), mid-point and programme end.

An external independent evaluation of impact will be commissioned which will focus on outcomes and learning points.

Business Support data will be collected at the start, middle and end of the programme and held securely by the provider organisations. The summary level data will be provided to WMCA and held in password protected files and held securely in SharePoint. This will include hard data and case studies.

Cluster data, primarily case studies, will be collected at least quarterly by the support organisation and kept securely in password protected files on SharePoint.

The summary impact data and case studies will be presented in an end of project report

The exact tools and mechanisms are in discussion with the Head of Research, Intelligence and Inclusive Growth within the SINZ team and the wider Monitoring & Evaluation Team across all Commonwealth Games Legacy funding.

**5.2 PROJECT SCHEDULE FOR DELIVERY**

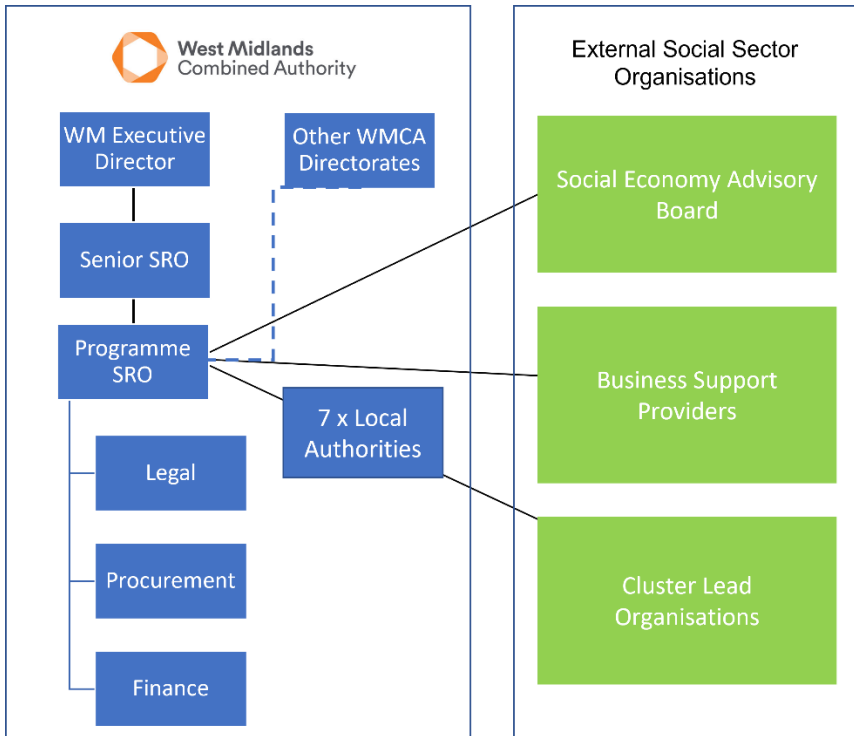


The key project milestones table below is a summary of those key milestones aligned to the Project Schedule, which must be appended to this BJC. Include a longstop date by which all monies for development of this SOC needs to be drawn.

<i>Table 15</i>			
#	Milestone	Start Date	End Date
1.	Secure funding CWGLEF	Immediate	30 June 2023
2.	Project specification, outcomes, KPIs and Project Management arrangements	13 Mar 2023	15 May 2023
3.	Discussion and enrolment of LAs in Cluster decisions	13 Mar 2023	30 May 2023
4.	Issue ITT for Business Support Programmes, select providers & issue contracts.	3 July 2023	29 Sep 2023
5.	Select Clusters & Lead organisations (LAs)	3 July 2023	29 Sep 2023
6.	Provider & Cluster Kick off meetings & Commence	2 Oct 2023	5 Oct 2023
7.	Participant Recruitment Business Support	6 Oct 2023	22 Dec 2023
9.	Commence Business Support Programmes & Complete – including Evaluation	9 Jan 2024	28 Mar 2025

**5.3 PROJECT ORGANOGRAM**

Insert a Project Organogram which includes distinguishes between full-time, part-time and fixed term staff. A Senior Responsible Owner (SRO) should be appointed and identified in the organogram.



The above posts are already in place except for the Business Support Provider(s) which will be appointed through a competitive tender process.

**5.4 PROJECT DELIVERY ROLES AND RESPONSIBILITIES**

Classify the roles and tasks to determine who is Responsible (R), Accountable (A), Consulted (C) and Informed (I).

*Table 16*

	<b>C Rapson Prog SRO</b>	<b>M Brown Senior SRO</b>	<b>E Cox WMCA Exec</b>	<b>A Risvi Finance</b>	<b>U Patel Legal</b>	<b>V Zhau Procurement</b>
<b>Programme Spec &amp; Framework</b>	R	A	A	I	I	I
<b>ITT Business Support</b>	R	C	A	I	R	R



<b>Cluster LA nomination and/or EOI</b>	R	C	I	I	R	R
<b>Cluster Agreements</b>	A	C	I	I	R	R
<b>Provider Contracts</b>	C	C	I	R	R	R
<b>Provider &amp; Cluster Briefings</b>	R	I	I	I	I	I
<b>M&amp;E &amp; KPIs</b>	R	C	C	I	I	I
<b>Sector Advisory Group Management</b>	R	C	C	I	I	I

#### 5.5 USE OF SPECIALIST ADVISERS

Specify what support and SME advice is required from outside the project team. Include both resources inside your organisation (e.g., legal and finance) and those outside (e.g., technical consultants)

Legal, Procurement & Finance will be responsible for issuing ITT/EOI and contracts to provider and lead organisations based on a spec and brief from the Programme SRO.

Research & Intelligence Team will be engaged in M&E activity.

Power to Change are a delivery and investment partner.

Barrow Cadbury Trust will manage the grant making for Cluster work.

The Social Economy Advisory Group will provide support and advice to provide input to sector needs, communication via networks, and ensure transparency of the procurement process and that mission goals are adhered to.

#### 5.6 RISK AND ISSUE MANAGEMENT

State how risk is managed and confirm that the risk register is an integral part of project management meetings. The information provided should align to the Risk Register and Issue Log attached with this BJC.

Risk is managed through contracts, payment schedules tied to submission of status reports and through regular one to one meetings with the Business Support providers and Cluster Lead organisations.

Risk Register and Issue Log appended. These will be regularly reviewed and actioned by the Programme SRO.



## **SINGLE ASSURANCE FRAMEWORK**

Provider organisations and Cluster lead organisations will be required to produce a risk register and there will be regular monitoring meetings. Any variance will recovery a recovery plan, more significant variance will be flagged with the relevant Executive lead, plus there will be a Social Economy Advisory group established to oversee plans and delivery.

However, further guidance will be sought from the Business Improvement Team on how best to develop this before it goes to tender or place based investments are made.

## 5.7 PROJECT ASSURANCE

Set out the arrangements for project assurance, including the use of Cabinet Office Gateway Reviews. Other sources of assurance should be considered: technical, quality etc. Specify the probable timescales for undertaking project implementation and post evaluation reviews.

Gateway meetings will take place on a quarterly basis where remedial action, where necessary, is taken by providers and lead organisations.

Business Support Providers to provide regular satisfaction and attendance reports from participants. Reports will also be made on grant pull down for participants on a Match Trading/Trade Back programme.

Business Support providers will also provide key outcome metrics data on trading income, employment, volunteering & beneficiary reach at the start (base-line) mid-point and end plus a full evaluation report at the end of funding.

Clusters will provide regular reports on levels of engagement with local social economy organisations. Success will be measured by the level of engagement and the production of a local action plan with potential funding sources at the end of the project.

### Timescales

Business Support - From confirmation of funding, 3 months will be required to issue ITT, evaluate responses and appoint the provider(s)

Clusters – From confirmation of funding, 3 months allowed if EOI is required. This can be shortened if LAs select locality and lead organisation.

Post evaluation reviews will be completed by the end of the funding window (March 2025)

## 5.8 CONTINGENCY ARRANGEMENTS

Set out the contingency plans in the event of any delays or disruptions to anticipated services.

### Business Support Programmes

- Low numbers of applications can be addressed by extending the application deadline and additional marketing.
- Slippage to start dates can be addressed by compressing the programme delivery time frame.
- Poor attendance by participants can be addressed through a minimum attendance requirement for grant support, a formal learning agreement and facilitator/peer pressure.

### Clusters



Poor engagement with local Social Economy organisations can be addressed through conditional financial payments, one to one meeting with the Project SRO and actions/target setting.

#### 5.9 LESSONS LEARNT

Detail how Lessons Learnt have been considered during the development of this proposal and plans for capturing Lessons Learnt during this project.

The proposal is based on detailed research, benchmarking, data collection and discussion from highly experience individuals working in the Social Economy. It is the conclusion of several years discussion since the objective was declared.

Evaluation & Impact reports from The School for Social Entrepreneurs across various funded programmes, the Match Trading Task Force, Aston Business Schools 10k Goldman Sachs programme, and Power to Change Community Business programmes. have been used to judge the anticipate range of Social Returns

This is phase 1 of a programme spanning 10 years and will be used to gather impact data to better inform future investment decisions.

#### 5.10 MONITORING AND EVALUATION

Set out a summary of the outline Monitoring Evaluation arrangements for the project and milestones leading to Project Evaluation.

Include detail on the following:

##### **How performance will be measured? – Indicator/metrics**

There will be an overarching evaluation framework across all CWGLEF pillars that will identify outcomes for each and will be linked to the indicators for which data will be captured against the Social Economy programme, such as:

##### Business Support Programmes

- Measurement of increases in soft outcomes of skills and confidence from a base position at the start of the programme, in the middle and at the end.

Key metrics for ultimate hard outcomes will be:

- Increase in trading income
- Increase in numbers of people employed
- Increase in volunteer contribution
- Increase in the number of beneficiaries and/or depth of support provided

##### Clusters

- Engagement of local Social Economy organisations
- Engagement of residents in the local area
- Development of a local action plan and ecosystem



**M&E learning to inform the driving policy and or the project/programme.**

Available data on the social economy sector is limited and designed for bespoke purposes relating to other programmes. The data used here in forecasting impact and calculating return on investment comes from The School for Social Entrepreneurs across various funded programmes, the Match Trading Task Force, Aston Business Schools 10k Goldman Sachs programme, and Power to Change Community Business programmes.

**Timescales**

The evaluation funded in this proposal will be completed by the end of the funding period (March 2025) but will form the basis for longitudinal evaluation over the full duration of the Social Economy Growth programme. The initial evaluation will provide a baseline, and the impact of 12 months of investment. This will be followed up in subsequent funded activity over at least 5 years.

Data from the Business Support programme will be easy to collect from the 120 participants in that programme. Contracts with providers will include a requirement to collect and feedback on key outcomes in real time so that progress can be monitored. Learning agreements with participants will require they feedback data as part of longitudinal research.

Data on Outcomes from the Place Based Cluster work will be more complex and ultimately determined by the production of an action plan, funding secured as a result and the eventual impact of that funding.



**MANDATORY APPENDICES REQUIRED FOR THIS BJC**

The following documents must be appended to this BJC:

<b>APPENDIX</b>	<b>PROVIDED (Y/N)</b>
Risk Register and Issue Log	Y
Written Confirmation/s of Confirmed Funding Power to Change Contract	Y
Project Schedule	Y
If Investment Programme, Project Delivery Plan on a Page (POAP)	N/A
If CRSTS, DfT Additional Appendix	N/A
Barrow Cadbury Trust Agreement	Y