

Applying social enterprise approaches to services for children, young people and families

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The report was commissioned as part of the VCS Engage work relating to social enterprise. VCS Engage aims to help VCS organisations understand what social enterprise is, and its role in the context of delivering services for children, young people and families.

Members of the consortium are:

- National Children's Bureau (NCB)
- National Council of Voluntary Child Care Organisations (NCVCCO)
- National Association for Voluntary and Community Action (NAVCA)
- National Council for Voluntary Youth Services (NCVYS)
- Parenting UK
- Family Welfare Association (FWA)
- NCH

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Background

This report is based on interviews with 14 voluntary and community sector (VCS) organisations that deliver services for children, young people and families (CYPF) and **do not identify themselves as social enterprises**. The purpose of the interviews was to explore their familiarity, or otherwise, with the concept of social enterprise; the possible benefits it can confer on their services within the framework of the Every Child Matters (ECM) agenda; and the type of support their organisation would need in order for them to adopt social enterprise solutions.

This report gives a summary, for VCS organisations considering the social enterprise approach to delivering ECM outcomes, of:

- opportunities and limitations for social enterprise development
- recommendations about the type and nature of support that would be most valuable.

It is hoped that these findings will complement those identified by the Family Parenting Institute (FPI) in their recent report, which was based on interviews with organisations delivering services for CYPF that **already identify themselves as social enterprises**.

Who was interviewed?

This report is based on interviews with the following organisations:

- ACE Centre Advisory Trust
- Alone in London
- Contact a Family
- Fairbridge, Teesside
- Family Welfare Association (FWA)
- Ormiston Children and Families Trust
- Schoolfriend etc
- Barnardo's SECOS project
- Springboard Project
- Sure Start Folkestone
- The Who Cares? Trust
- Tower Hamlets Play Association
- UK Youth Parliament
- Young Minds.

Further information about the interviewees can be found in **Appendix 1**.

Characteristics of organisations

Within the sample of 14, there was a very broad range of organisations, chosen to ensure a mix of turnover, income streams and activity. While this is not a weighted sample, we believe that the range of organisations interviewed is sufficiently diverse to produce an informative and useful range of views. The annual turnover of organisations interviewed ranged from £30,000 to £19 million. Sources of income varied markedly, from those that were largely dependent on statutory income (90 per cent+); on major donor generosity (in one case 60 per cent); or trust funding (ACE had

been dependent on one trust for 50 per cent of its income but this is now decreasing); to those that had almost 50 per cent earned or trading income (Springboard Project). Organisations were also chosen on a broad geographic basis – half had a national remit, two were based in London and the remainder were based regionally with regional or local remits.

Format of interviews

Interviews lasted between an hour and two hours and, where possible, were carried out in person and at the charity's premises. The people interviewed spoke openly and engaged well with the issues raised. VCS Engage is grateful for the time that people spent with the interviewer and for their candour. Many sensitive and confidential issues were raised in the course of the interviews, so some comments have not been attributed to particular interviewees in order to ensure confidentiality. Many themes emerged and these will be discussed generically in this report.

The interviews, based on a standard questionnaire, were designed both to elicit information about the organisation and to learn about the opinions of the interviewees with regard to the following:

- the baseline characteristics of the organisations
- the characteristics of the market
- their perceptions of how ECM is affecting the market in which their organisations operate
- what they consider to be the benefits of the social enterprise approach
- their support for developing social enterprise – reviewing existing support, potential areas for support and methods of delivery.

The questionnaire can be found in **Appendix 2**.

If all of the points in the questionnaire could not be covered due to the interviewees' limited time, the interviewer focused on two key areas:

- a) defining the opportunities and limitations for social enterprise development within the sector
- b) making recommendations about the type and nature of support that would be most valued.

Every Child Matters agenda

The interviewees universally understood the ECM agenda. Many organisations perceive that they had already adopted ECM values before the ECM outcomes framework was introduced. There was a real feeling that the voluntary sector drove the ECM agenda, rather than that ECM had been foisted on the voluntary sector.

'Absolutely at our centre, drives our agenda, all have charts by our desk and we are clear about how we can play our part' (Young Minds)

'Built into the way we work' (FWA)

'Now the mantra that everyone chants' (ACE)

The ECM outcomes have been widely adopted by the organisations interviewed, except for Folkstone (the only social enterprise interviewed), which did not identify itself as being driven by ECM outcomes.

For those providing services to children, it is often Ofsted that is the key to understanding ECM. *'One thread through it all is Ofsted'* (Fairbridge), particularly when services are provided in conjunction with non-voluntary sector organisations such as charities. Perhaps the relationship between the achievement of ECM outcomes and Ofsted needs to be explored further.

Perceived opportunities offered by ECM

Perceptions of ECM were overwhelmingly positive and most organisations felt that ECM provided the necessary leverage to deliver on their organisational vision. As one organisation commented: *'ECM was always our values but we can now use the framework to impress obligations on others.'* This leverage is illustrated in several different ways:

- It was well understood that *'VCS can deliver added value and meaning to ECM outcomes'* in a way that statutory organisations cannot. *'Schools cannot deliver supplementary or enrichment programmes'* in the way that VCS can. As an example, Fairbridge, Teesside works with a local technical college to deliver 'enjoy and achieve' aims that were identified by children themselves in their individual learning plans.
- VCS is often regarded as better than the statutory organisations at viewing ECM outcomes holistically (rather than as a 'tick the box exercise').
- VCS is able to be more creative in delivering ECM outcomes, for example by involving children in bid-writing in order to further 'achieve economic well-being' outcomes (as suggested by Fairbridge, Teesside).
- Beneficiaries of VCS services are not being compelled to attend services or centres in the way that those who attend statutory services may be – and this voluntary participation is perceived as being a more effective way of achieving the desired outcomes: *'No-one coming through the door is forced to'* (Springboard Project).
- A consortium of disabled charities came together to create Every Disabled Child Matters. In doing so, they were able to push the boundaries of ECM and gain greater leverage with sources of funding and policy makers.

- ECM can be a driver to set up new services. For example, including ECM in mental health evaluations can result in professionals being more aware of the possible impact of adult mental health issues and delivery upon children.

Perceived threats posed by ECM

Many organisations had not thought in terms of threats posed by ECM and took longer to deliberate over this question. Their responses tended to be grouped around two threats. The first was the challenge thrown up by the new environment and the changes to commissioning, especially in relation to local authority spending. In particular there was concern that the distribution of Sure Start and Children's Fund monies, following the current review of expenditure, could lead to an unwelcome move away from preventative work.

The second was a concern that commissioners understand ECM values too superficially, which inevitably affects their purchasing decisions. The outcomes that the government is striving to achieve may not be the only ones that VCS organisations actually achieve: in particular, some of the outcomes deemed most important by VCS organisations are intangible and therefore less likely to gain either recognition or funding.

These concerns were outlined in several different ways.

- Many reported need for localised planning is difficult to balance with the unwieldy process of working with a number of different commissioners. Several organisations found they had to employ staff solely for the purpose of making local contacts with commissioners and understanding the commissioning process. However, one organisation (UK Youth Parliament) has successfully engaged with 90 per cent of local authorities – so making that contact is clearly possible.
- For organisations that have developed a potentially national product or service, for example Who Cares? Trust (a website for children and young people in care) or Schoolfriend etc (after-school clubs that could be rolled out to every school) – the local devolution of money as well as complex local commissioning has resulted in their enterprises failing or being rolled out much more slowly than need be.
- One of the *'unintended consequences of ECM are that local authorities are retracting budgets and not engaging with VCS ... not engaging with VCS at the strategic end of their thinking ... Local authorities should engage with VCS because they are closer to the user and a good critical friend'* (Who Cares? Trust).
- Spending restrictions and a lack of ring-fenced funding for ECM outcomes mean that VCS-supplied services are not always funded.
- There is a danger of a 'tick box approach' to ECM funding. For example, ECM gives a welcome non-academic focus to 'enjoy and achieve' and raises the possibility that *'most children should come out of school feeling like they can achieve'* (ACE). This should be made more explicit, using examples from within the ECM framework and outcomes – so that the lack of tangibility of some of the more holistic values is addressed, especially if achievement is not to be measured in the conventional academic sense.
- VCS wants to concentrate on *'putting things straight before they happen, i.e. preventative, low level, non-judgmental, light touch services'*, but the constant need to prove outcomes in a government-driven agenda is wearing, especially since preventative work can be hard to prove. For example, an organisation providing 'stay and play' services, which meet all of the ECM outcomes, does not necessarily meet a government target because one of the government's

objectives is not for parents to be with their children – instead its current focus is on parents returning to work.

- Many interviewees commented that it is much more difficult to fundraise for activities that they are currently engaged in than for new ones. This leads to a relentless cycle of repackaging existing services in order that they 'seem new' and meet new commissioning requirements. This is a poor use of VCS time and reflects a lack of commitment to 'funding what already works' and meets ECM outcomes.

Consideration of social enterprise

The interviews elicited a number of wide-ranging conversations about social enterprise. Some of the organisations interviewed knew very little about social enterprise; some had awareness and interest but little knowledge of how it could benefit them; while others had begun forays into social enterprise activities. Interestingly, neither the size nor area of activity were predictors as to an organisation's awareness: a smaller organisation could just as easily know more about social enterprise than larger organisations.

There were, however, some stereotypical perceptions as to what constituted social enterprise activity – including the promise of a coffee shop or a 'trading arm' that provided training and consultancy. Furthermore, the interviews revealed various preconceptions and misconceptions about social enterprise. It is suggested that information and education amongst the VCS, commissioners and stakeholders are required in order to address this.

To make informed choices about social enterprise, organisations and their stakeholders need to understand 'what's in it for them'

The interviews elicited the following information.

- Perceptions and definitions of what constitutes social enterprise vary widely.
- Many organisations know little about social enterprise – most can identify with 'opening coffee shops' or 'selling training and consultancy', but less so with the concept of financial independence, business focus and sustainability.
- There is a lack of understanding about the benefits of social enterprise and a misinterpretation of the reasons not to engage in social enterprise, for example, the need to have a different organisational structure.
- Organisations need to understand 'what's in it for them': *'[Social enterprise is] not worth investigating further because immediate benefits are not obvious'* (Young Minds).
- Even if VCS organisations themselves understand social enterprise, the majority believe their stakeholders and the statutory organisations with which they do business do not. For this reason there is a perceived need to educate commissioners.

Profit and/or primary purpose

The organisations interviewed are concerned that stakeholders could think poorly of them for 'making a profit'. Therefore, education needs to be undertaken in order for organisations, and those commissioning from them, to learn the difference between profit for profit's sake and generating a surplus both to secure sustainability and to enhance the mission of a social enterprise.

The interviews elicited the following information.

- There is a tension between profit and primary purpose: many organisations are more comfortable with income-generating activity if it also furthers the aims of the organisation and serves to promote key messages. This may be why consultancy and training has been adopted as a socially enterprising route by

three of the organisations interviewed: Young Minds; Ormiston Trust; SECOS, Middlesbrough.

- Furthermore, some organisations felt that establishing a social enterprise purely to generate profit from an activity that is unrelated to its mission would be a distraction from its core activity.
- There was concern that funders might respond adversely to organisations generating a surplus, to the extent that they might feel that future funding was unnecessary: *'if reinvesting profits then why would an organisation need funding?' Organisations have to "come across as being cheap and cheerful" but in reality maintaining sound financial practices'.*
- There is a need to value payment and reward: for example, parents have free access to children's centres but do not necessarily value that environment. *'Parents respect this environment [Springboard Project] because they pay for it, members are investing in the centre and are almost shareholders.'*
- Results are often long term: for example, positive returns for disabled children will only be obvious through longitudinal study. How can such slow returns be costed into profit or surplus? It is hard for funders to understand that the benefits of investment being made in this generation may not be obvious until the next.

Social enterprise as fashionable distraction or way of delivering more to children and young people?

The interviews elicited the following information.

- There is a perception that social enterprise can *'detract from the real work they [VCS organisations] are doing, i.e. delivering to kids'* (Fairbridge).
- Time devoted to 'opening coffee shops' may not offer best value for children and can be a distraction from core delivery. But there is also an understanding that social enterprise structures can do much more than generate profit: thus a coffee shop should produce income but also offer flexible jobs and training opportunities for previously unemployable young people.
- The perception of social enterprise as 'brave' and outside the norm could be off-putting. Sure Start Millmead Children's Centre, Margate, Kent, evidently delivers children's services as a social enterprise, but knowledge of how this model works and could be replicated elsewhere appears to be lacking.

Initial conclusions: promoting realistic expectations of social enterprise

In order for social enterprise to prosper in the CYPF sector, organisations may need a better understanding of what is covered in the social enterprise model. This will come through education and information sharing. Social enterprise within the VCS is often a continuum and organisations do not need to be established specifically as social enterprises. They can also be well-run, effective charities that exhibit socially enterprising behaviours.

As a first step, before they consider social enterprise, organisations need assistance in thinking about pricing and affordability. Due to market conditions, some services are more likely to create a surplus than others; and organisations need to understand that they may need to adopt a hybrid model, gaining income from both trading and grants. It is clear that the kind of unrestricted income that social enterprise can generate is whole-heartedly welcomed by organisations.

Many of the services provided by the VCS are intensive, both in terms of cost and time. For many, the true measures of success will only be realised in the next generation. Therefore it is neither helpful nor realistic to believe that success will come quickly. Social enterprise is not a guarantee for success but, nevertheless, harnessing the undoubted creativity and innovation in the VCS may succeed in creating long-term sustainable services for children and young people.

Pricing and markets

- There is often a mismatch between the cost of a service and the price a commissioner is prepared to pay. For example, the cost of a 100-hour per child time-intensive intervention by Fairbridge in the form of an access course for socially disengaged children may be almost £3,000 per pupil, yet schools can afford only £1,000 per pupil. Organisations such as Fairbridge need to make up this income shortfall from other sources, such as trusts and foundations, hence the need for hybrid funding sources.
- Services for which there is a market that can pay for it, for example 'stay and play' or toy lending, fare better because consumers can afford the true cost of the service on offer (Springboard).
- There is most scope for social enterprise in organisations that provide fee-based services for which there can be a profit margin – for example childcare agencies (Folkestone), residential schools, nurseries, consultancy, publications – whether this is their 'core work' or simply the social enterprise with which they supplement their core work. For example, parents may value non-profit high-quality childcare more than private childcare provision. Perceptions of social enterprise are already changing as a result of the high-quality competitive products and services that now exist, for example Fairtrade, Café Direct and Fifteen.

Focus on effective models and behaviours

- Interviewees sought a focus on enterprise, innovation and economic efficiency in service delivery rather than on models and structures.

- Organisations should focus on providing what they provide with the maximum efficiency and effectiveness, in order that they can then supplement the cost from alternative sources.
- VCS organisations require greater help in providing evidence of the impact and outcomes of their work. Unless outcomes are clearly understood and evidenced, it is hard to fundraise for the shortfall when full costs are not covered. However, instinct is important as well as evidence: *'VCS should follow instincts; if an organisation has a good idea about what works they should follow their instincts because they know what works [because they are on the ground doing it]'*.
- Due to the perception that it is easier to start a social enterprise than for an existing VCS organisation to become one, organisations working to make the switch need support. Important issues include a re-evaluation of the organisation's mission and any consequent structural and governance changes. Examples from other sectors, for example Sunderland Homecare, can demonstrate the benefits of a social enterprise in terms of better customer delivery.

Education opportunities for VCS Engage

Educating VCS organisations

Both managers and trustees of VCS organisations need to understand what social enterprise is and want to understand 'what's in it for them' on an individual basis. Only then can they make informed decisions. The VCS Engage conference, Social Enterprise: delivering services for children, young people and families, should go some way towards demonstrating the value of social enterprise.

- Organisations need to understand more about the downstream costs (the costs to society further down the line if issues are not tackled) that can be saved by providing high-quality services, especially those that break inter-generational cycles of poverty and deprivation. These costs may be financial, such as the costs to the health service or to the criminal justice system, but they also include the costs to the family and society of failing to intervene at the right time, for example, in family breakdown. Yet the individual investment in prevention rarely takes these downstream costs into consideration. Success may only be seen over time; and organisations need help in showing evidence not only of their success and impact but also of the 'downstream costs' they save.
- There is a concern that there is an overload of 'selling' to the VCS of ways in which revenues can be generated. Staff time is spent listening to 'pitches' that could otherwise be spent delivering to children and young people. VCS Engage will need to be sensitive to this.
- Governance is key – those who considered social enterprise did so with the assistance of informed trustees, taking the view that *'if we can generate unrestricted income let's experiment'*.
- The VCS needs to understand the possible scope for franchising and replicating services.

Educating government

It was clear from the interviews that, at a high level, the government is well meaning and supportive of social enterprise, especially at the Office of the Third Sector. However, there is less clarity about social enterprise at a local level, especially among local commissioners and budget holders, and interviewees felt that education was needed here. The VCS needs support in gaining high-level access to government ministers and government funds in order to cut through bureaucracy and ensure that national programmes are delivered. However, this will create tensions as the trend is to devolve spending and commissioning. The government needs to recognise these complexities and understand that one size cannot fit all. Some things are most cost-effective if they are commissioned centrally and sold across the board to local authorities; while other, localised, services are best designed and commissioned locally.

Three of the interviewed organisations had received funding at some point from Futurebuilders, and not all of their experiences were positive. The majority considered that the grants available to fund marketing, planning or other set-up costs were set too low. Some commented that the New Opportunities Fund worked better than Futurebuilders because it was more localised and sensible in its ambitions, and focused on areas of deprivation.

Futurebuilders is unlikely to be the best way to fund social innovation and enterprise, since it is only suitable for organisations that have over 51 per cent statutory income – and these are the ones least likely to be able to translate their services to social enterprise because of the lack of margins and full cost recovery. VCS Engage should monitor the outcomes of the Futurebuilders reviews. The VCS deserves an organisation or funding stream that will truly support innovation and be prepared to take the necessary informed risks.

Further recommendations arising from this report include the following.

- The government needs to do some behind-the-scenes diplomacy and persuasion with, and on behalf, of the VCS to ensure that initiatives can be rolled out nationally.
- There need to be initial grants and support for setting up infrastructure and for the initial outlay to create sustainable organisations. VCS Engage can help to lobby for appropriate business start-up support.
- Expectations around slow initial returns from social enterprise should be realistic and include an understanding of value-added returns, for example job creation, or the involvement of service users in service provision, such as travellers at Ormiston and mothers at Folkestone.
- The government needs to streamline new commissioning processes based on expectations that commissioning is going to be more complex, not less, when Sure Start and Children's Fund work is mainstreamed (for example, contracting with schools).
- The government should be lobbied to provide holistic social accounting.

Educating commissioners

More needs to be done to educate local commissioners about the benefits of social enterprise and the ethos of surplus. Many of the interviewees doubted whether commissioners understood the ways in which organisations worked and how they measured outcomes. Applying the letter rather than the spirit of ECM outcomes can result in the work of some organisations being ignored when, in fact, they are actually producing intensive, high quality work that will prevent long-term downstream costs, by creating awareness of play and therefore improving parenting, for example, or by reintroducing children to the education system. Commissioners should:

- understand commissioning tensions – local commissioning is vital for planning in response to community need, but it is a time-consuming minefield for organisations that want to develop services more widely
- understand the value-added aspects of social enterprise; and social accounting principles of saving downstream costs
- understand the ethos of making a surplus to reinvest
- involve children and young people in commissioning services
- involve the VCS at a strategic level in planning and commissioning services – in some cases the VCS is being *'forced from the table and is being consulted less now than before'* because statutory services are bidding for the same work
- work with the Office of the Third Sector to make commissioning more responsive.

Training and support opportunities for VCS Engage

Training opportunities for those thinking about social enterprise

Organisations were asked if they had already used capacity building or support providers. Their responses showed they had found that there was a wide range of support available. Those who have already embarked on social enterprise have found relevant support from:

- UnLtd
- Futurebuilders
- Cooperative Action
- local and regional social enterprise support networks
- Business Link
- Cranfield Trust
- Charities Aid Foundation
- Pilot Light (business leaders sharing strategic vision).

However, they reported that practical issues had prevented the take-up of available training. In addition, interviewees cited concerns about the time involved in undertaking the training and the bewildering choices available. The main comment they made about existing training is that unless it is tailored, it is unlikely to be instrumental in helping an organisation decide whether or not to embark on social enterprise. Yet the main focus of initial support should surely be to educate people about social enterprise and the principles behind it, in order for them to make informed decisions for their own organisations.

Generic support is more likely to be helpful if the decision to become a social enterprise has already been made – when the question is not ‘why’ social enterprise, but ‘how’ to embark on social enterprise. Therefore, one possible solution to helping organisations make the ‘why’ decision is through one-to-one mentoring support.

The organisations interviewed mostly identify themselves as being entrepreneurial and business-like and deserving of greater support for being that way. *‘We act in an entrepreneurial fashion and that’s what we need to do’* (FWA). Those managers and leaders who have come to the VCS from business backgrounds find this easier than those with a purely VCS background: *‘VCS are not business people, we are not business minded’* (Ormiston). However, there is a wide acceptance that unless organisations are run innovatively and effectively they will not survive and prosper.

There is a need for robust financial capabilities and business skills, regardless of the extent to which individual VCS organisations engage with social enterprise. Fairbridge identified that sustainability will only be created by *‘long-term services to young people coming from long-term strategic plans’*. There is definitely a capacity and appetite to engage in this long-range planning and for social enterprise or socially entrepreneurial behaviours to be an important part of that planning.

Sharing of best practice

There are many initiatives to support social enterprise in other sectors, for example, the Department of Health has established a social enterprise unit within the health

sector. VCS Engage could usefully disseminate the learning and good practice from these other sectors.

Within the social enterprise sector, there is also a great deal of information available from the various umbrella and training organisations, especially the Social Enterprise Coalition and social enterprise support organisations, such as Social Enterprise London, which have been established through the Regional Development Agency. Support and information includes both publications and training courses. What is needed is a route map through the plethora of guidance and publications to find the most appropriate for organisations involved in the delivery of the ECM agenda.

In addition, learning is achievable through the transfer of information and best practice within peer groups – whether through informal mentoring or formal occasions such as conferences. Some organisations, for example PrimeTimers, have found mentoring to be an effective method for transferring business skills to third-sector organisations.

Indeed, a key component of the social enterprise strand of VCS Engage is to understand what is available elsewhere and to translate this to the specific circumstances of ECM.

Training in business planning skills for those setting up social businesses

‘There is a steep learning curve for directors and managers who may have a services background rather than a business background’ (ACE)

In the interviews, organisations were asked to consider a range of possible support options. The general view was that all assistance is welcome! Many felt that historically the VCS does not have business planning skills and that those organisations with staff or trustees who have worked in the private sector are more likely to have these skills. No organisations felt like they had enough experience in any of these areas:

- strategic – mission, planning
- financial – budgets, pricing
- governance – skills development, legal structures
- business – marketing, branding, communication
- collaborative/partnership working
- quality control, evaluation.

In addition to the themes identified by VCS Engage, organisations identified that business planning training and support is needed on:

- how businesses work, including strategic planning, administration and resourcing
- policies and HR issues
- procedures
- risk assessment, including child protection and Criminal Records Bureau
- contingency planning
- partnership working and understanding of roles of the lead agency, sub-contractors and others
- financial planning, including understanding of different kinds of borrowing and debt, and using a combination of funding sources
- feasibility studies
- charging policies
- full-cost recovery
- evidencing value, especially over longer periods and encompassing social economics and downstream costs

- replication and franchising
- forecasts and projections
- business planning tools, for example SWOT and PESTEL analysis
- quality assurance.

Support for other skills:

- Governance – skilled trustees with an understanding of different financial models are needed. Trustees of a social enterprise might need different financial management skills compared to trustees of a conventional charity. Trustees of an organisation combining social enterprise and traditional charitable work may need further training and an understanding of different financing models.
- Networking skills – it is necessary to create relationships with influencers and funders.
- There is a need for education about the bewildering regulatory issues, e.g. in some cases having to apply both the Schools Act and the Children's Act in the same venue is resulting in ludicrous anomalies and preventing their effective delivery to children and young people.
- Understanding is needed of the new regulatory environment, including health and safety.

How should this training be delivered?

Organisations were asked in which of the following ways training should be delivered:

- on-site or off-site
- electronic or paper-based
- mentoring or peer support
- training courses or alternative.

The answer was generally all of the above. In particular, the following training means were identified as being most helpful.

- There is an overwhelming need for tailored one-to-one mentoring. The general perception is that two hours of individualised support is worth days of generic training. Also, structured mentoring forces preparation: *'if I know that someone is coming round I have to get my stuff together and prepare'*.
- Mentoring from other sectors, e.g. support from private sector.
- Peer support is helpful in terms of sharing learning and experience.
- E-learning has advantages if it can be accessed at times that suit VCS.
- Organisations welcome email tips, but would like them to be short, succinct and cover one point only, otherwise they are unlikely to be read.
- Training courses are helpful when there is an identified need through existing social enterprise support networks and Business Link type training.
- Organisations identified that conferences are helpful **if sufficient warning is given**, a high level of information is available at the conference so that attendees feel like they are attending a one-stop shop. Attendees benefit particularly from interactive workshops at which they can learn practical skills, e.g. branding, covering your costs. Follow-up is also valued.

Arguably there is also scope for money being given to VCS organisations to enable them to engage with capacity building organisations, and to purchase training and support that is suitable for them. For example, many seek help with consultancy fees, which they incur when bringing in people to help them establish what will and won't bring in revenue.

Conclusion

In order for social enterprise to prosper in this sector, VCS organisations need to have realistic expectations of what it is, what it can achieve and what the legal and organisational structures should look like. This will come through good quality ongoing education and information sharing. Social enterprise needs to be seen as a continuum, rather than a choice between two mutually exclusive options (a self-defining social enterprise and a traditional charity). All of the organisations interviewed exhibited the innovative entrepreneurial behaviour that makes the VCS so vibrant. Organisations need assistance in harnessing this entrepreneurial activity in order to deliver added value to children and young people.

Opportunities for VCS Engage include the following.

- Educate VCS organisations, commissioners and the government about social enterprise and its benefits through awareness-raising activity – this should include a conference, education initiatives and other lobbying opportunities.
- Offer tailored business planning skills training to the VCS and signposts to excellent generic business support and social enterprise organisations.
- Provide individual support to organisations so that they can decide how they can incorporate social enterprise and harness socially entrepreneurial behaviours within their organisation to better deliver to children, young people and families.

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Appendix 1: Organisations interviewed

Organisation	Activity	Area covered
<p>1. ACE Centre Advisory Trust</p> <p>www.ace-centre.org.uk</p>	<p>Uses technology in the communication and educational needs of young people with physical and communication difficulties</p>	<p>Oxford and Oldham</p>
<p>2. Alone in London</p> <p>www.als.org.uk</p>	<p>Assists homeless young people</p>	<p>London</p>
<p>3. Contact a Family</p> <p>www.cafamily.org.uk</p>	<p>Provides support, advice and information to families with disabled children</p>	<p>National</p>
<p>4. Fairbridge Teesside</p> <p>www.fairbridge.org.uk</p>	<p>Supports 13–25-year-olds who are not in education, employment or training, or who have been identified as being at risk of dropping out</p>	<p>Teesside</p>
<p>5. Family Welfare Association</p> <p>www.fwa.org.uk</p>	<p>Provides home- and project-based support to children, young people and families</p> <p>Provides community-based mental health services</p> <p>Gives financial help to families in need</p> <p>Offers educational grants advice to disadvantaged people</p>	<p>National</p>

Organisation	Activity	Area covered
<p>6. Ormiston Children and Families Trust</p> <p>www.ormiston.org</p>	<p>Works to promote the well-being of children and young people, especially those disadvantaged by their life experiences or circumstances. This is achieved through direct service provision and by raising awareness of related issues through research, publications, conferences and events</p>	East England
<p>7. Play Association Tower Hamlets</p> <p>www.playtowerhamlets.org.uk</p>	<p>Organises training and provides information about training</p> <p>Provides an ideas exchange between projects</p> <p>Promotes good models of playwork practice developed by the play sector</p> <p>Advises playworkers on how to seek the views of children</p> <p>Represents the play sector in various partnerships</p>	Tower Hamlets, London
<p>8. Schoolfriend etc</p> <p>www.schoolfriendetc.org</p>	<p>Runs after-school clubs from the end of the school day until 6pm, Monday to Friday during term-time, as well as providing breakfast and holiday clubs</p>	National
<p>9. SECOS (Sexual Exploitation of Children on the Streets), a Barnardo's project</p> <p>www.barnados.org.uk/secos.htm</p>	<p>Works to enable young people to exit and recover from exploitation through prostitution</p>	Teesside
<p>10. Springboard Project</p> <p>www.springboardproject.com</p>	<p>Provides a safe, accessible, inclusive play and recreation centre for young people with special needs</p>	Horsham, West Sussex
<p>11. The Village Sure Start Children's Centre</p>	<p>Children's centre</p>	Folkestone, Kent

Organisation	Activity	Area covered
<p>12. The Who Cares? Trust</p> <p>www.thewhocarestrust.org.uk</p>	<p>Works to improve public care for around 60,000 children and young people who are separated from their families and living in residential or foster care</p>	<p>National</p>
<p>13. UK Youth Parliament</p> <p>www.ukyouthparliament.org.uk</p>	<p>Aims to give young people in the UK between the ages of 11 and 18 a voice, which will be heard and listened to by local and national government, providers of services for young people and other agencies who have an interest in the views and needs of young people</p>	<p>National</p>
<p>14. Young Minds</p> <p>www.youngminds.org.uk</p>	<p>Committed to improving the mental health of all children and young people</p>	<p>National</p>

Appendix 2: Questionnaire to selected VCS groups

This is designed using bullet points rather than detailed questions in order to stimulate a more free-flowing debate. The interviewer will set out the purpose of the interview and overall context of the questionnaire, and thereafter use the bullet points to stimulate debate.

Baseline characteristics

- Legal status/governance/organisational structure
- Activities/mission/history
- Income and sources of income
- Ratio between grants and contracts

Characteristics of the market

- What is your market and where are you in it?
- Who are the other service providers – private/LA/SE/other VCS, etc.
- Are you engaged in statutory provision or creating new markets (innovative)?
- Any current collaborative/partnership working?
- Generally speaking, how is the world changing for you (especially with the growing service delivery role of VCS)?

Perception of market: specifically the ECM programme

ECM is ushering in a new framework for commissioning (through Children's Trusts) and contracting for and delivering services that reflect its outcomes framework.

- Are you offering services within the ECM agenda?
- Have you adapted for this change – and if so, how?
- New opportunities/threats offered by ECM
- Eliminate 'silo' thinking where many members of your team are only focused on their own specialisms or departments. Breaking down silos allows for greater cross-working and dissemination of information.

Consideration of social enterprise options

Following on from the discussion about the changing world for VCS plus the specific changes arising from ECM, what can social enterprise (SE) offer?

- Test awareness of SE and what the phrase means to them. (Is it a legal structure, a way of doing business, etc., a fashion, a brand?)
- Have they reviewed adopting a SE route: what decision have they made and why?
- Would commissioners and other stakeholders view you differently if you described yourself as a SE?
- What are the challenges/barriers/opportunities to adopting a SE approach?
- What would need to change organisationally if you were to adopt a SE approach?

Support: potential areas and methods of delivery

Designed to draw out what the different types of organisations considering a social enterprise approach most need and value, together with exploring the most useful methods of delivery. It starts by asking what support they are aware of, and whether they have found it useful.

Capacity building/SE support providers:

- What support providers have you experienced?
- Have you found this useful? Why? What could be done better?

Areas of support:

- strategic – mission, planning
- financial – budgets, pricing
- governance – skills development, legal structures
- business – marketing, branding, communication
- collaborative/partnership working
- quality control/ evaluation

Delivery methods

- On-site or off-site
- electronic/paper based
- Mentoring/peer support
- Training courses, etc.

Conclusion

Final comments/thoughts of interviewee