



Centre for Local  
Economic Strategies

**October 2018**

***LLOYDS BANK AND BANK OF SCOTLAND SOCIAL ENTREPRENEURS PROGRAMME - PHASE 1  
EVALUATION- EVALUATION REPORT***

Final report prepared by

**Centre for Local Economic Strategies**

Presented to

**The School for Social Entrepreneurs**

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## 1 INTRODUCTION

The School for Social Entrepreneurs (SSE) commissioned the Centre for Local Economic Strategies (CLES) to undertake a final evaluation of Phase 1 of the Lloyds Banking Group Social Entrepreneurs Programme, a programme delivered in partnership with the School for Social Entrepreneurs and jointly funded by the Big Lottery Fund (LBGSEP). The Programme consists of two sub programmes, the Lloyds Bank and Bank of Scotland Social Entrepreneurs Start Up Programme and the Lloyds Bank and Bank of Scotland Social Entrepreneurs Scale Up Programme. The LBGSEP Start Up Programme supports entrepreneurs who are looking to get started on a new idea, whilst the LBGSEP Scale Up Programme supports established social entrepreneurs looking to grow the impact of their organisation. Over a period of 5 years from 2012 to 2017 (Phase 1), the LBGSEP aimed to support approximately 1,300 social entrepreneurs across the UK.

### 1.1 About this commission and report

This report presents the findings and recommendations of the impact evaluation of the LBGSEP. In this impact evaluation we have explored the impact on:

- the social entrepreneurs participating in the learning programme and receiving grant funding
- the enterprise or project the social entrepreneurs are running, or looking to get off the ground
- the beneficiaries and communities supported by those individuals and enterprises.

The evaluation framework (Appendix 1) outlines the lines of inquiry and methodology used for conducting the evaluation. In addition to this impact evaluation report, an associated summary report, regional summary reports, and a learning report have been produced as part of this commission.

### 1.2 About the School for Social Entrepreneurs

The School for Social Entrepreneurs (SSE) was established in London in 1997 by social entrepreneur Michael Young. The School for Social Entrepreneurs equips people to transform communities and improve the lives of others. SSE supports social entrepreneurs, charity leaders and intrapreneurs: people who tackle social problems by starting, scaling and sustaining organisations. It helps more than 1,000 leaders of social change every year through courses, connections and support. Today, SSE's network of schools impacts communities across the UK, Canada and India.

### 1.3 About the Lloyds Banking Group

Lloyds Bank and Bank of Scotland are part of Lloyds Banking Group, one of the largest Financial Services investors in UK communities. In 2014, the Group published its Helping Britain Prosper Plan that included seven separate and significant public commitments to address some of the big issues facing Britain, and establishing the following areas of priority:

- ❑ People - Housing, Saving for the future, Skills and Employability;
- ❑ Business - Helping Businesses to grow Sustainably;
- ❑ Communities - Tackling Social Disadvantage.

The Lloyds Bank and Bank of Scotland Social Entrepreneurs Programme has sat at the heart of the Helping Britain Prosper Plan, supporting social entrepreneurs in communities and, through them, helping to stimulate economic growth and social growth across the UK.

## 1.4 About the Big Lottery Fund

The Big Lottery Fund is a non-departmental public body responsible for distributing funds raised by the National Lottery to support projects which help communities and people it considers most in need.

The Big Lottery Fund funds projects and activities that make communities stronger and more vibrant, and that are led by the people who live in them. They support charities, community groups, and people with great ideas - local or national, large or small. They bring people and groups together: to share experiences, learn from each other and try new ways of working.

## 1.5 About the Phase 1 Programme – Start Up & Scale Up

In 2012, the School for Social Entrepreneurs and Lloyds Banking Group joined forces to launch two new programmes to support social entrepreneurs across the UK. Alongside the financial support of Lloyds Banking Group the programme developed with funding support initially from the Nominet Trust, and then the Big Lottery Fund. It signalled a new support programme for social entrepreneurs in terms of scale, duration and reach.

Over a period of 5 years from 2012 to 2017 (Phase 1), the LBGSEP aimed to support approximately 1,300 social entrepreneurs across the UK through providing leadership support to social entrepreneurs at different stages of development. A learning programme, delivered by SSE, was accompanied with support from Lloyds Bank and Bank of Scotland mentors and Big Lottery Fund grants (£4,000 for Start Up students and £15,000 for Scale Up students respectively).

### **Figure 1: Programme requirements**

<p><b>Start Up</b></p> <ul style="list-style-type: none"> <li>- Idea or project in place</li> <li>- &lt; 1 year old</li> <li>- &lt; £15k turnover</li> </ul>	<p>Project is in the planning or piloting stages and getting ready to start</p> <p>12 – 14 learning days, spread over a year</p> <p>Grant of £4,000</p> <p>Mentor from Lloyds Banking Group</p>
<p><b>Indicative programme content</b> (tailored by each school according to needs)</p> <ul style="list-style-type: none"> <li>- Purpose, vision, values</li> <li>- Social impact</li> <li>- Financial management</li> <li>- Legal structures</li> <li>- Pitching &amp; presentation skills</li> <li>- Marketing</li> <li>- Entrepreneurial thinking</li> <li>- Funding &amp; income generation</li> </ul> <p>Comprising study days with expert and witness speaker sessions, project visits, and mentor induction.</p> <p>Alongside this the programme included Action Learning Sets (x5) and a Media/PR &amp; Social Media Workshop.</p>	

<p><b>Scale Up</b></p> <ul style="list-style-type: none"> <li>- Established organisation</li> <li>- &gt; 1 year old</li> <li>- &gt; £15k turnover</li> </ul>	<p>Learn how to scale your organisation from a solid foundation to create even more impact                  12 – 14 learning days, spread over a year                  Grant of £15,000                  Mentor from Lloyds Banking Group</p>
<p><b>Indicative programme content</b> (tailored by each school according to needs)</p> <ul style="list-style-type: none"> <li>- Social impact for scaling organisations</li> <li>- Financial management</li> <li>- Strategy: different approaches to scaling and replication</li> <li>- Income and investment for scaling</li> <li>- Developing your team as you scale</li> </ul> <p>Comprising study days with expert and witness speaker sessions, project visits, and mentor induction.</p> <p>Alongside this the programme included Action Learning Sets (x5) and a Media/PR &amp; Social Media Workshop.</p>	

Phase 1 of the Programme has focused upon providing support at both Start Up and Scale Up levels of social entrepreneurship. Each year the Start Up programme has run in 12 localities across England and Scotland (varying slightly year by year) and the Scale Up programme has run in Liverpool and London.

**Figure 2: Map of delivery locations**



During Phase 1 of the programme, in addition to the Start Up and Scale Up programmes, a pilot of the Trade Up programme was run for one cohort of students in London, with Match Trading™ grants of £7,000 offered in place of conventional grants. Both of these are outside of the remit of this commission however are introduced here for context, particularly as SSE’s learning during Phase 1 of the Programme identified a gap in provision which led to the pilot taking place.

**Figure 3: Trade Up**

<p><b>Trade Up</b></p> <ul style="list-style-type: none"> <li>- Established organisation</li> <li>- &gt; 1 year</li> <li>- &gt; 1 member of paid staff</li> <li>- &gt; 15k turnover</li> </ul>	<p>Make your model more robust and increase your sales.</p> <p>12 – 14 learning days, spread over a year</p> <p>Match trading grant™</p> <p>Mentor from Lloyds Banking Group</p>
<p><b>Indicative programme content:</b></p> <ul style="list-style-type: none"> <li>- Social impact</li> <li>- Marketing</li> <li>- Sales</li> <li>- Building a great place to work</li> <li>- Winning contracts</li> <li>- Financial management</li> </ul> <p>Comprising study days with expert and witness speaker sessions, project visits, and mentor induction.</p> <p>Alongside this the programme included Action Learning Sets (x5) and a Media/PR &amp; Social Media Workshop.</p>	

Informed by its findings, the Lloyds Banking Group Social Entrepreneurs Programme, in partnership with SSE and jointly funded by the Big Lottery Fund, has received funding for a further 5-year period (2017-2022) and now includes Start Up, Trade Up and Scale Up programmes with conventional grants at Start Up level and Match Trading grants at Trade Up and Scale Up level.

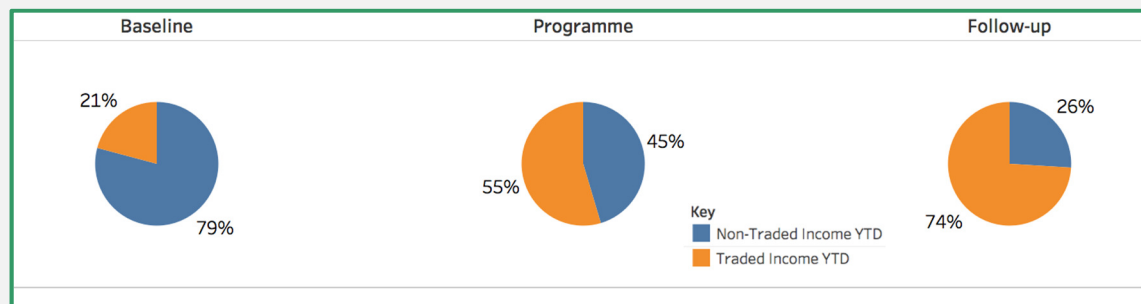
### Trade Up Programme and Match Trading™

The Trade Up Programme was piloted during Phase 1 (2015-16) of the programme and provided specific support for enterprises to focus on increasing their trading activity along with Match Trading grants of up to £7,000.

Match Trading is an innovation in grant-funding created by the School for Social Entrepreneurs, to incentivise growth through trading. Match Trading is grant-funding that pound-for-pound matches an increase in trading income and rewards sales growth for social entrepreneurs operating in challenging markets. Match Trading grants were first used as part of the Lloyds Bank and Bank of Scotland Social Entrepreneurs Programme.

The Trade Up pilot programme involved 19 social entrepreneurs and ran only in London. Alongside Match Trading grants, participants were supported by mentors from Lloyds Banking Group and a learning programme tailored to the needs of social entrepreneurs looking to grow their trading base. The School for Social Entrepreneurs has conducted an internal evaluation of the progress and impact of the pilot.

During the pilot year, 19 early stage social entrepreneurs produced a 192% median increase in trading income for their organisations, creating a total trading uplift of £231k. A one-year follow-up study demonstrated that trading, as a proportion of total income is steadily increasing. Traded income as a proportion of total income increased from 21% before the programme to 55% by the end of the programme, reaching 74% of total income one year after the programme ended. Since the beginning of the programme year, a total £627,314 of trading income has been generated.



*Traded and non-traded income mix for the 19 pilot programme organisations showing before, immediately after and 12 months after the programme finished*

Beyond the financial data associated with this grant innovation SSE’s evaluation has shown how the Trade Up Programme with Match Trading grants has helped to develop skills and stimulate culture change within organisations, as a basis to increased sustainability.

Following the successful pilot, approximately 500 small to mid-sized social ventures will be on the SSE learning programmes and in receipt of Match Trading grants as part of the Phase 2 Lloyds Banking Group Social Entrepreneurs Programme. In addition, SSE has established a Match Trading Taskforce, bringing together 21 organisations, with an interest in learning and supporting its future development ([www.matchtrading.com](http://www.matchtrading.com))



## 1.6 Objectives

The broad project outcomes of participating in SSE Start Up or Scale Up, as specified in the Big Lottery Fund grant agreement were:

- ❑ For social enterprises to demonstrate increased business / communication skills, confidence, networks and knowledge;
- ❑ For social enterprises to become more sustainable with an increased turnover;
- ❑ To make deprived communities stronger and develop social capital via positive contacts with people helping develop effective solutions to local problems and by generating jobs;
- ❑ To bring real improvements to communities and the lives of people most in need by the end of the project.<sup>1</sup>

### 1.6.1 Anticipated outputs<sup>2</sup>

The Lloyds Banking Group anticipated the following outputs in supporting social entrepreneurs over Phase 1 of the programme

- ❑ 1,300 of social entrepreneurs supported;
- ❑ 4,000 jobs created by social entrepreneurs (cumulative);
- ❑ 800,000 beneficiaries supported by social entrepreneurs (cumulative).

The Big Lottery Fund grant letter sets out targets for supporting new and existing social enterprises over Phase 1 of the programme:

- ❑ Support 1,117 social enterprises across England;
  - 937 new social enterprises (Start Up);
  - 180 existing social enterprises (Scale Up);
    - Half of all social enterprises coming from or operating in or serving people in disadvantaged areas.

### 1.6.2 Anticipated outcomes<sup>3</sup>

The Big Lottery Fund grant letter further sets out 4 outcomes to be evidenced from Phase 1 of the programme:

- ❑ **Outcome 1** – 90% of social entrepreneurs will demonstrate increased business/communication skills, confidence, networks and knowledge;
- ❑ **Outcome 2** – 90% of social entrepreneurs will report more sustainable enterprises with increased turnover;
- ❑ **Outcome 3** – 620 social enterprises helping to make deprived communities stronger, developing social capital via contact with 111,000 people and generating 1,240 jobs;
- ❑ **Outcome 4** – SSE programmes to be delivered in a further 7 high deprivation locations in England, with 90% graduating in all regions of the UK.

<sup>1</sup> Big Lottery Fund Grant Letter Appendix, 13<sup>th</sup> November 2012

<sup>2</sup> Ibid

<sup>3</sup> Ibid

### 1.6.3 Inputs

The LBGSEP was funded at a national level by a combination of Lloyds Banking Group, the Big Lottery Fund and Nominet, with a total fund of £13.2m. Lloyds Banking Group contributing £6m (45%) of the total programme funds, Big Lottery Fund provided grant funds to entrepreneurs from 2012/13, contributing 52% of the total programme budget. Nominet Trust supported the programme in 2012/13, with funding of £269,167, equal to 2% of the total budget.

**Figure 4: Funding by source (national partners)**

	2011-12	2012-13 Cohort 1	2013-14 Cohort 2	2014-15 Cohort 3	2015-16 Cohort 4	2016-17 Cohort 5	2017-18	Total
Nominet		£207,500	£218,500	£194,926	£114,059	£97,958		<b>£832,943</b>
Big Lottery Fund		£602,872	£1,473,150	£1,620,856	£1,608,259	£1,595,259	£35,919	<b>£6,936,315</b>
Lloyds Banking Group	£69,695	£914,914	£1,138,237	£1,174,062	£1,178,975	£1,183,515	£348,952	<b>£6,008,350</b>
	<b>£69,695</b>	<b>£1,791,953</b>	<b>£2,606,387</b>	<b>£2,794,918</b>	<b>£2,787,234</b>	<b>£2,778,774</b>	<b>£384,871</b>	<b>£13,213,832</b>

In addition to national partners, a number of local programme partners have been involved. Local match funding of £832,943 has been secured over the 5 years from a range of partners. Local authorities throughout the country have been active partners over the 5 years including Cornwall Council, Bristol City Council, Bath and North East Somerset Council, Liverpool City Council, Wigan Council, Solihull Council and Birmingham City Council. Other partners and funding sources include Local Enterprise Partnerships (LEPS) such as Cornwall and Scilly Isles LEP, EU funds such as ERDF (European Regional Development Fund), and trust and foundation partners such as Barrow Cadbury Trust.

	2011-12	2012-13 Cohort 1	2013-14 Cohort 2	2014-15 Cohort 3	2015-16 Cohort 4	2016-17 Cohort 5	2017-18	Total
Local match funding		£207,500	£218,500	£194,926	£114,059	£97,958		<b>£832,943</b>
National partners	£69,695	£1,791,953	£2,606,387	£2,794,918	£2,787,234	£2,778,774	£384,871	<b>£13,213,832</b>
Total	£69,695	£1,999,453	£2,824,887	£3,055,139	£2,948,875	£2,919,726	£384,871	<b>£14,202,646</b>

## 2 IMPACT EVALUATION

The impact evaluation has explored the impact of participating in the Programme on social entrepreneurs, the enterprise or project the entrepreneurs are running, and the beneficiaries and communities supported. It has also sought to understand the impact on the wider policy landscape.

### Interactive Dashboard

CLES have developed an online interactive dashboard which presents the data derived from the quarterly surveys and the post programme fellow survey. Within this dashboard, using a navigation page, the user can self-navigate to slides where charts can be filtered by school, by year and by programme allowing the user to interrogate the data and compare and contrast performance across time and geography. This dashboard is an example of how SSE may present and share its data going forward, and is not intended to be a comprehensive tool.

Throughout this document, where we present data, rather than presenting an extensive set of static charts which show the data filtered by school, by cohort and by programme, we took a decision to highlight only the main findings, while linking to the online charts for readers who wish to delve into the data further. Throughout this report we reproduce the hyperlink below,<sup>4</sup> allowing the reader to seamlessly link between reading this report and accessing the interactive dashboard, regardless of where they start. The dashboard also hosts additional media (photos and videos) for case studies, and the link below is reproduced in the document in the appropriate places.

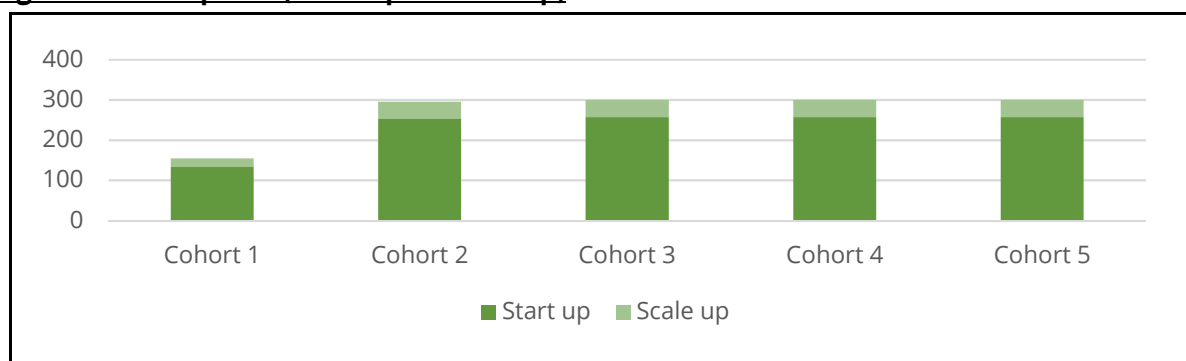


### 2.1 Individuals supported

Highlights		
• 1,349 participants	• 66% female	• 20% BAME

Across Phase 1 of the programme, there has been a total of 1,349 participants with 86% of these on the Start Up programme (1,160) and 14% on the Scale up programme (189). The overall completion rate for Phase 1 of the Programme was high at 93%, with only 99 participants withdrawing from the programme. Many of the withdrawals were related to participants’ family circumstances or personal health issues (including mental health).

**Figure 5: Participants (Start Up vs Scale Up)**



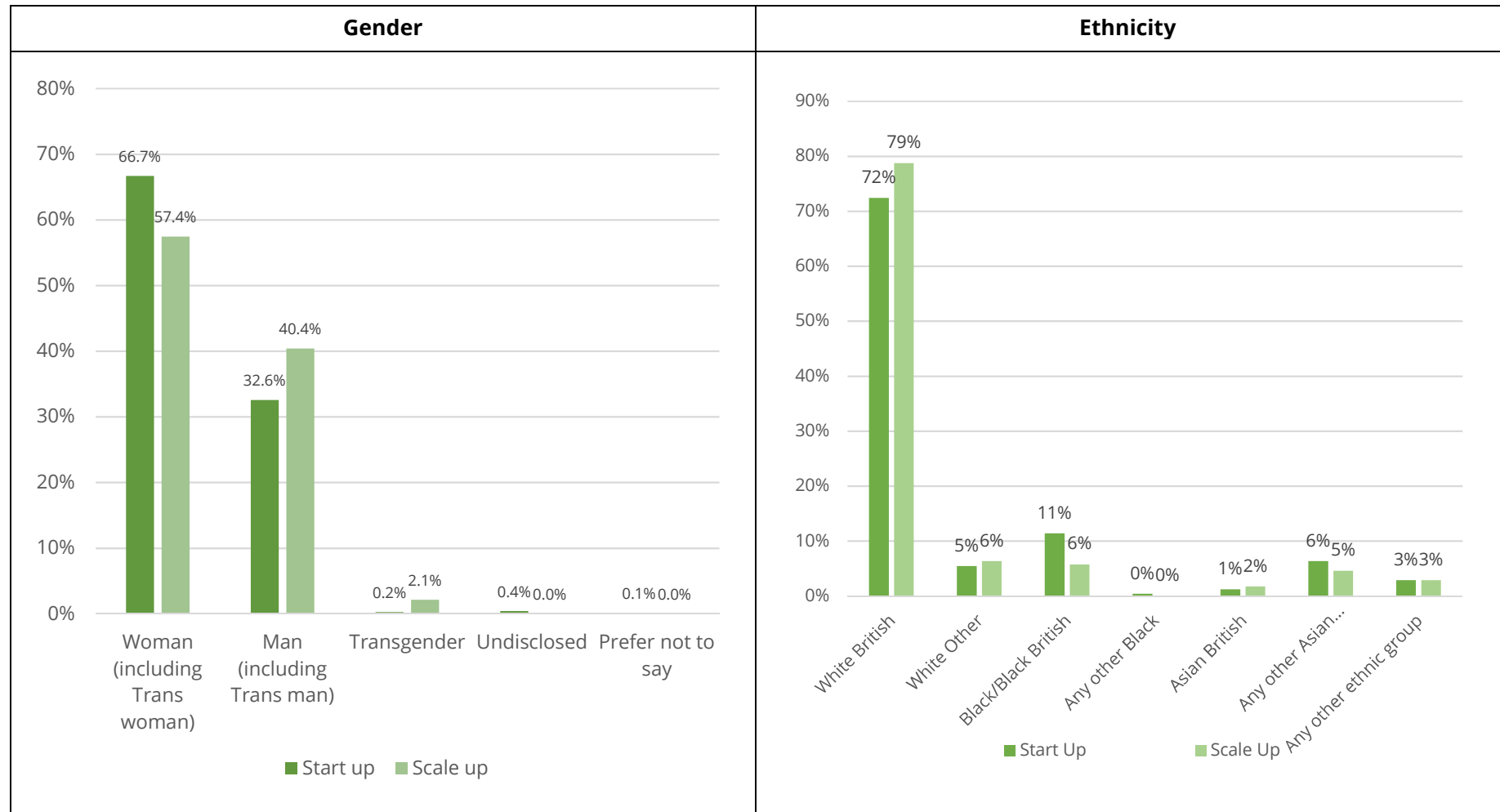
<sup>4</sup> See also

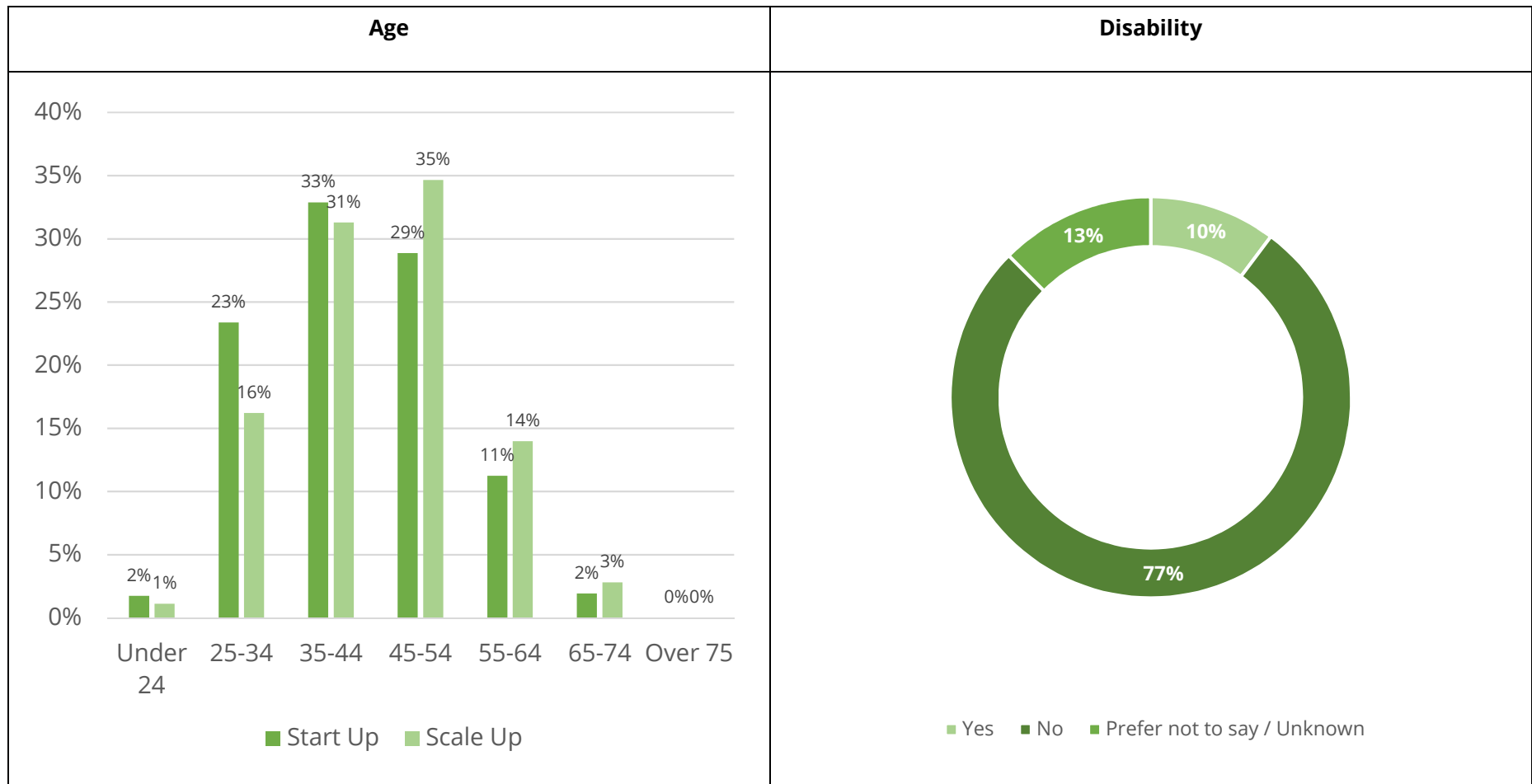
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**Diversity of participants**

Over the duration of Phase 1, 66% of participants were female, and 33% male, with 1% either transgender/undisclosed. The programme has engaged a significantly diverse group in terms of ethnic diversity, with 20% of participants Black, Asian or Minority Ethnic (the BAME population of the UK was 10.1% in 2011) and Black/Black British/other Black was the most significant ethnic minority, accounting for 11% of participants overall. 10% were disabled (18% of the UK working age population is estimated to be disabled).

**Figure 6: Diversity of participants – Phase 1**





## 2.2 Impact on individuals

### 2.2.1 Business skills of the entrepreneur

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>Vital business skills boosted during programme year</li> </ul>	<ul style="list-style-type: none"> <li>Variations in skills sets at entry point are smoothed out, so all fellows leave with similar abilities</li> </ul>	<ul style="list-style-type: none"> <li>Skills for growing an enterprise continue to grow post programme</li> </ul>

#### **Strengthening skills**

The evaluation findings highlight the value of learning that develops the social entrepreneur as well as the skills needed for a successful social enterprise, enabling participants to learn a rounded approach to their personal and organisational development.

A total of 16 different business skills have been monitored, on a quarterly basis, for each social entrepreneur on the programme. Over the duration of the support programme, the skills which have seen the most significant growth include sales, project management, income generation, financial management and marketing, each having increased by between 28% and 32% within the year-long support. Interestingly, these five skills which have grown the most significantly are among those that were ranked lowest (5 out of the lowest 6 ranked) at the outset, so the programme is demonstrating solid impact on raising of skill levels. At the outset, across the 16 skills tracked the average score given was 2 out of 5. By the end of the programme this had increased to 3.1 out of 5 demonstrating the impact and comprehensive nature of the programme.

#### **SSE Midlands**

Participants interviewed reported that the action learning sets and mentoring sessions were particularly useful with the development of business skills. Specific skills that participants felt they developed related to networking, structuring a business plan and applying for grant funding and tendering for contracts. One fellow reflected on business mentoring received from NatWest, which focused purely on the profit-making side of business, while the SSE Start Up programme enabled them to transfer business skills to generate social impact.

*'I was a complete novice beforehand - I knew my craft but didn't feel as though I should be in business, but SSE Start Up made me a confident business woman' – Fellow*

#### **Developing rounded skills sets**

Self-reported business skills at the outset of the programme<sup>5</sup> show variations between cohorts, schools and individuals. However, it is clear that by the end of the programme that these variations are smoothed out and fellows leave the programme with similarly high skills levels, regardless of their starting point.

<sup>5</sup> Utilising the interactive dashboard, it is possible to explore how skills vary by cohort and school.

***SSE Cornwall***

The learning programme at SSE Cornwall has enabled participants to develop their core business skills. The fellows considered that the programme allowed them to develop a holistic skill set which enabled them to develop their ideas into a sustainable business. Staff summed up the impact of the programme: *'students have increased in confidence, capabilities, resilience and business acumen, but they are also more aware of the potential of their organisation to make a social change'*.

***Enabling continued skill development***

Following the programme, individual's skills continue to develop. The skills that have seen the largest growth between the end of the programme and the post programme assessment include product/service development, networking, strategic thinking and being an employer, all moving up between 16% and 20%, and all vital skills for growing an enterprise. The post programme assessment shows that social entrepreneurs have continued to apply their learning and feel they have developed their business skills to a high level, with an average score of 3.8 out 5 for the 16 skills tracked.

**Figure 7: Business skills**





## 2.2.2 Personal skills of the entrepreneur

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>Critical personal skills boosted, with time management and work life balance showing the most significant change between the start and end of the programme</li> </ul>	<ul style="list-style-type: none"> <li>Confidence is the highest rated personal skill by the end of the programme, and continues to grow post programme</li> </ul>	<ul style="list-style-type: none"> <li>Variations in skills at entry point are smoothed out, creating rounded fellows</li> </ul>

For each of the six personal skills tracked, there has been a significant positive growth over time.<sup>6</sup> Across the 6 skills tracked, the average score at the outset was 2.6, rising to 3.2 by the end of the programme, demonstrating positive growth across all skills. By the post programme assessment, the average score for the 6 skills had risen from 3.2 to 3.8 out of 5, demonstrating a consistently high impact and entrepreneurs well equipped to run their enterprises.

### **Time management and work life balance**

Over the support programmes duration, the two personal skills which saw the largest growth were time management and looking after yourself/work life balance, both growing by 16%. Time management and work life balance also continue to grow post programme, seeing a total growth of 28%.

<b>SSE East</b>
SSE East Learning mentors conduct 1-to-1s with entrepreneurs, setting goals and assessing their 'journey travelled' at various points throughout the programme, with the ability to strike a work life balance reported to have grown most significantly, growing by 31% overall.

### **Growing confidence within and post programme**

An increase in confidence is observable during the programme and continues to develop post programme. It is the highest rated personal skill by the end of the programme and between the end of the programme and the post programme assessment, confidence grew by 16%.

### **Start Up has greater impact on self-awareness**

Similar patterns of growth are evident between Start Up and Scale Up, with the only significant difference in the development of self-awareness, with much higher growth among Start Up participants.

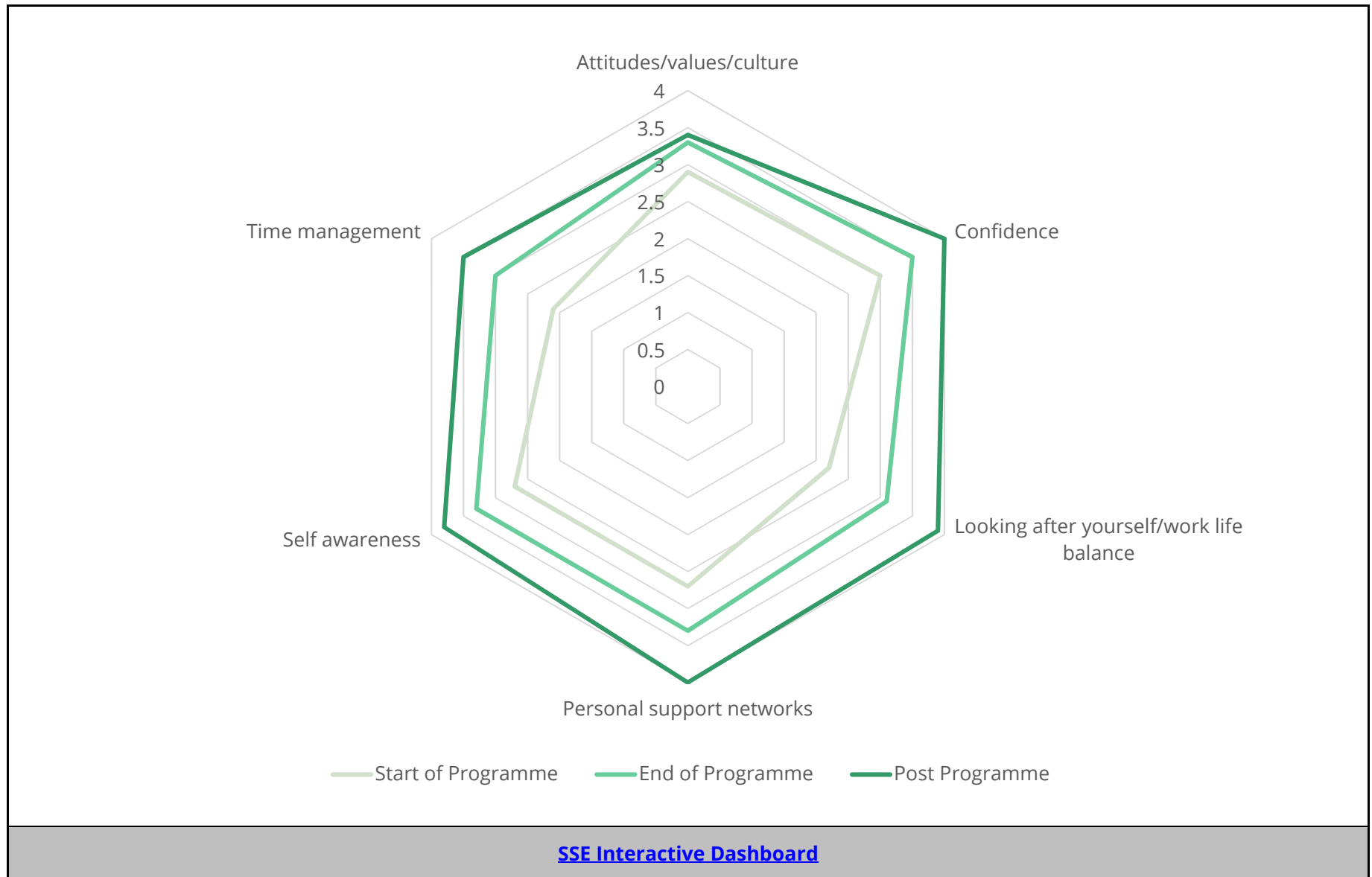
### **Fellows grow together**

Looking at how skills develop (between cohorts/schools/individuals) highlights the value of a national programme of learning. Time management for example was ranked lowest in Cornwall and highest in the Midlands, while personal support networks were rated much higher in Cornwall than in the Midlands.<sup>7</sup> However, tracking skills development over time highlights how these variations are smoothed out as participants progress through the programme, demonstrating the value of a national programme for consistent development of skills.

<sup>6</sup> The growth of personal skills over time are tracked in Figure 6. The same question was asked of entrepreneurs at the end of the first quarter (Q1), the end of the programme (Q4) and as a post programme assessment.

<sup>7</sup> This data could and should be utilised for programme design locally – see learning report for more detailed discussion.

**Figure 8: Personal skills**



### 2.2.3 Professional/public recognition

In terms of being recognised, professionally or publicly during the programme of support, 118 entrepreneurs were nominated for an award, 90 of these won the award they were nominated for, while a further 261 entrepreneurs received PR or press coverage. Breaking this down by school shows how entrepreneurs from the Midlands, London and the North West have done significantly better in terms of award nominations, awards and press coverage.

SSE organise the annual Social Entrepreneur of the Year Award, where five finalists are shortlisted by a panel of judges because of the impact they've created, the growth they've achieved and the potential of their plans.

#### Change Please – Social Entrepreneur of the Year 2017



Social Entrepreneur of the Year Award 2017

Change Please is a social enterprise that uses coffee as a way out of homelessness. It trains homeless people to become baristas and provides a London-living wage job, housing and bank account and therapy support to its beneficiaries.

#### Heavy Sound

Heavy Sound, a social enterprise set up by a fellow of SSE Scotland received a special commendation from the **Scottish Social Services Council**, which is responsible for raising standards in the country's social service workforce. Heavy Sound received the commendation for their work delivering an expressive writing project within a residential school for boys aged 11 – 16 years old with social, emotional and behavioural needs.



### Reform Radio



Reform Radio uses the framework of an online station to support young adults into employment. Manchester City Council have awarded Reform Radio a Cultural Partnership Agreement grant, aimed at helping with the organisations' core running costs to enable them to continue their work with different communities in the city.

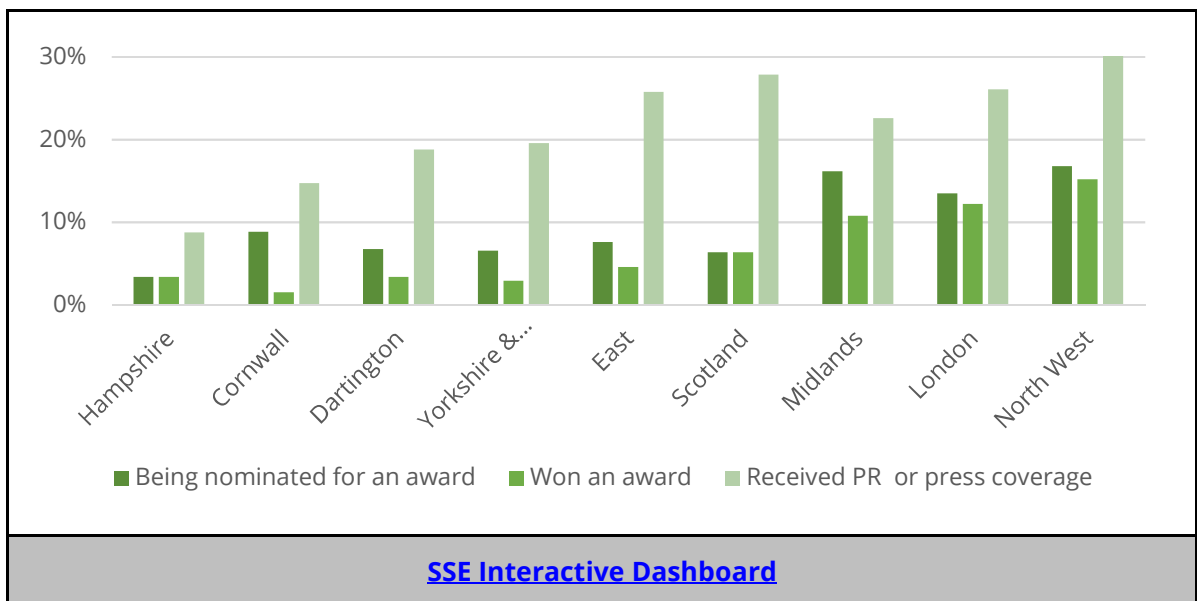
Reform Radio were finalists in the Lloyds Banking Group Social Entrepreneur of the Year Award in 2017 and were nominated for Mixcloud Online Radio Awards 'Best Online Radio Station (Europe)' in both 2016 and 2018 and received an Audio & Radio Industry Awards [ARIAs] nomination in 2017

### Foodinate

Foodinate works with restaurants to fund a nourishing meal for a local person in need. 26,957 meals have been provided to people in need across the UK so far. Foodinate has been nominated for and won many awards, such as: F2N Entrepreneur of the Year 2015; UnLtd 'Do It' Award Winner 2014; One to Watch - Northern Power Women - Finalist 2016; Entrepreneurial Spark #GoDo Award Winner 2016; EVA Young Entrepreneur of the Year - Winner 2016; RBS Boost a Business - Winner 2016.



**Figure 9: Have you or your project been professionally or publicly recognised?**



## 2.3 Impact on enterprises

Both the Start Up and Scale Up programmes support the development of a values-driven approach to business, with the programme and the peer support networks providing a support structure to facilitate this. The programme supports social entrepreneurs to embed social values within the business from the outset alongside developing an economically sustainable business model to enable them to support themselves financially and build the sustainability of their organisation.<sup>8</sup>

*‘Wouldn’t have grown without it... What’s that saying, it helps you in terms of ‘working on the business, not in the business’ – Fellow*

To consider the impact of the programme on enterprises the evaluation has looked at enterprise establishment, income sources and turnover, business survival, and employment and volunteering growth.

### 2.3.1 Enterprise establishment - legal structures

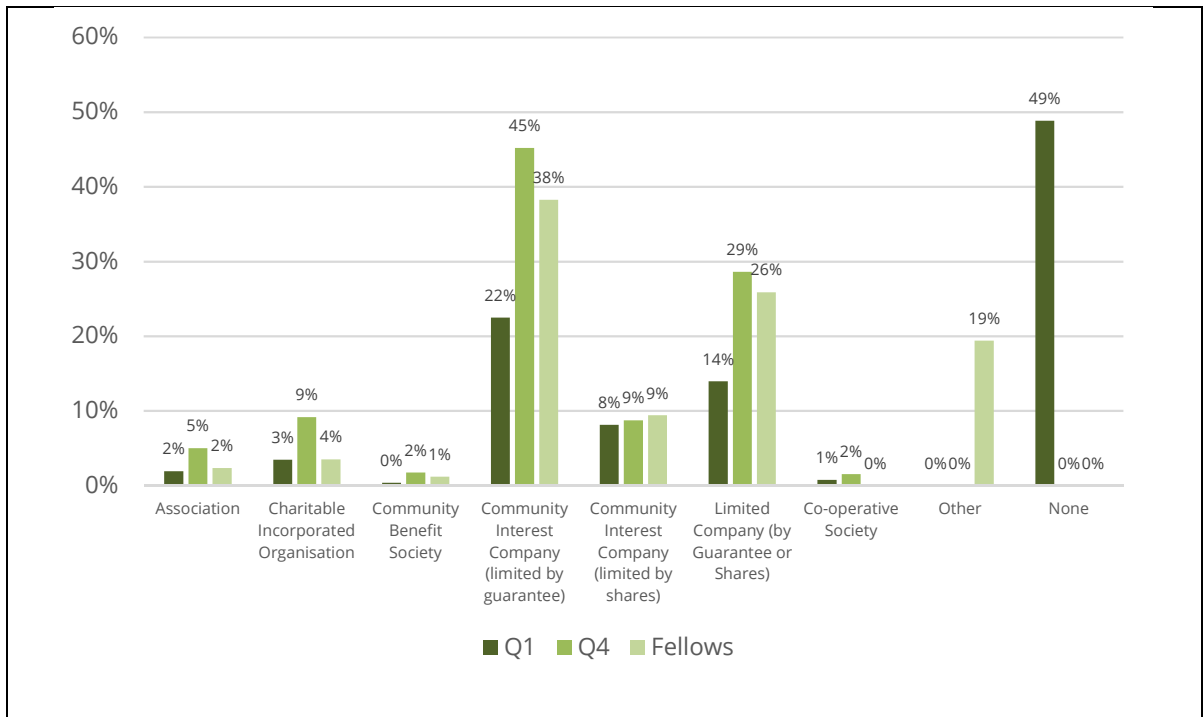
<b>Highlights</b>		
<ul style="list-style-type: none"> <li>• 100% of enterprises settled their legal status by the end of the programme</li> </ul>	<ul style="list-style-type: none"> <li>• Community Interest Company structure most commonly adopted</li> </ul>	<ul style="list-style-type: none"> <li>• Rise in Co-operative Societies post programme among Scale Up participants</li> </ul>

The legal structures of enterprises have been tracked over time. For Start Up participants, 49% of businesses had no legal structure at the outset, however by the end of the programme of support, all enterprises (100%) had decided on and settled their legal structure. The most common forms of legal structure adopted include Community Interest Company (limited by guarantee) (45%) and Limited Company (by guarantee or shares) (29%). The post programme assessment showed an increase in the number identifying as ‘other’ however the exact nature of what is included in this category has not been captured.

*“It opened my eyes to possible new ways to do business and new income streams. It gave me more confidence and confirmed I was doing the right thing. I don’t think I would have achieved CIC status without doing it” – Fellow*

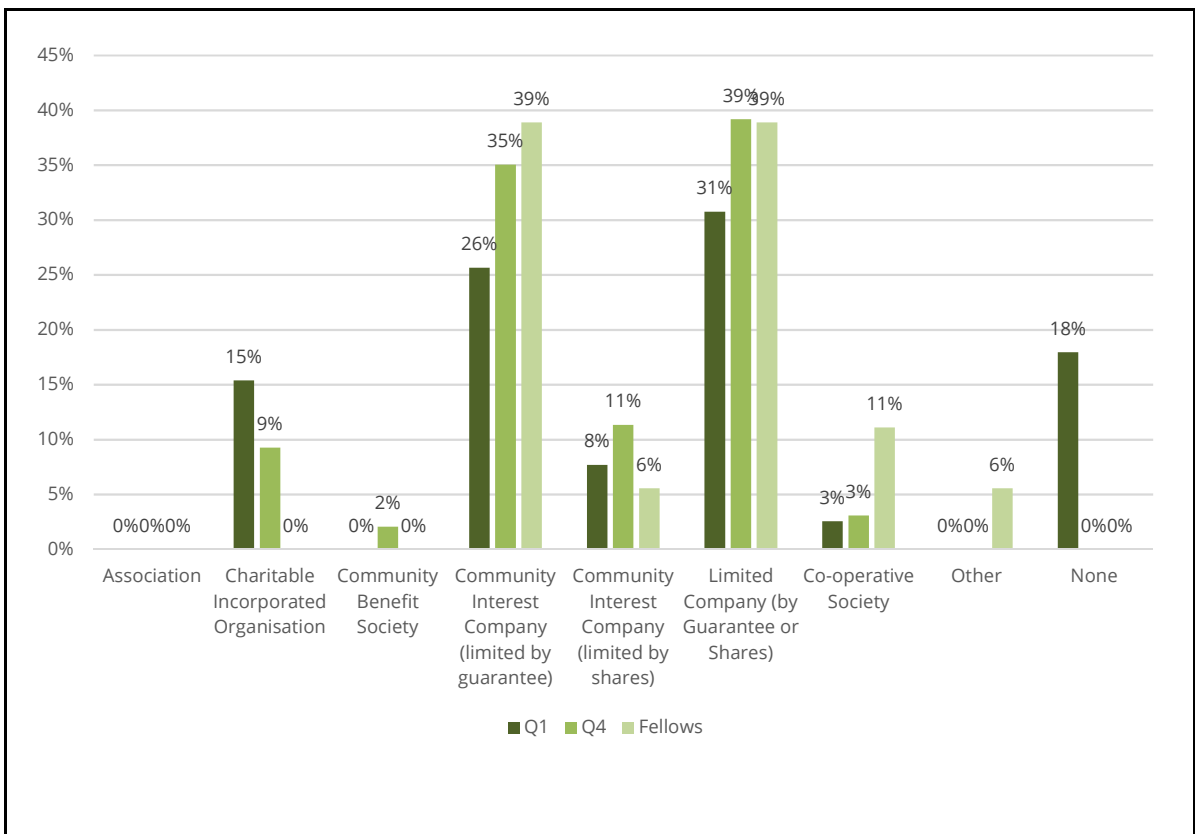
<sup>8</sup> The Start Up programme, which accounted for 86% of participants in Phase 1 is very much focused on the entrepreneur, and their enterprise may be at varying stages of development upon joining the programme, so the extent to which impact is realised on the enterprise needs to be viewed within this context. The Scale Up programme, which accounted for the remaining 14% of participants, was more focused on the development of the enterprise itself.

**Figure 10: Legal structure of the enterprise – Start Up**



Scale Up enterprises by the nature of being more established, show less variation in legal structure over time, with an increase in those adopting a CIC (limited by shares) legal structure (from 26% to 39%) and a growth in Limited Company (by guarantee or shares) from 31% to 39%. Co-operative Societies increased from 3% to 11% following the end of the programme, while registered charities declined from 15% to 0%.

**Figure 11: Legal structure of the enterprise – Scale Up**



**SSE Scotland**

SSE Scotland fellows interviewed reported a range of impacts around the development of working practices, legal structures and revenue generation. One fellow replaced their Board – which prior to the programme had been made up of family and friends – with highly experienced, and in some cases award winning, professionals.

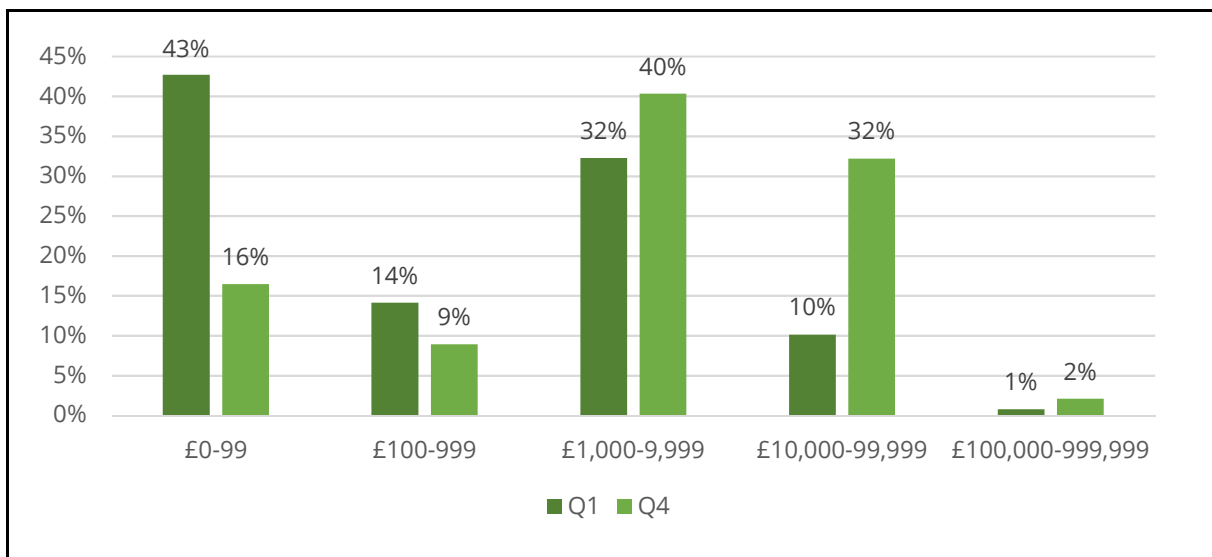
*‘My ambitions for the business have increased because of the programme’ – SSE Scotland fellow*

**2.3.2 Turnover and income sources**

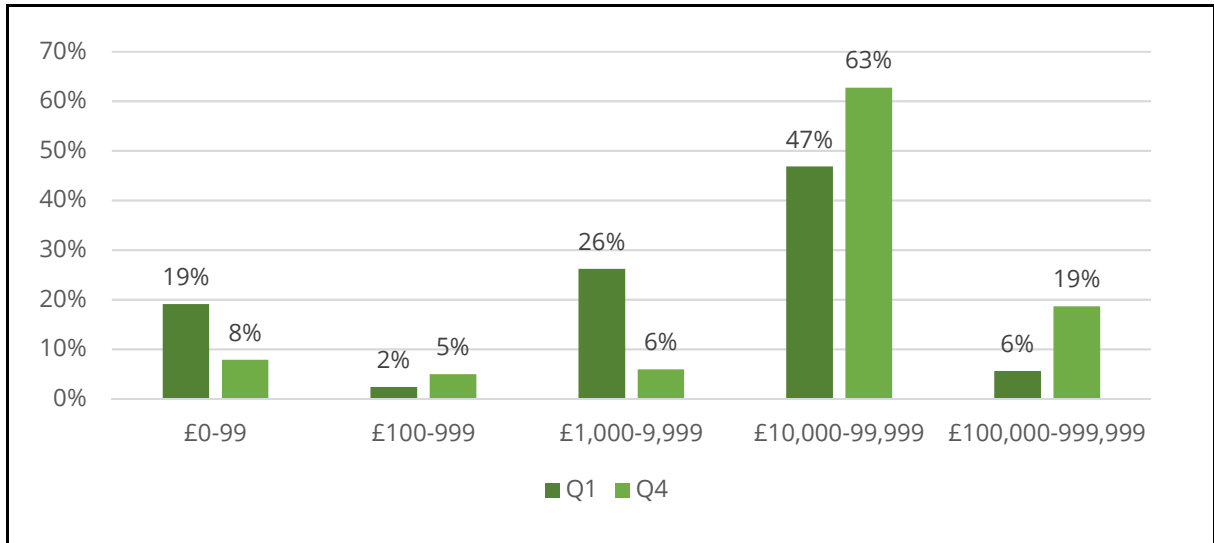
Highlights	
<ul style="list-style-type: none"> <li>• 22% increase in Start Up enterprises reporting income between £10,000 and £100,000.</li> </ul>	<ul style="list-style-type: none"> <li>• Post programme, Start Up enterprises report 63% of income from trading</li> </ul>
<ul style="list-style-type: none"> <li>• A 16% increase in Scale Up enterprises reporting income of between £100,000 and £999,000</li> </ul>	<ul style="list-style-type: none"> <li>• Post programme, Scale Up enterprises report 71% of income from trading</li> </ul>

The Lloyds Banking Group Social Entrepreneurs Programme has supported social entrepreneurs to at least sustain, if not increase, their income over time. The number of enterprises reporting the same income bracket or an increase in income bracket between the previous financial year (Apr-Mar) and the end of the programme (as of Q4) was 92%.

**Figure 12: Income since joining the programme (Q4) – Start Up**



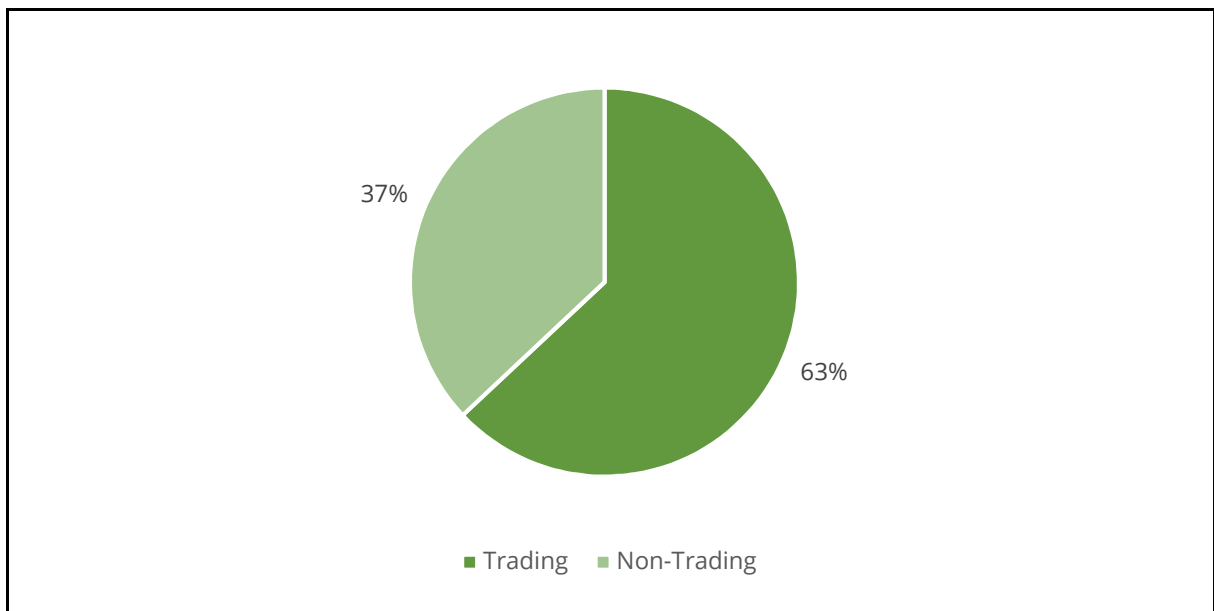
**Figure 13: Income since joining the programme (Q4) – Scale Up**



The evaluation has demonstrated Programme participants increase their trading income as their enterprises develop.

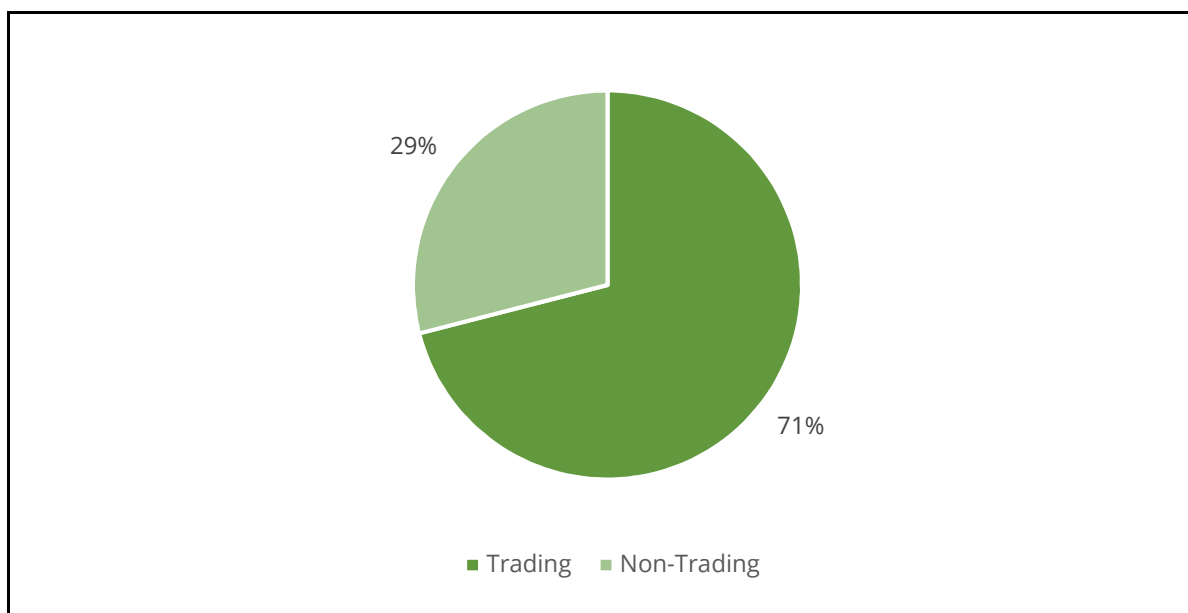
Following completion of the programme, most fellows operate with a blend of finance, on average around two thirds (63%) of income was generated by trading, with just over one third (37%) coming from non-trading sources. This is a little lower than the sector as a whole, with the SEUK State of Social Enterprise Survey 2017 indicating that three quarters of Social Enterprises earn in excess of 76% of income from trading, however this includes enterprises of all sizes and all stages of development many of which are at a more advanced stage of development compared to SSE’s Start Up social entrepreneurs in particular.<sup>9,10</sup>

**Figure 14: Income from trading – Start Up – Post programme assessment**



<sup>9</sup> Question wording in the monitoring survey does not allow for an assessment of turnover increase in terms of actual value.  
<sup>10</sup> State of Social Enterprise Survey 2017, SEUK, see section 4 <https://www.socialenterprise.org.uk/Handlers/Download.ashx?IDMF=a1051b2c-21a4-461a-896c-aca6701cc441>



**Figure 15: Income from trading – Scale Up - Post programme assessment*****Sound Sensations – SSE Yorkshire & North East***

Sound Sensations provide services to adults with special needs, mental health issues, and medical conditions such as strokes and dementia. They seek to enable communication and independence by incorporating sound, rhythm, frequency and vibration in the form of an alternative, holistic experience. Sound Sensations offer two main services: Sound Baths, which are group sessions and one-to-one Sound Therapy sessions. The SSE Start Up grant was the last grant funding received by Sound Sensations; they now work completely independently, with all income being generated from contracts and clients.

***MsMissMrs – SSE Scotland***

Based around building self-esteem, and improving self-care and wellbeing, MsMissMrs offer a recovery programme for women called Get Set, and a preventative education programme; Get Set for Girls. After completing the LBGSEP Start Up programme, MsMissMrs secured £50,000 of private investment, which was match funded by the Big Lottery Fund. This enabled MsMissMrs to hire staff, get their workbooks accredited and open The Hub in Glasgow: a self-care space where MsMissMrs offer a variety of health and wellbeing programmes, courses and workshops.

***Urban Growth Learning Gardens – SSE London***

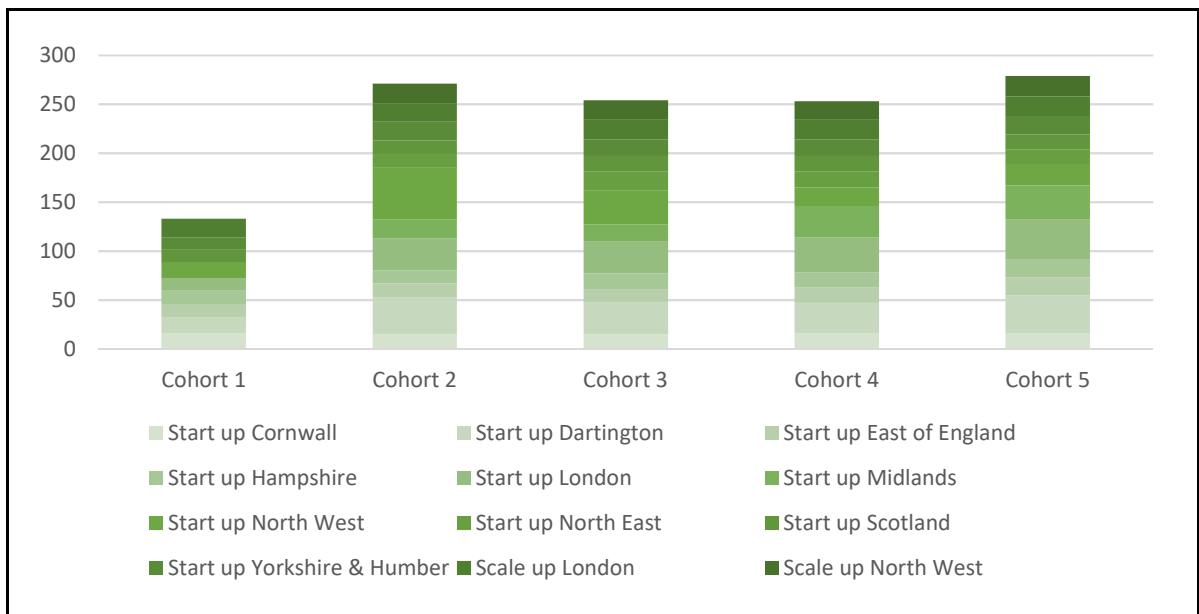
Urban Growth Learning Gardens is a social enterprise based in the London Borough of Lambeth, which is seeking to improve the health and well-being of Lambeth and wider London residents through developing, nurturing, maintaining and growing urban gardens. Urban Growth Learning Gardens work with a range of funders across the commercial, public and social sectors and are working with developers and large multinational contractors to help realise their Corporate Social Responsibility objectives.

## 2.4 Enterprise survival

Highlights		
<ul style="list-style-type: none"> <li>1,182 enterprises estimated to remain operating from Phase 1, representing 77% of all enterprises involved</li> </ul>	<ul style="list-style-type: none"> <li>5-year survival rate of SSE supported enterprises is estimated at 66%</li> </ul>	<ul style="list-style-type: none"> <li>The equivalent UK five-year business survival rate is 44.1%</li> </ul>

Based on 1,250 participants completing the Start Up and Scale Up programmes, combined with 5-year survival rates which suggest that 66% of SSE supported enterprises are still operating after 5 years,<sup>11</sup> we estimate that the Phase 1 programme has created 1,182 enterprises which have survived until today (2017/18), with 1,006 from the Start Up programme and 176 from the Scale Up programme.<sup>12</sup>

**Figure 16: Enterprise survival**



<sup>11</sup> See Appendix 2 for more details of the approach utilised to develop these estimates. Assumptions are based on evidence that shows those supported were still trading after 1 year (100%), with 93% surviving 2 years and 66% surviving after 5 years. The UK five-year survival rate for businesses born in 2011 and still active in 2016 was 44.1%

<sup>12</sup> These estimates have been reviewed against SSE’s 2017 internal analysis of survival rates which suggests a 78% survival rate for Start Up and 95% for Scale Up (no drop off accounted for year on year). On this basis our assumptions may be a conservative estimate.

### 2.4.1 Employment and volunteers

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>An estimated 1,906 full time and 4,107 part time jobs created to date</li> </ul>	<ul style="list-style-type: none"> <li>3,960 Full Time Equivalent (FTE) jobs created to date</li> </ul>	<ul style="list-style-type: none"> <li>An estimated 13,037 volunteers engaged to date</li> </ul>

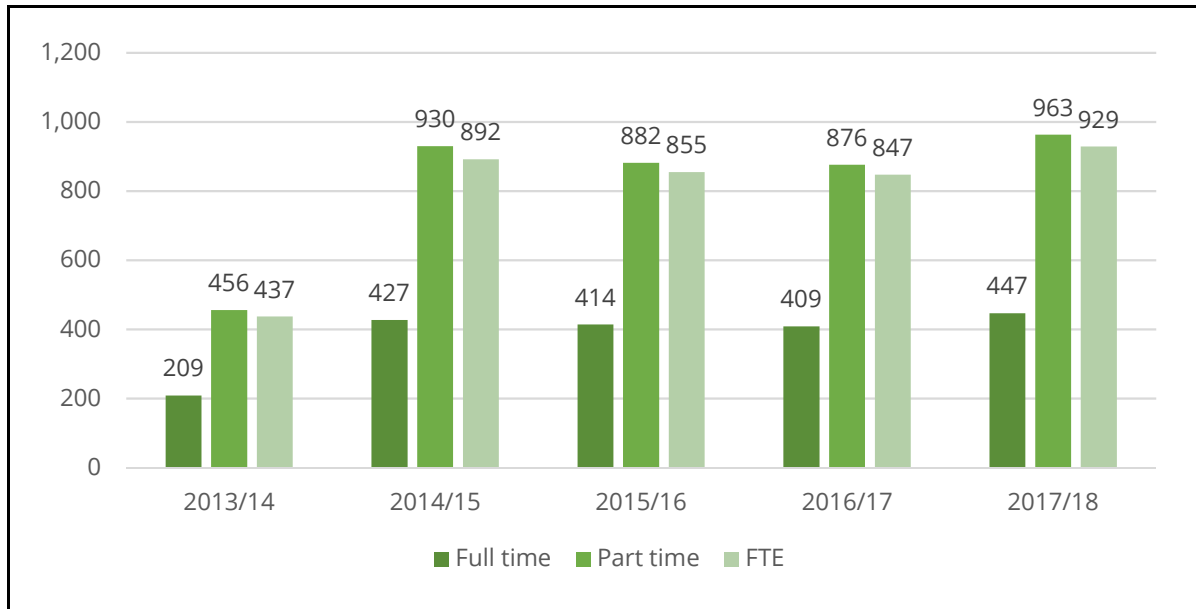
#### Employment<sup>13</sup>

Based on enterprise survival it is estimated that 3,960 full time equivalent jobs have been created since the start of the Phase 1 programme, with 1,906 full time jobs and 4,107 part time jobs created. These figures represent gross job creation resulting from the LBGSEP programme.

**Figure 17: Employment growth over time – table (estimated gross)**

	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Full time	209	427	414	409	447	<b>1,906</b>
Part time	456	930	882	876	963	<b>4,107</b>
Full time equivalent	437	892	855	847	929	<b>3,960</b>

**Figure 18: Employment growth over time - chart (estimated gross)**



<sup>13</sup> A discussion of attribution can be found in Appendix 2.

**Urban Growth Learning Garden – SSE London**

Urban Growth Learning Garden currently employs six people who have come from a range of backgrounds. This brings direct employment benefits for these individuals but has also enabled wider changes in their lives. The founder was previously a teacher but grew frustrated with the exam culture of the education system. He wanted to change young people's behaviours through a different approach and set up the organisation as a means of educating young people and wider members of the community about the importance of growing.

Several members of staff came to Urban Growth Learning Gardens as participants on training courses. They were seeking a new direction and interest as had become disengaged from the world of work, and the training courses gave them an aspiration to do something different and learn about urban growing and permaculture. For these staff, the organisation has also enabled significant health benefits to be realised, including more softer benefits around improved confidence, as well as the health benefits derived from working outdoors.

Other members of staff have seen Urban Growth Learning Gardens as a space in which they can foster a new sense of direction in their careers. One member of staff has moved from an urban planning career to one enabling a new type of urban planning through growing and horticulture. All direct employees reflected on the key impacts of being engaged with the organisation. These included:

- Health and wellbeing;
- Friendship development;
- A change of perspective on life and urban growing;
- Community engagement and development.

**Volunteers**

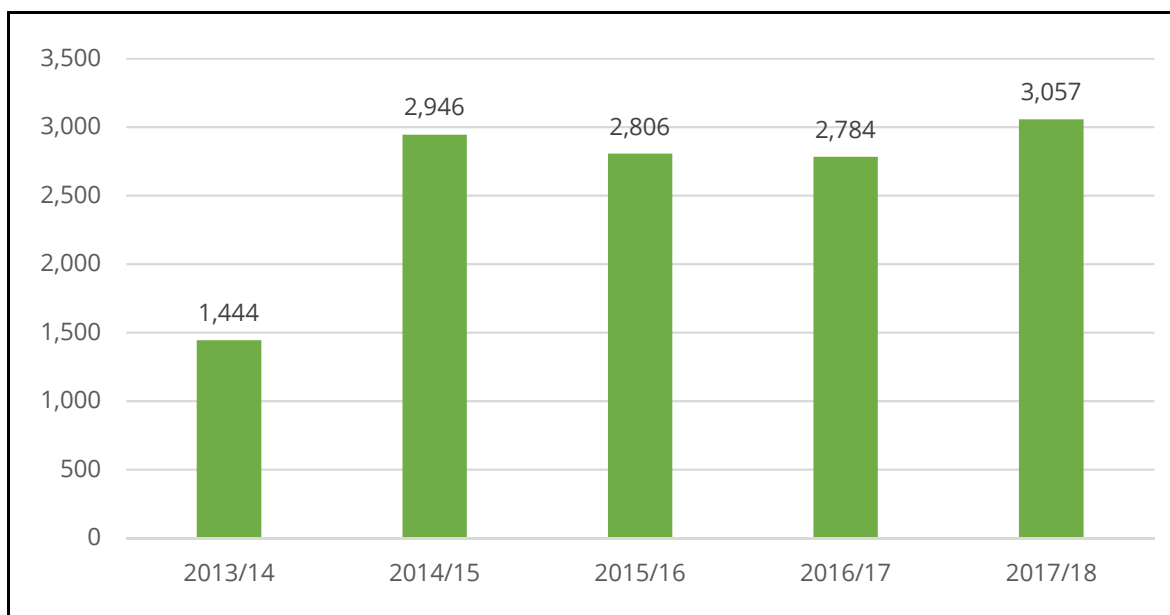
Since the start of the Phase 1 programme it is estimated that 13,037 volunteers have been involved with enterprises supported by the programme. These figures represent gross volunteer engagement resulting from the LBGSEP programme.

**Figure 19: Growth in volunteering by cohort - table (estimated gross)<sup>14</sup>**

	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Volunteers	1,444	2,946	2,806	2,784	3,057	13,037

<sup>14</sup> A discussion of attribution can be found in Appendix 2

**Figure 20: Growth in volunteering by cohort - chart (estimated gross)**



## 2.5 Impact on beneficiaries

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>An estimated 328,113 people have benefited from the work of Phase 1 supported enterprises</li> </ul>	<ul style="list-style-type: none"> <li>Number of fellows recording social impact doubles within the programme period</li> </ul>	<ul style="list-style-type: none"> <li>45% of fellows post programme recording social impacts</li> </ul>

The following section examines the programmes monitoring data to elicit the impacts the programme has had on the enterprises beneficiaries. This is combined with findings drawn from qualitative feedback.

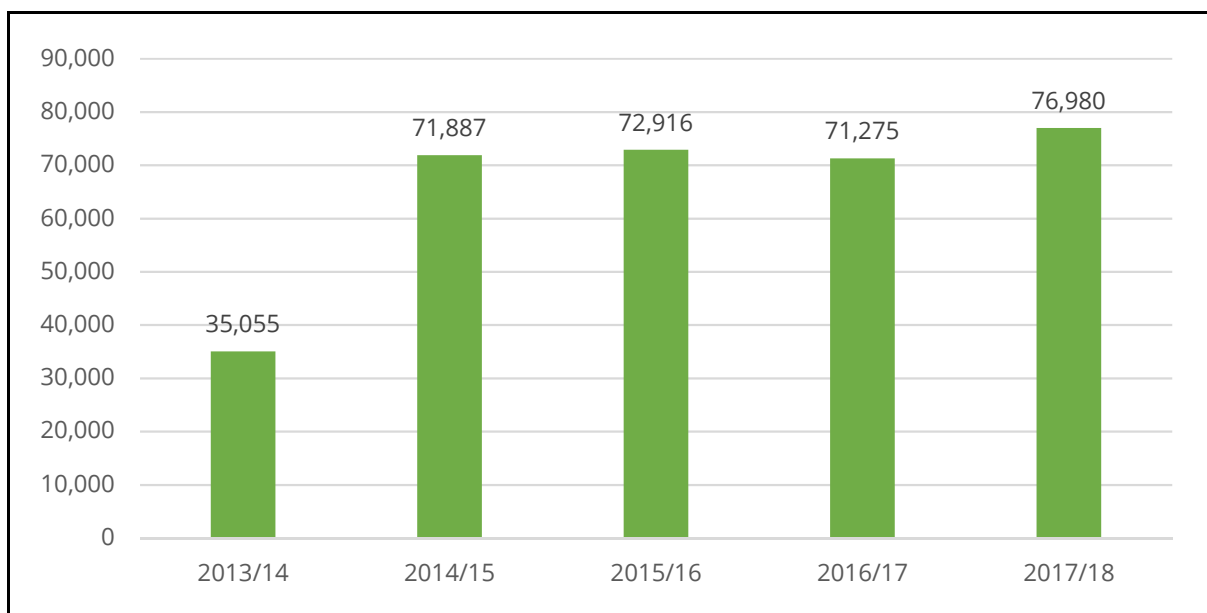
### 2.5.1 Number of people benefiting<sup>15</sup>

An estimated 328,113 people have benefited from the work of the social enterprises supported by the Start Up and Scale Up programme, which is almost 3 times that targeted (111,000). These figures represent the gross number of people benefiting from the LBGSEP programme.

**Figure 21: Growth in people benefitting – table (estimated cumulative gross)**

	2013/14	2014/15	2015/16	2016/17	2017/18	Total
Beneficiaries	35,055	71,887	72,916	71,275	76,980	328,113

<sup>15</sup> A discussion of attribution can be found in Appendix 2.

**Figure 22: Growth in people benefitting – chart (estimated cumulative gross)**

### 2.5.2 Type of beneficiaries and issues supported

Case studies have been conducted across the UK network which have demonstrated the diversity of beneficiaries supported and the wide range of outcomes which beneficiaries have experienced. This section highlights a few examples from the case studies which can be read in greater depth in the individual school reports.

#### ***Innovating Minds – SSE Midlands***

Innovating Minds, founded by Asha Patel, provides accessible psychological support for young people in education, training and employment and seeks to bring relief and happiness. Innovating Minds have an advanced understanding of social impact measurement. They have worked with researchers from Keele University to evaluate their work, and have used Social Return on Investment methodology to demonstrate the social impact generated by their activities:

- Delivered over £236,000 of Social Value and have seen a Social Return on Investment of £4.32 for every £1 spent;
- They have created 3 full time jobs, 3 volunteering positions and 2 student psychology placements;
- They have reached 1,137 young people, 470 education staff, and 1,465 parents and caregivers; and
- There has also been £64,424.20 of fiscal savings to public services through Innovating Minds' work.

***The Feed – SSE East***

The Feed is a social enterprise catering business and market stall in Norwich that helps people who have experienced homelessness, helping people access long term housing, training and employment. The Feed completed a social return of investment in 2013 and published their first annual social impact report in 2016. Of the 29 people who have graduated from the Flourish course, a 12-week introduction to working in catering as part of The Feed Academy:

- 27 felt their employment prospects increased as a result of the course
- 29 felt their catering skills and general employment skills had increased
- 26 felt their self-esteem increased
- 23 people have gained food hygiene qualification
- 11 have gained a work placement
- 11 have had paid employment soon after graduating
- 100% of those with an offending background reported reduction in their offending
- 11 reported a reduction in substance misuse

***Mindful Therapies – SSE Yorkshire & North East***

Mindful Therapies work on a mixture of private, public, and voluntary sector contracts and in 2016 were commissioned by Darlington Borough Council to deliver a programme of mindfulness to primary and secondary schools in the borough. Almost 400 pupils and 46 staff completed the bespoke mindfulness courses with 38 staff receiving training to take mindfulness back into their schools. An accessible and flexible mindfulness course has been developed and rolled out across schools in the borough with a large cohort of school staff now trained to deliver the programme.

*“The counselling changed my life and my perspective. It’s equipped me with tools to deal with issues and has helped me step back from negative thoughts to see the situation more clearly.” – beneficiary*

***Forth Valley Community Focus – SSE Scotland***

Annette had worked with various private training organisations over 15 years, and grew increasingly disillusioned with their profit before people mind set and cynical way of doing business; she knew she could provide this sort of training more effectively, cheaper and with a real person centered approach that put the needs of the client first. Annette’s idea was to create a community initiative that focused on reducing poverty and unemployment, through the provision of tailored employability and training support services designed to improve people’s life chances and choices. With this in mind, the name for Forth Valley Community Focus CIC was formed. Forth Valley Community Focus (FVCF) had been operating for just 44 weeks when consulted. During this time, over 4,000 families have been supported through the food larder, and a further 50-60 have received employability training! FVCF have also been able to secure a catering contract with Balfour Beatty on a local construction project. A significant achievement in just 44 weeks.

***The Grand Old Duke of Sauce – SSE Yorkshire & North East***

The Grand Old Duke of Sauce is a chili sauce business which provides a vehicle for delivering enterprise education with children with special educational needs and children who have been excluded from mainstream education. Courses provide experience of running a business first hand, showing young people a different route forward in life, opening up opportunities which may not require formal college qualification or apprenticeships. It has brought an enthusiasm and positivity from the young people, giving them life skills to pull themselves from where they are to where they want to be.

*'It's a smart way to get learning into business. It's really enjoyable to be honest, just being in a group and learning about new stuff' – Youth*

***Sound Sensations – SSE Yorkshire & North East***

Cameron's\* story is exemplary of the impact that Sound Sensations has on its beneficiaries' lives. Cameron has autism and severe learning difficulties, and over the course of his life his family had tried numerous therapies – even travelling to the US for dolphin therapy.

*'The therapies were costing us thousands of pounds, but Cameron was only making small progress that wouldn't last outside of the sessions' – beneficiaries mother*

After his mother met Clare by chance at a holistic fare, Cameron has now been working with Clare for 18 months.

*'We've been astounded by his progress in such a short amount of time. Cameron has found a new way of communicating and is now vocalising for the first time in his life. We don't know where it's going to go, but it's huge progress, we've been blown away.' – beneficiaries' mother*

The 'astounding' progress Cameron has made in terms of communication is attributed to Clare and Sound Sensations specifically, rather than just due to sound therapy.

*"Clare's approach is very unique. I'm used to people coming into Cameron's life with an expected outcome, making expectations that he was never able to get to. This hurt, but Clare is the only person who places no expectations on him. She has followed where he has led. This is empowering, he's never been able to lead anything in his life. Freedom comes to mind." – beneficiaries' mother*

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\* Names changed



**LEAP – SSE East**

LEAP is a social enterprise catering business and market stall in Norwich. They help people who have experienced homelessness, helping people access long term housing, training and employment.

James<sup>16</sup> had been married for sixteen years and had three children; he thought his life was complete. Regrettably, this situation changed – the marriage broke down and his wife asked him to move out. After leaving the family home, his only option was to sleep on a friend's sofa. During this period he also lost his job, and it became apparent that he had overstayed his welcome at his friend's house. Unfortunately, as he hadn't got a two year local connection in the catchment area, the council couldn't assist him with accommodation needs.

He therefore began sofa surfing at another property whilst receiving support from a local charity, who referred him to LEAP who were able to find James' accommodation in a hostel, and advised him to visit his GP to seek assistance with some mental health issues that had begun to arise. Sadly, at this point, he had begun to believe that his life was not worth living.

This is when his life began to turn around. LEAP were able to introduce him to the wide range of opportunities that were available to him. After a period of engaging with LEAP and receiving their advice and support, James says,

*"I've never felt so great! I'm back on my feet, I've got a life again and I've never looked back."*

He also said that he felt inspired by LEAP, and feels that without support from the whole team, his life would have been very different. He now has his own accommodation and has been working as a carer; a perfect role for someone who loves helping people. In his own words, *'It's the best job in the world.'*

**Reform Radio – SSE North West**

Reform Radio is an online station that supports young vulnerable adults into employment. Beneficiaries are being helped to deal with mental health issues and low self-confidence in order to gain sustainable employment.

Beneficiaries spoke of Reform "unlocking" their "passion" of creativity. Some had done some creative things in the past, but Reform gave them structure to be able to do it in a more "mature" way. Others had no creative background, and instead used creativity as an outlet for negative thoughts and feelings.

Reform functions both as a fun outlet to explore and develop their creativity, but also as a positive group of people, which serve "like a therapist", listen to your issues and build resilience. This has enabled beneficiaries to have a clearer vision of where they want to be; work around any issues they have and develop confidence and independence.

Several beneficiaries have progressed through the programme and returned as volunteers/mentors, with examples of individuals going on to apply to SSE and start their own enterprise.

<sup>16</sup> Name changed

## 2.6 Impact on localities and communities

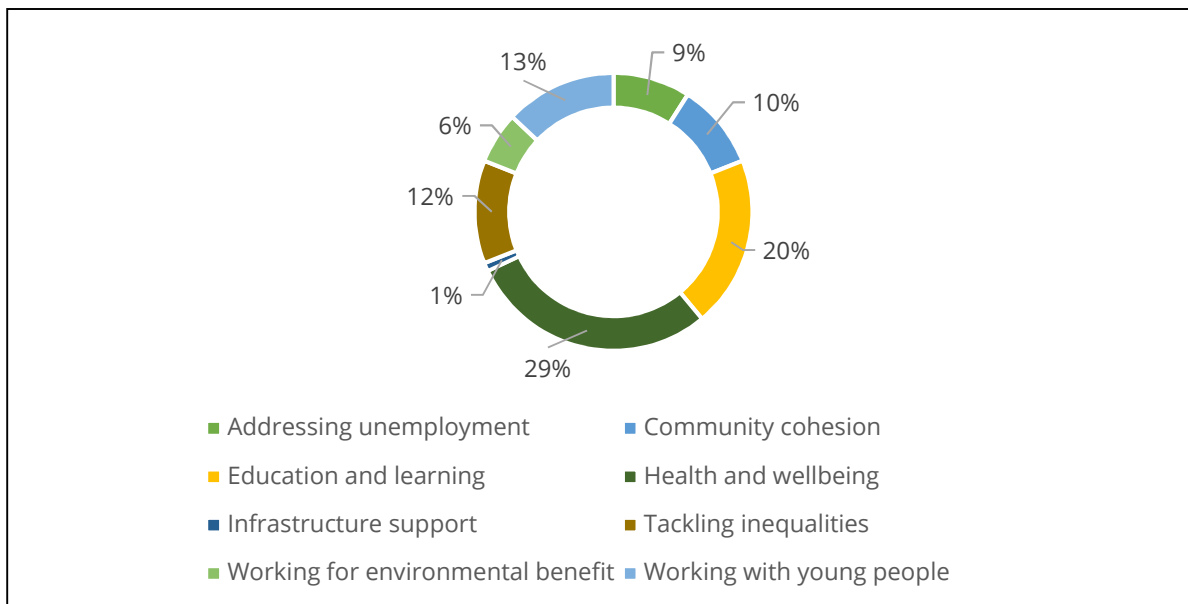
Highlights		
<ul style="list-style-type: none"> <li>Over one third of enterprises operate in the most deprived communities in the UK</li> </ul>	<ul style="list-style-type: none"> <li>Local level clustering of social enterprises has a reinforcing effect</li> </ul>	<ul style="list-style-type: none"> <li>Social enterprises have impacts beyond their direct beneficiaries, impacting on communities and wider social issues</li> </ul>

Over the 5 years of Phase 1 of the programme, Start Up and Scale Up have contributed significantly to the social enterprise sector across the UK; including through the addition of between 70-90 new Start Up social enterprises in each region.

### 2.6.1 Areas of social impact

Almost one third of enterprises have addressed health and wellbeing as part of their social impact, while 20% have contributed to education and learning.

**Figure 23: Social Impact Themes (all years)**



### 2.6.2 Impacts in areas of deprivation

The evaluation has sought to consider the extent to which social entrepreneurs and their enterprises are delivering social impact in areas of deprivation. There are limitations in being able to do this robustly and we do not feel that we can report a conclusive figure given the shortcomings in the data; we recommend caution when interpreting the results.

From programme monitoring it has been possible to establish that 438 enterprises (35%) are serving locations within the top 20% most deprived areas of the UK (with 279 (22%) serving the

most deprived 10%).<sup>17</sup> Based on previous analysis we suggest this is likely to be an underestimation of the number and percentage of social enterprises serving deprived areas.<sup>18</sup>

**Figure 24: Social enterprises serving deprived areas**

	Total enterprises	Top 20% (No)	Top 20% (%)	Top 10% (No)	Top 10% (%)
2012/13	142	50	35%	31	22%
2013/14	290	85	29%	63	22%
2014/15	270	108	40%	68	25%
2015/16	269	103	38%	58	22%
2016/17	279	92	33%	59	21%
<b>Overall</b>	<b>1250</b>	<b>438</b>	<b>35%</b>	<b>279</b>	<b>22%</b>

The School with the largest coverage of deprived areas is the North West, with more than half (51%) of activity taking place in the top 20% most deprived areas in the UK. SSE North West also has 38 enterprises operating in the top 1% most deprived areas. For SSE Midlands and SSE Yorkshire & North East 48% and 39% of enterprises operate in the most deprived 20% of the country respectively.

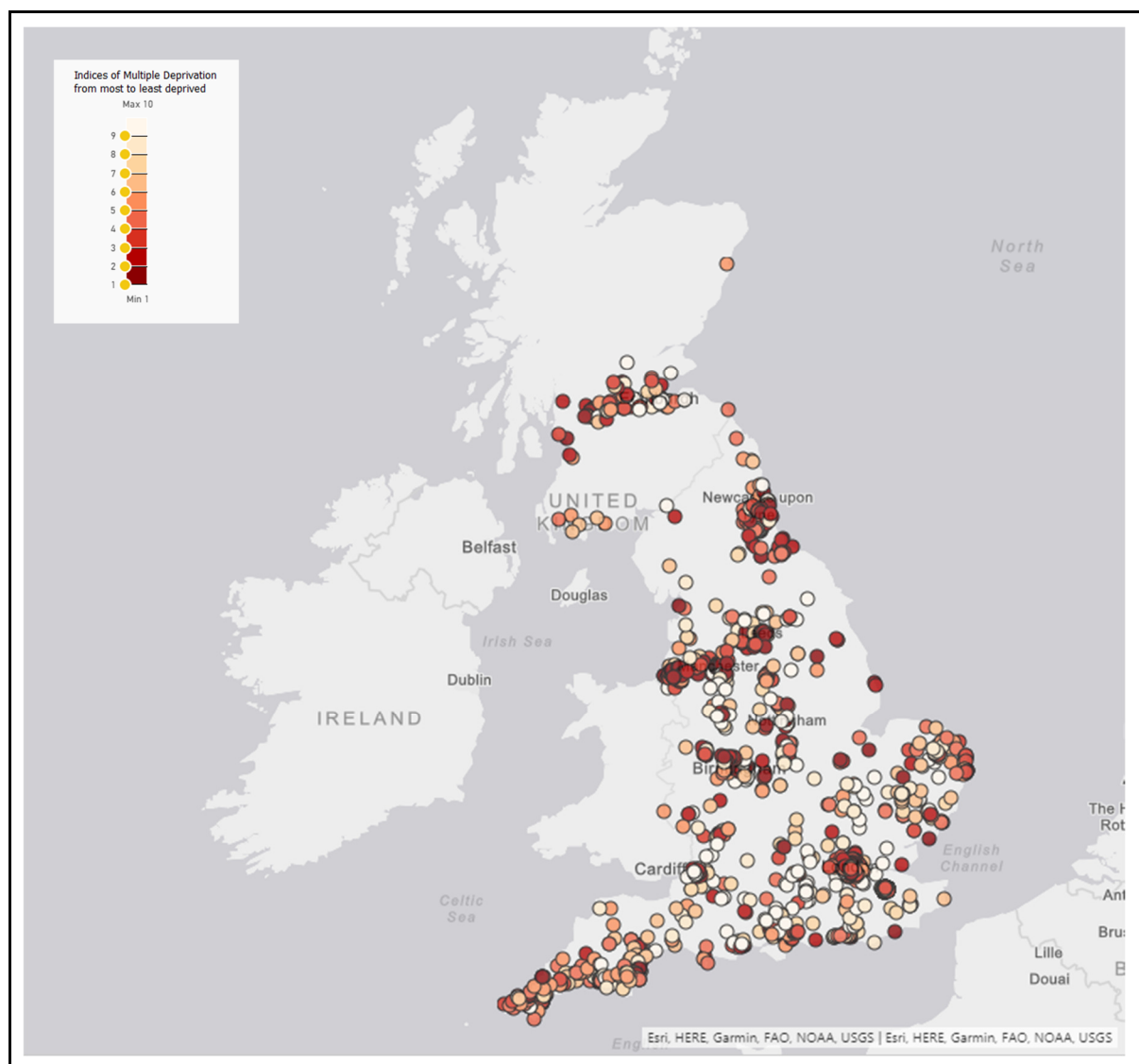
Comparatively, Schools in the south of England have less coverage of areas of deprivation. 24% of enterprises in Cornwall operate in 20% most deprived, 19% in Hampshire and 18% in London.

**Figure 25: Share of enterprise activity by deprivation (table)**

School	20% most deprived	10% most deprived	5% most deprived	1% most deprived
North West	51%	40%	26%	38 enterprises
Midlands	48%	30%	19%	8 enterprises
Yorkshire and North East	39%	26%	15%	10 enterprises
Scotland	30%	19%	11%	2 enterprises
Dartington	26%	14%	9%	3 enterprises
Cornwall	24%	9%	3%	0 enterprises
East	21%	11%	6%	4 enterprises
Hampshire	19%	7%	4%	3 enterprises
London	18%	5%	2%	2 enterprises
<b>Overall</b>	<b>29%</b>	<b>16%</b>	<b>5%</b>	<b>70 enterprises</b>

<sup>17</sup> The survey question asked for specific 6-digit postcodes for areas of operation which includes the postcode unit. The postcode unit is two characters added to the end of the postcode sector. Each postcode unit generally represents a street, part of a street, a single address, a group of properties, a single property, a sub-section of the property, an individual organisation or a subsection of the organisation. We would suggest that this question was all but impossible to answer correctly and to the fullest extent, many entered incomplete postcodes (which prevented mapping) and many (estimated 10-15%) did not correctly answer the question and inserted place (city/town) names instead, which also could not be mapped. See learning paper for suggestions on a future approach to recording geography of impact.

<sup>18</sup> The LBGSEP interim evaluation conducted by Middlesex University (2015) concluded 'almost half of the Fellows from Lloyds Start Up and Lloyds Scale Up programmes operate in the 20% most deprived areas of England and Wales. An NPC (2011) study found 70% of Fellows worked in the 20% most deprived areas.

**Figure 26: Share of enterprise activity by deprivation (map)<sup>19</sup>**

### 2.6.3 Geographic clustering

We looked at the extent to which clusters of social enterprises have emerged, as often clustering at small geographical scales can support more resilient local economies by encouraging collective bargaining, mutual support and the ability to negotiate up and down supply chains.

SSE North West, running in multiple locations and both Start Up and Scale Up, have seen significant impacts at a local level particularly in Salford and Wigan, where courses were delivered. Pockets or geographical clusters of social enterprises have emerged because of word of mouth from fellows and their local networks are bringing in local contacts who have gone on to successfully complete the programme, with Broughton in Salford providing an example of a very localised, suburb scale cluster.

SSE Scotland has seen the majority of its impacts in the 'central belt', with only one enterprise to the North of the country. Within this, there is more localised clustering, especially in Glasgow which saw consistent social enterprise activity across the majority of years of the programme.

For other schools, geographic clustering occurs in urban centres: in Dartington, there is clustering in Bristol, in the East of England there is clustering in Lowestoft, in Hampshire there is clustering

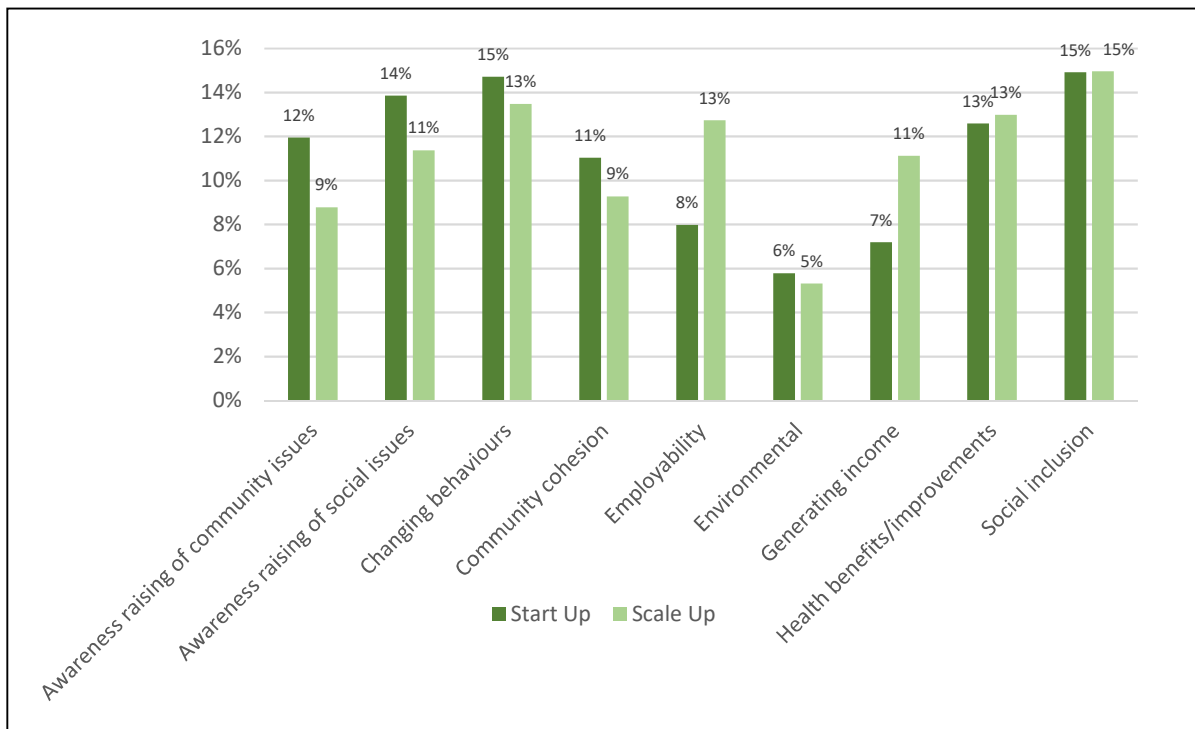
<sup>19</sup> The darker the marker the more deprived. The darkest colour = top 10% most deprived.

in Portsmouth and Southampton, and in the Midlands, there is clustering in Birmingham and Stoke-on-Trent. That there is clustering in larger cities is perhaps unsurprising, Schools which cover more rural geographies naturally have more dispersed activity.

**2.6.4 Impacts beyond direct beneficiaries (on communities and wider society)**

While all social enterprises have an impact on their direct beneficiaries, many have significant impacts beyond the people they work with directly, impacting on the wider community as a result of the work that they do. The programme monitoring captured the types of impacts enterprises had within the year of programme support. Impacts on social inclusion, increasing awareness of social issues and changing behaviours were the most commonly cited, with Scale up enterprises more likely to demonstrate impacts on employability within the programme support period.

**Figure 27: Impacts on others**



The following examples highlight the range of enterprises that are creating impacts beyond their own users.

***Dangerous Dads Network – SSE Dartington (Bristol & Plymouth)***

Dangerous Dads has been running activities for fathers and their children for over a decade. Founder Ian Blackwell established a group in Totnes, subsequently going on to set up the Dangerous Dads Network in 2013. The Network, which is a social enterprise was set up with the purpose of helping other people set up groups in their area and now comprises over 20 groups across the UK and internationally.

**Urban Growth Learning Gardens – SSE London**

Urban Growth Learning Gardens' contract work with the Estates Pride Team at Lambeth Council is not only leading to greener estates and neighbourhoods; but contributing to delivering wider outcomes. For example, there is a recognised correlation between the organisation's work and reductions in anti-social behaviour – more effective green spaces are fostering a sense of respect for places. In addition, the organisation is also contributing towards community engagement and fostering social capital through bringing together diverse groups of individuals together around a common theme of urban growing which is enabling community cohesion.

**LoveBread CIC – SSE Yorkshire & North East**

Local charities are benefiting from donations and local people also benefit from socialising in the affordable café, while the regular Knit & Natter group use the café space and have drinks and treats when they meet. Both the young volunteers and the customers benefit from the social interaction, promoting intergenerational relationships.

*'In the first week we made almost £90 in 2 hours!... and in the run up to Christmas £450 was raised for the charity (Brighouse Homeless)' - Volunteer*

**2.7 Impact on mentors****Highlights**

- Over 1,300 mentors engaged across England and Scotland

- Developed awareness of the working of other sectors and motivations of entrepreneurs

- Re-enforcement of social values in their work at Lloyds Bank and Bank of Scotland

- Examples of mentors continuing to support fellows over the longer term

**Number of mentors engaged**

A total of 1,303 mentors have been engaged over Phase 1 of the programme, with an average of 287 per year from year 2 onwards.

**Figure 28 – Mentors by SSE school**

School	Year 1	Year 2	Year 3	Year 4	Year 5	Total
SSE Cornwall	14	17	17	18	16	<b>82</b>
SSE Dartington	21	41	41	40	35	<b>178</b>
SSE East	14	18	16	18	18	<b>84</b>
SSE Hampshire	15	17	19	18	18	<b>87</b>
SSE Midlands	0	20	21	40	39	<b>120</b>
SSE North West	15	61	60	41	41	<b>218</b>
SSE Scotland	17	17	18	17	17	<b>86</b>
SSE Yorkshire & North East	19	38	40	35	34	<b>166</b>
SSE London	39	58	62	61	62	<b>282</b>
Total	<b>154</b>	<b>287</b>	<b>294</b>	<b>288</b>	<b>280</b>	<b>1,303</b>

### Impact on mentors

While mentors provide support and advice to their mentees, they also benefit from the experience themselves. The mentoring experience has helped to develop the mentor’s awareness of a wide range of sectors beyond financial services.

*‘It gave me an understanding of a different sector and, the challenges of working on your own if you are a start-up. As a result of my experiences, I would like to move out of financial services into the charity sector myself!’ - Mentor*

Mentors stressed they were attracted to the idea of ‘giving back’ to the community, using their skill-set in an environment ‘without my work hat on’. They have gained knowledge of the social enterprise sector and the issues faced by start-up businesses. Mentors described discovering the motivations behind entrepreneurs (i.e. primarily for a social, non-profit-driven reasons) as ‘inspiring’, finding it interesting to see ‘such a non-corporate viewpoint’.

One mentor highlighted how the experience led to a reinforcement of their own values in their day-to-day work. Mentoring helped them to reinforce the things they value in their work, making them realise they too had a way of impacting people (i.e. external end-users of Lloyds Banking Group services) through their own skill-set.

Throughout our consultation with fellows, we found several examples of mentors progressing to sit on the board of directors for the fellow/s enterprise. One of the mentors consulted subsequently became a director of a mental health social enterprise, bringing their experiences and capacity to the enterprise.

While there has been no formalised process for evaluating the impact on mentors, moving forward into Phase 2 of the programme, Lloyds Banking Group have commissioned Trinity College Dublin to conduct detailed research on the experience of the mentor to explore the motivations to volunteer and evidence the impact of volunteering on personal and professional development.

## 2.8 Impact on the sector/policy landscape

Highlights		
<ul style="list-style-type: none"> <li>The LBGSEP has enabled local schools to build new and strengthen existing relationships</li> </ul>	<ul style="list-style-type: none"> <li>SSE has impacted on the social enterprise sector and the policy landscape locally and nationally</li> </ul>	<ul style="list-style-type: none"> <li>Centrally, SSE play a strong role in the strategic landscape, involved in all the right forums and boards</li> </ul>

### 2.8.1 Local and regional impacts

The LBGSEP has enabled the School for Social Entrepreneurs to support and influence the development of the social enterprise sector locally, and through partnerships with strategic stakeholders to positively influence funding and policy decisions at a local level. A number of examples from across the school network are presented below to give a flavour of how the LBGSEP has impacted on the social enterprise sector and the policy landscape.

Both Bristol and Plymouth where SSE Dartington have run cohorts are social enterprise cities, with a variety of stakeholders in a rapidly developing sector and a number of emerging active social enterprise networks. SSE Dartington has had an active role in the development of the sector locally through the LBGSEP and the wider offering of the school, with a number of fellows now important players in the thriving social enterprise sector in the south-west.

SSE Cornwall has played a major part in the growth of the social enterprise culture in the county. Crucially, SSE Cornwall have been able to influence thinking at a strategic level. The council in Cornwall has always had strategies that support small and medium sized enterprises, but the prominence of SSE Cornwall's work has given a new dimension to the Cornish economy. The challenge from the council is to see if SSE Cornwall can support entrepreneurs who can deliver against its key priorities, while the challenge from SSE Cornwall is how can the council ensure that social enterprises can play a more active role in the delivery of public goods and services. Cornwall has a social enterprise zone and SSE Cornwall were heavily involved in shaping this. SSE Cornwall continues to foster close working relationships with other strategic partners, including the Local Enterprise Partnership and Chamber of Commerce. For SSE Cornwall the commitment shown by national partners such as Lloyds Banking Group and Big Lottery Fund has also helped to raise the profile of the programme at a local level and enabled additional support to be leveraged.

*“The LBSEP has been fundamental in raising our credibility, we are one of the only organisations based in Cornwall with this level of corporate investment. It offers huge leverage when securing additional investment.” – SSE Cornwall*

In the East of England, relationships with local Lloyds Banking Group staff have been boosted through their engagement in the mentoring element of the programme. SSE East have found that working with local mentors has tended to make the most successful mentor-mentee relationships, which in turn has helped further embed the programme within the eastern region. The LBGSEP programme has enabled SSE schools to broaden their impacts. Action Hampshire which host the SSE Hampshire school for example have a long history of supporting not-for-profit organisations. Delivering the LBGSEP has allowed them to expand their work with voluntary organisations to include support for social enterprise, and they have been able to build on their local connections and partnerships as a result. This includes drawing on the learning from the LBGSEP programme to deliver a young social entrepreneurs programme in collaboration with a secondary school in Hampshire as well as collaborating with Rotary to help build awareness of social enterprise locally.

SSE Midlands has developed strong corporate support in the local area, both in terms of delivering sessions and being expert witnesses, but also in terms of pro bono support including offering facilities for use. Students have also been able to develop good strategic relationships with local authorities, schools, colleges and universities with one student consulted developing a dance project in conjunction with Birmingham Royal Ballet.

SSE North West is hosted within Blackburne House, a social enterprise hub. The Chief Executive, Claire Dove, has been a key player in the social enterprise movement since the early 1980s. She is one of England's Social Enterprise Ambassadors and was for 10 years Chair of the Social Enterprise Coalition (now Social Enterprise UK) which provides a national platform for showcasing the benefits of social enterprise. She is recently appointed Crown Representative of the Voluntary, Community and Social Enterprise Sector. As a result, SSE North West is able to advocate for the needs of social enterprise in these national level forums.

SSE Scotland have fed into Scotland's Social Enterprise Strategy 2016-2026 and individual entrepreneurs who have been through the programme are working with the Scottish Government and feeding into policy with work around mental health, social care, and socialisation of older people. SSE Scotland is working in partnership with Scottish Government and Big Lottery Fund Scotland as part of the Phase 2 programme.

### 2.8.2 National

While government interest in social enterprise waxes and wanes with changes in personnel, in terms of the mainstream economy, social enterprise, while fast growing, remains marginal. Government focus in the past two decades, on 'a third way', 'a big society' and now an 'inclusive



growth' agenda should each have had social enterprise at their heart, but despite two decades of work, social enterprise still has work to do to occupy a mainstream position in the economy. Social Enterprise UK's 2017 State of the Sector report indicated that social enterprise now employs nearly 1 million people in the UK,<sup>20</sup> which represents significant growth, however when viewed in the context of 32 million jobs in the UK<sup>21</sup>, its marginal role in the economy as a whole is evident.

While Brexit dominates the government's agenda, opportunities to rethink the economy are being side-lined due to an excruciating focus on the process of withdrawing from the European Union. Brexit will require us to develop an economy that is more self-reliant, self-generating and self-reinforcing (while in the process of delivering 'inclusive growth'). Social enterprise can play a significant role in achieving this, and therefore the social enterprise sector has an argument to make.

*'What is clear is that the referendum revealed divisions within the country: between geographies, between generations, and between the winners and losers of a globalised economy. The need for a model of business that creates opportunities for all, puts people ahead of profit, and operates in the community's others leave behind is greater than ever' - SEUK<sup>22</sup>*

Consultation with a small group of national level partners and stakeholders was undertaken to develop an external perspective of the extent to which SSE, including through its involvement with the LBGSEP, influence policy narratives around social business.

The picture painted by consultees was one of a fairly settled social enterprise landscape at the strategic level, with roles within this space fairly well defined and widely understood. While SEUK plays a leading role in terms of policy influence, via its campaigning and communications role, organisations such as SSE are viewed as a coalface organisation who has a significant amount to contribute to the influencing of policy, by drawing on its experience 'on the ground'. SSE's offering has remained consistent over time and has remained rooted in its organisational values. While the market offering has flexed over time, SSE has managed to remain sufficiently differentiated as a leading cohort learning provider.

SSE are perceived as playing a strong role in the strategic landscape, involved in all the right forums and boards. There are strong levels of collaboration between SEUK and SSE, including jointly bidding for contracts, which has cemented a strong working relationship between the two organisations, and SSE is an active member of SEUK.

*'SSE couldn't really play any more active role, they feed into SEUK their understanding and representation of early stage entrepreneurs' - National stakeholder*

Perhaps the three largest organisations in the sector - SSE, UnLtd and Social Enterprise UK - work collaboratively to present a strong voice for the sector. All three are part of Place Based Social Investment groups chaired by Access – The foundation for social investment, and all three worked together on the Civil Society Strategy consultation from the Office of Civil Society<sup>23</sup>, including convening workshops with social entrepreneurs and working collaboratively on their submission. All three are also part of the Social Economy Alliance<sup>24</sup>, a grouping of over 700 organisations and individual supporters, brought together to campaign for a UK economy that is better for society. Co-operatives UK, Locality and The National Council of Voluntary Organisations (NCVO) are also members of the alliance.

<sup>20</sup> See <https://www.socialenterprise.org.uk/social-enterprise-uk-report-lifts-lid-on-the-future-of-british-business>

<sup>21</sup> See <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2018>

<sup>22</sup> See <https://www.socialenterprise.org.uk/Handlers/Download.ashx?DMF=a1051b2c-21a4-461a-896c-aca6701cc441>

<sup>23</sup> See <https://www.gov.uk/government/consultations/civil-society-strategy-have-your-say>

<sup>24</sup> See <https://socialeconomyalliance.wordpress.com/about/>

### *Match Trading*<sup>25</sup>

Stakeholders referred positively to the work undertaken by SSE in developing the Match Trading model. Stakeholders are keen to see SSE work with partners in the wider sector to develop this model. While all were in agreement that the principles were sound, there was general consensus that the sector should be seeking to robustly evidence its impact and an acknowledgement of the complexity of delivering the model at scale. SSE have a responsibility to the sector as a whole to develop the evidence base and develop the model collaboratively with the wider sector. In this respect, work with Power to Change on the Community Business Trade Up programme is considered of high value, with the control group feature of the work of particular note, and work is being done to bring a coalition together – the Match Trading Taskforce – to enable the wider sector to develop ownership of the model.

While delivery focused organisations such as SSE are building extensive communities of social entrepreneurs, this massive reach in terms of alumni and fellowship needs to be more effectively leveraged in a collaborative fashion which can start to translate into a movement. There is opportunity here for SSE to work more collaboratively with wider partners in the sector as movement makers, and to contribute to evidencing the role of social enterprise by deepening the narrative around the impact of the sector, by providing quantitative and qualitative evidence of social and economic change in communities up and down the country.

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<sup>25</sup> See section 1.4 for more details about Match Trading

## 2.9 Summary of outputs and outcomes (gross)<sup>26</sup>

Output/outcome	Findings from the evaluation
Social entrepreneurs supported	<ul style="list-style-type: none"> <li>1,349 social entrepreneurs were recruited to the programme against a 5-year target of 1,300 (1,261 social entrepreneurs in England against a target of 1,117).</li> <li>1,160 Start Up social entrepreneurs and 189 Scale Up social entrepreneurs have been supported (in England, 1,072 Start Up and 189 Scale Up against a target of 937 and 180 respectively).</li> <li>The programme has run in 12 localities each year with many social entrepreneurs coming from, or serving people, in areas of 'high deprivation'. Conservative estimates show over one-third of all social entrepreneurs are operating in the 20% most deprived areas.</li> <li>A 93% completion rate (91% in England) was achieved, exceeding initial retention targets of 80%-90%. This meant 1,250 social entrepreneurs completed the 12-month programme in full.</li> </ul>
Increased skills, confidence, knowledge and networks	<ul style="list-style-type: none"> <li>On average participants reported an increase in 100% of the skills tracked, including business skills, confidence, knowledge and networks, against a target of 90%.</li> <li>Self-evaluation against 16 business skills (e.g. sales, financial management) increased on average by 36% between pre and post programme assessments.</li> <li>Self-evaluation against 6 personal skills (e.g. confidence, self-awareness, time management) increased on average by 24% between pre and post programme assessments.</li> <li>Social entrepreneurs have formed enduring relationships with their peers, extending their personal and professional networks. Around 80% of SSE fellows are still in touch with other fellow's post programme.</li> </ul>
More sustainable enterprises and increased turnover	<ul style="list-style-type: none"> <li>92% of participants reported that their income was sustained or increased during the programme, against a 90% target.</li> <li>Start Up organisations saw a 22% increase in those reporting income of £10k - £100k</li> <li>Scale Up organisations saw a 13% increase in those reporting income between £100k - £1m</li> <li>Trading income made up 63% of Start Up organisations' income and 71% of Scale Up organisations' income at the end of the programme.</li> <li>Survival rates were found to be 93% 2 years following programme completion and estimated to be 66% following 5 years, with an estimated 1,182 surviving enterprises operational today. This includes 1,107 surviving social enterprises in England, against a target of 869 social enterprises being able to demonstrate they are more sustainable.</li> </ul>
Job creation	<ul style="list-style-type: none"> <li>1,459 jobs were created by social entrepreneurs during the period they were involved with the programme. The total number of jobs created in England was 1,197 against a target of 1,240 jobs.</li> <li>Jobs continue to be created by participants post programme. Looking at jobs created within the programme year plus during the two years following the programme, the social entrepreneurs have created at least 6,013 jobs (1,906 FT and 4,107 PT jobs), equivalent to 3,960 FTE jobs.</li> </ul>

<sup>26</sup> See Appendix 2 for details of net figures.

Volunteers engaged	<ul style="list-style-type: none"> <li>• 11,251 volunteers were engaged by social entrepreneurs during their period of involvement in the programme.</li> <li>• Volunteer engagement continues post programme. When we look at volunteers engaged during the programme plus during the two years following the programme 13,037 volunteers have been engaged by enterprises supported by the programme: <ul style="list-style-type: none"> <li>○ 9,099 volunteers engaged by Start Up students (9 per student on average)</li> <li>○ 3,938 volunteers engaged by Scale Up students (22 per student on average)</li> </ul> </li> </ul>
Beneficiaries supported	<ul style="list-style-type: none"> <li>• 304,380 beneficiaries were reached by participants during the period of their involvement with the programme (285,929 in England against a target of 111,000 beneficiaries).</li> <li>• Additional beneficiaries continue to be supported post programme. When we look at the beneficiaries reached during the programme plus during the two years following the programme, the social entrepreneurs have supported at least 328,113 beneficiaries.</li> </ul>

### 3 FACTORS DRIVING PROGRAMME IMPACT & ENABLING ENTERPRISE DEVELOPMENT

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>Shared learning experience is invaluable</li> </ul>	<ul style="list-style-type: none"> <li>Confidence building enables a wider range of personal outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Programme design creates energy and enthusiasm</li> </ul>

#### 3.1 Shared learning experience

The evaluation found that the most significant added value of the programmes (both Start Up and Scale Up) comes from being part of a group; the experience of shared learning, in and of itself was the most useful element for the vast majority.

*'The 12-month shared experience is invaluable' - Fellow*

*'Just being in the same room as the other entrepreneurs was great, I was able to work through so many ideas with them' – Fellow*

#### **Holywell Housing Trust – SSE Dartington (Bristol & Plymouth)**

Katie would never have had the confidence to quit her job in January 2016 and go full-time if she hadn't done the Start Up Programme – it has allowed her to continue to learn about business planning and how to continue to grow the charity in a sustainable way. For Katie the most significant benefit was the shared learning experience with likeminded people and Katie has since successfully applied to join the Scale Up programme:

*'I can't stress enough how amazing it is to be in a room of like-minded entrepreneurs, all going through similar challenges and supporting each other to grow.' – SSE Dartington (Bristol & Plymouth) fellow*

#### 3.2 Confidence building

This shared learning experience was found to be at the core of supporting social entrepreneurs achieve a series of personal outcomes, which were attributed to the way in which the Programme is delivered and the strong ethos running through the delivery. Among the most significant and most commonly cited outcome, was an increase in confidence, commonly referred to a 'growing in spades' by just having 'somebody who believed in you', which served as a fundamental building block for going on to develop a wide range of personal and business skills.

*'It gives you belief in yourself, having other people believe in you is really uplifting' – Fellow*

*'Helps you to understand what being a social entrepreneur is' – Fellow*

#### **SSE Hampshire**

In terms of personal skills, feedback from staff and fellows at SSE Hampshire indicated the sessions delivered by the school along with space for discussion and reflection, gave students the confidence that they were approaching things in the correct manner. Confidence grew on average by 31% among SSE Hampshire fellows.

### 3.3 Programme design

Central to the design of the programmes has been the anchoring on the entrepreneur, rather than the enterprise, distinguishing it from other support offerings in the market. The programme in its design, gives the entrepreneurs the freedom of being able to ‘take what they need from the Programme’ and that the findings suggest that all participants get something from the course, evidenced by the very low drop-out rate (9%). The space that the shared learning provides gives entrepreneurs the ability to step away from their day to day, busy routines, and provides a space in which they can reflect on what it is they are doing, how they are developing their enterprise and how they can overcome the challenges they face.

*‘It validates what you’re doing... it makes you analyse yourself. You become far more reflective on what you’re doing’ – Fellow*

Many fellows commented that the programme would give them the energy and enthusiasm to keep progressing and to keep working to develop and grow their enterprise. Fellows reflected a range of feelings when a session was coming up, with feelings of excitement and apprehension prior to a session, with some expressing some level of self-doubt, however this quickly turned to optimism after leaving a session, with a long list of achievable things to do, to make further progress. The 12-month learning programme served to ‘accelerate’ the individuals’ social entrepreneurship journey. Fellows reported that the timing of the delivery sessions, delivered over a 12-month period, provided them an opportunity to put into practice what they had been learning.

*‘It’s amazing what you can achieve, you go through the programme thinking I will never get there, but then you do. When you look back its quite amazing how far you have come’ – Fellow*

#### **SSE North West**

The learning programme has enabled participants at SSE North West to develop their personal skills. Fellows cited various aspects of the course that enabled them to become more confident, develop skills relating to communication (of the business itself, and also how to communicate with other funders, staff members etc) and a general sense of professionalism related to running a social enterprise. When enquired as to why SSE had this impact, a fellow gave the following response:

*‘The course is so well structured, the staff are so inclusive, you feel part of it. It feels like a family’ – SSE North West fellow*

### 3.4 Programme elements

#### **Highlights**

- Witness sessions and expert sessions most highly valued

- Two thirds of participants agree that the mentoring enabled growth of their enterprise

- Scale Up participants demonstrate very strong impacts on enterprise growth

The elements of the course that entrepreneurs felt had most enabled their development were the witness sessions and expert sessions, where a massive 97% of respondents either strongly

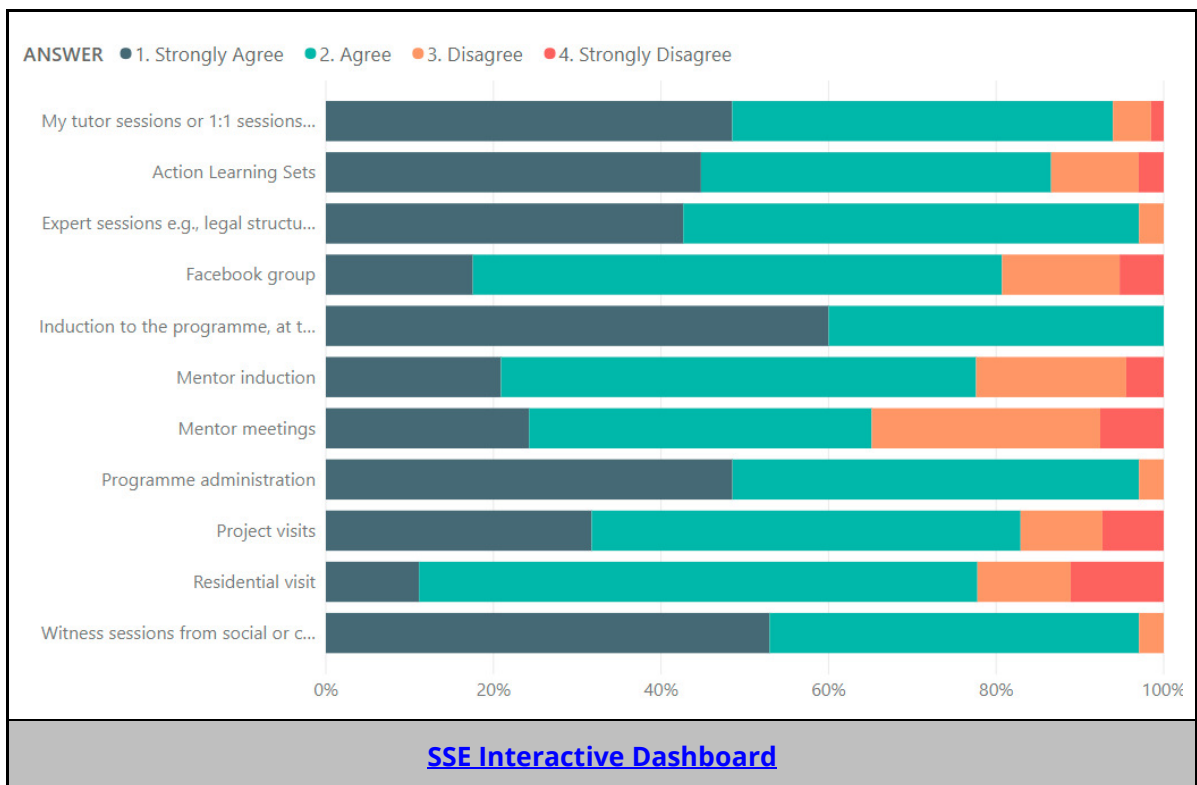
agreed or agreed that these elements had contributed to a progression of their enterprise. This was followed closely by tutor sessions or 1:1 sessions with the Learning Manager, both at an extremely high agreement of 94%.

The elements of the course that were least valued were the mentor induction (78%) and the mentor meetings (65%), however almost two thirds of participants either strongly agree or agree that the mentoring enabled development of their enterprise.

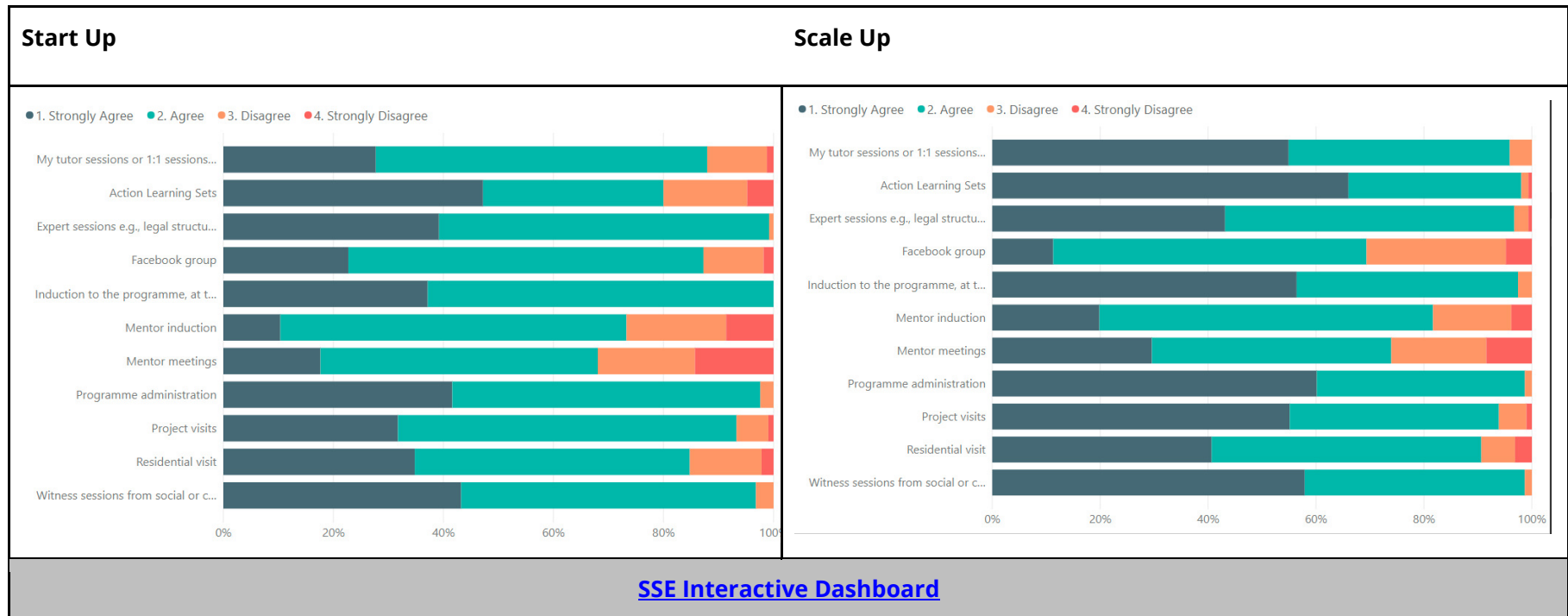
Scale Up participants had a stronger level of agreement across the majority of the course elements, far more likely to report ‘strongly agree’ than simply ‘agree’, suggesting the stage of development of the enterprise provides greater focus and therefore greater value. The witness sessions were the most highly rated in the Scale Up programme with a massive 99% either strongly agreeing (58%) or agreeing (41%) they had enabled their development by Q4, compared to an equally impressive 90% in the Start Up programme.

While mentoring was the lowest ranked element of the course for Start Up participants, with 64% giving a positive response, for the Scale Up participants, 74% either ‘strongly agreed’ or ‘agreed’ that mentoring enabled their growth. The lowest rated element of the Scale Up course was the Facebook group, where 69% agreed that it supported their development, while for Start Up participants this was more useful, with 81% agreeing it enabled their development.

**Figure 29: The elements of the course that have enabled development**



**Figure 30: The elements of the course that have enabled development (Start Up vs Scale Up)**





### 3.4.1 The impact of mentoring

<b>Highlights</b>		
<ul style="list-style-type: none"> <li>• 2/3<sup>rd</sup> of participants agree that the mentoring enabled their development.</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction with mentoring highest in the East of England.</li> </ul>	<ul style="list-style-type: none"> <li>• Cohort 4 had the highest satisfaction with mentoring.</li> </ul>

The mentoring part of the programme is delivered by Lloyds Banking Group as part of their group wide programme of mentoring. Internally within Lloyds Bank and Bank of Scotland staff are provided with a range of opportunities to become mentors on a range of programmes, including SSE. While it is not compulsory for Lloyds Banking Group staff to be part of a mentoring programme, they are encouraged to share their time and skills with the wider community as part of Lloyds Banking Group's wider Responsible Business strategy (RB).

Around two thirds of participants either agree or strongly agree that the mentoring enabled their development. Satisfaction has fluctuated between 53% and 76% in terms of agreement with a low in Cohort 3 (2014/15), and a high in Cohort 4 (2015/16). In the final year of Phase 1 (Cohort 5) satisfaction dropped back to 64%, slightly below the average for the 5 years as a whole. Looking at the extent to which mentoring has enabled development by school (all years) again highlights a range of satisfaction levels, from a low of 60% in SSE Dartington (Bristol & Plymouth) to a high of 69% in SSE East of England. The highly variable nature of the mentoring experience has played out irrespective of the developments that have been made in the process and implementation of this element of the programme.

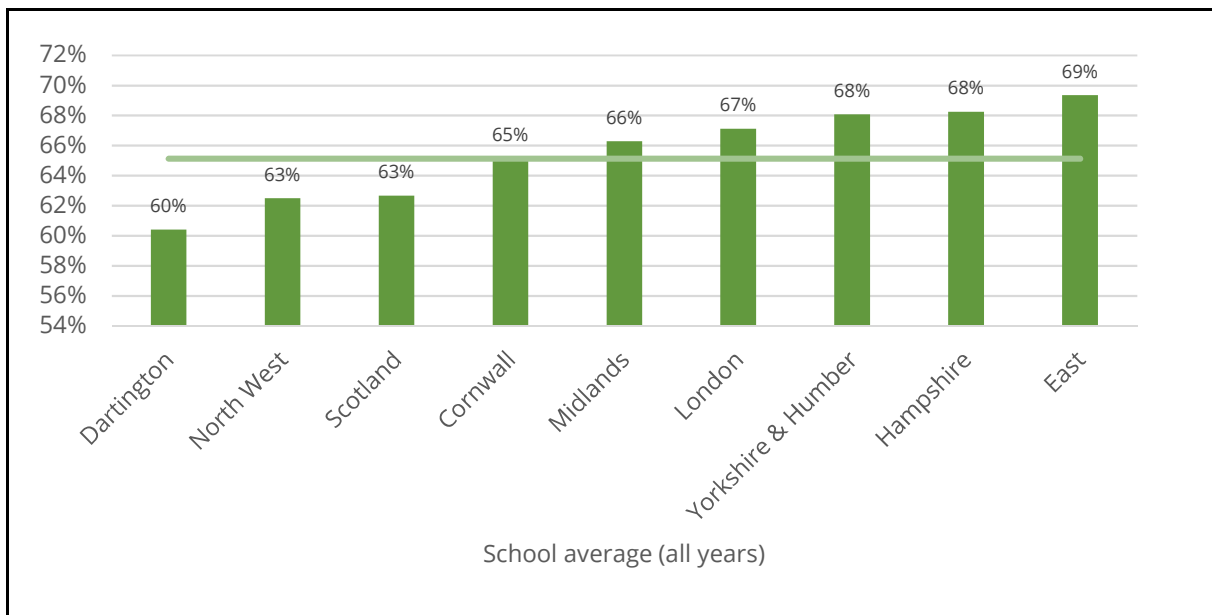
Whilst the mentoring aspect of the programme has had its challenges, when done well has been a successful element of course, enabling students to witness a more corporate perspective on their business. Several very strong mentor-mentee relationships have been fostered through the school, which has enabled an 'ongoing synergy' between the two. Several relationships continue after the completion of the programme, where, for instance, a mentor sits on the board of the enterprise they assisted. Survey feedback during the programme by SSE students includes:

*"Very good, challenging in a good way, sometimes can think of things I haven't thought of and uses his time wisely to help me, fits me in even at the last minute."*

*"So far, it has been a really good experience. Very useful. She has especially been supportive of my own ability to manage the business."*

*"Can't rate my mentor highly enough!"*

**Figure 31: The extent to which mentoring has enabled development over time by school (strongly agree/agree)**



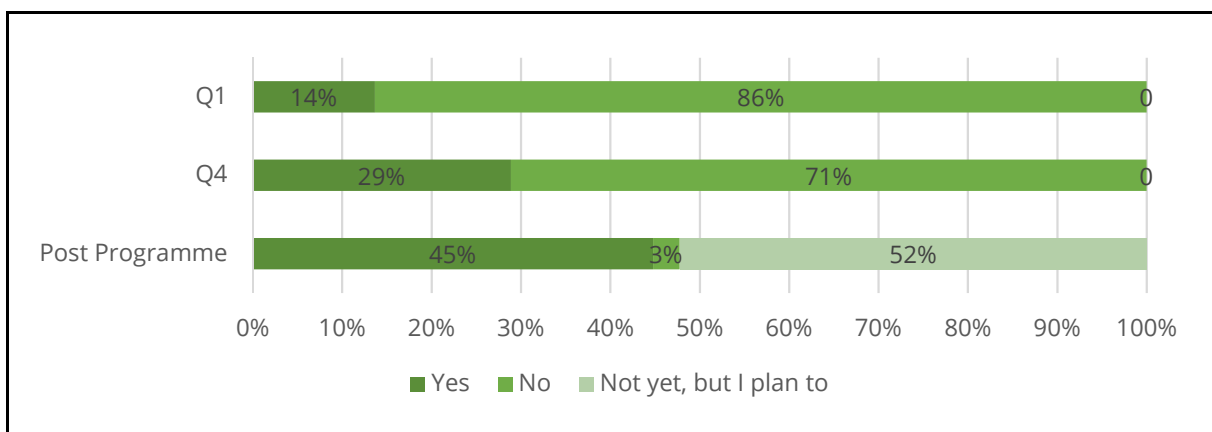
**Global Music Vision – SSE Hampshire**

Global Music Visions (GMV) is a CIC based in Portsmouth that inspires blind, visually impaired and disabled people to make music through music software or playing instruments. David Shervill founded the organisation due to the frustration he experienced during his time in music education and aims to ensure that visually impaired people have accessible provision. David’s Lloyds Banking Group mentor is on the organisations steering committee and offers support on the commercial and marketing side of the business.

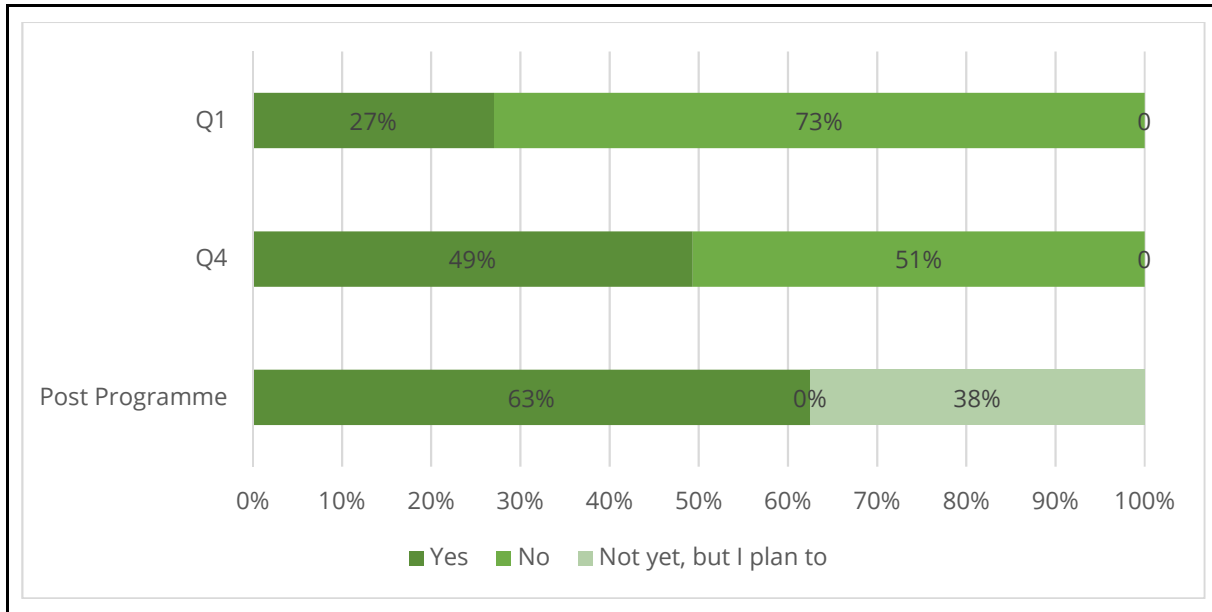
**3.4.2 Social impact measurement**

From programme monitoring and the post programme assessment it can be evidenced that fellows are increasingly likely to be measuring their social impacts as they progress through the support period and beyond. By the end of Q1, just 15% of enterprises indicated that they were measuring their social impacts, but by the end of the support period, this had increased to 32%, more than doubling, and then in the post programme assessment 45% of fellows indicated that they were monitoring their social impacts. Encouragingly, 51% of fellows indicated that they were planning to start measuring their social impact.

**Figure 32: Measuring social impact – Start Up**

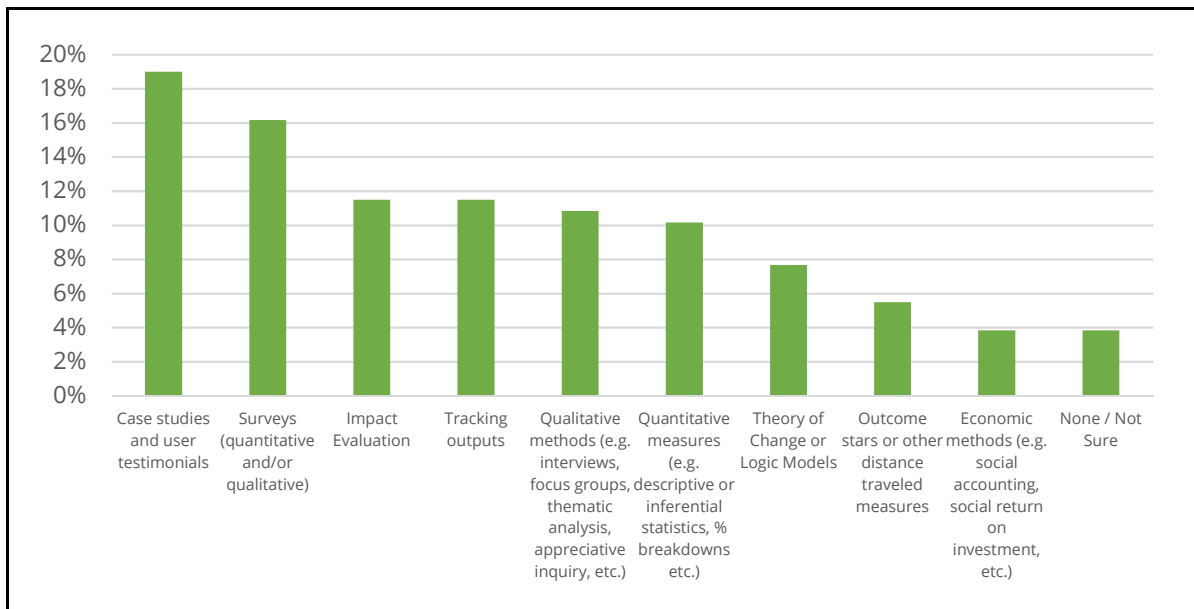


**Figure 33: Measuring social impact – Scale Up**



The fellows survey highlighted a lack of confidence in measuring the social impact of their enterprise, with only 56% indicating they were confident, suggesting further work is needed to ensure fellows are undertaking social impact measurement confidently. The most commonly used methods for measuring social impact included case studies and surveys, with fewer fellows engaging with more sophisticated approaches.

**Figure 34: Methods used to measure social impact**



In consultation with fellows, we explored the barriers to measuring social impact in greater depth. For those that were capturing social impact data, it tended to be on an ad hoc basis and related to the requirements of grant funders. There were few fellows who indicated that they were capturing the social impact of their organisation on a routine basis. For many, the nature of their engagement with beneficiaries was very short, so entrepreneurs found it difficult to design effective measurement tools. While many utilised feedback sheets for sessions, it was cited that these were often focused on gaining feedback on session quality. Other fellows indicated that as

micro-enterprises (often just the entrepreneur), they found it difficult to take on the role of deliverer and evaluator.

*‘I’m reporting some outcomes for funders, but not business wide’ - Fellow*

*‘There is no demand for it, so I’m not doing it’ – Fellow*

Fellows indicated that on the whole, impact measurement took a low priority, given they were focusing their efforts on developing the business to a sustainable footing, but were confident that the impacts they were having were positive, and by focusing on developing, growing and scaling up a sustainable social enterprise, this in turn would result in a growing and a scaling up of social impact.

*‘I’m focused on making the organisation right and scaling that up, then community impact will naturally scale up with it’ – Fellow*

While there was a good awareness of further social impact training that was available in the market, including that provided by SSE, fellows indicated that they often lack the time or resources to attend these types of training sessions.

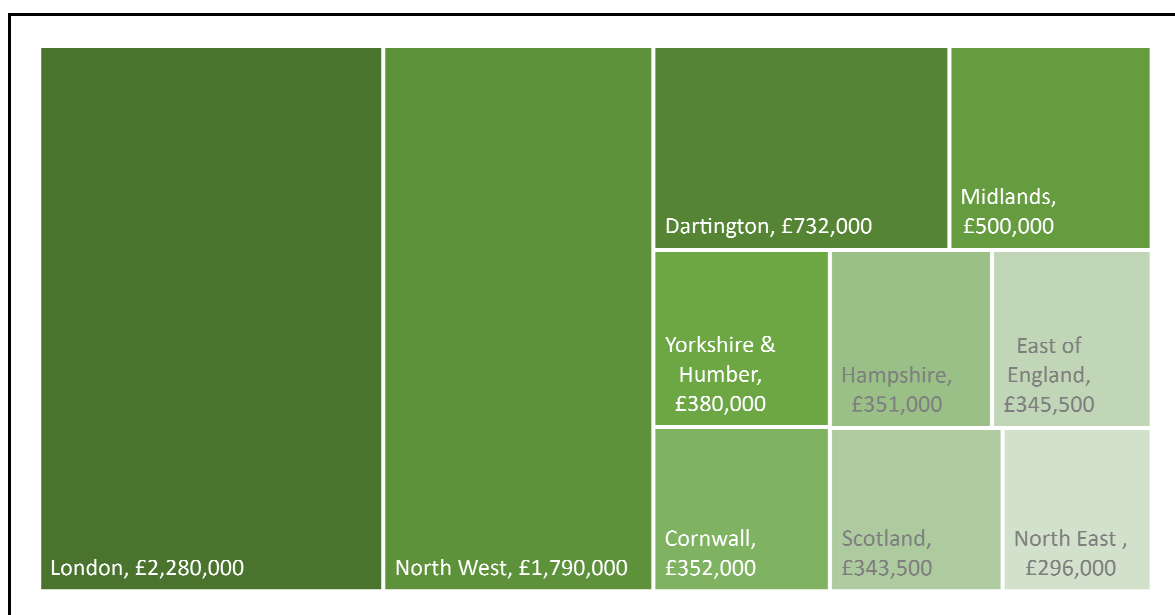
*‘Impact sessions would be useful to revisit, but they are often expensive and based in London’ - Fellow*

### 3.5 Financial support

Whilst not a core driving force of delivery or participation, grant funding has played an important part in the programme. The funding has enabled participants to evolve their ideas, to develop new ideas, to reach out to a more diverse set of beneficiaries and develop their social impact.

Through the programme, significant investment has been made directly in individuals and organisations operating at a local level, helping to bring resources into local areas and stimulate further economic and social development for people and communities. 38% or £2.79m of funding was distributed through the Scale Up programme (£15,000 individual grant) while 62% or £4.58m of funding was distributed through the Start Up programme (£4,000 individual grant), with the regional distribution highlighted below.

**Figure 35: Value of grants distributed to social entrepreneurs by region**

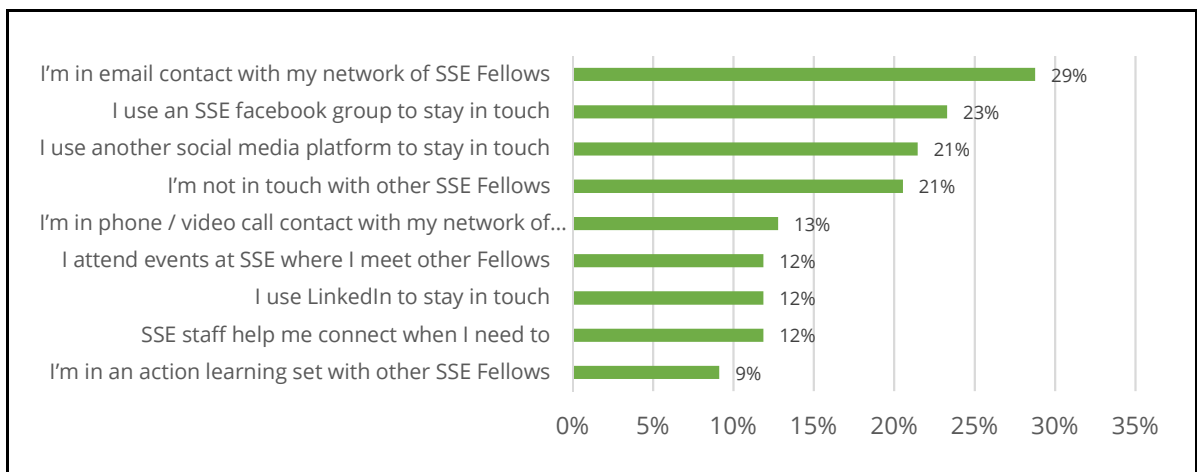


Programme monitoring captured how grant funding has been spent by entrepreneurs across several categories. The most frequently reported categories of spending included purchasing equipment, marketing activities, followed by developing a website.

### 3.6 Continuing engagement

The cohort-based approach creates connections between entrepreneurs, which enables a level of peer support to continue post programme. Data from the post programme assessment shows that around 80% of responding fellows are in touch with other SSE fellows in some form or another, with email, Facebook groups and other social media platforms the most common method of communication.

**Figure 36: Support networks/Peer support**



Many of the schools recognise the value of ongoing networks and support for Fellows.

**SSE North West**

SSE North West has shown a great strength in developing networks within their cohorts, which has enabled effective, post-graduation collaboration, and the emergence of local level clusters of enterprises. This has included running post programme events such as ‘summer socials’ as well as fellows continuing to connect with each other through social media channels.

Feedback from fellows indicates a desire to see a stronger and more formal structure for shaping peer support networks that can enable deeper levels of support to be leveraged.

**Innovating Minds – SSE Midlands**

The peer support of the SSE programme, and the one to one time with her mentor mean the programme ‘exceeded expectations’ of Asha of Innovating Minds. Not only is Asha still in touch with the School, her mentor and other fellows, but she now runs her own action learning sets!

*There was nothing more I could have asked for from SSE’ – SSE Midlands fellow*

**IMPACT North East – SSE Yorkshire & North East**

Founded by Sharon Boyd, I.M.P.A.C.T North East provide bespoke social, psychological and emotional support to children and families who do not qualify for statutory support. Sharon has really benefited from the relationships developed through the programme and the networks which she can now tap into for support.

*'Before completing SSE Start Up, the business was ran by begging, borrowing and stealing. I needed guidance to turn it into a sustainable project and the course networks and relationships that were built at SSE were invaluable' – SSE Yorkshire & North East fellow*

## 4 RECOMMENDATIONS

Many of the recommendations set out below are not new to SSE, as there has already been some distance travelled towards many of the intended outcomes. We discovered a high degree of learning across and throughout the programme, with differing levels of internal conversation and debate around the issues raised.

### 4.1 Recommendation 1 - Develop programme frameworks and tools to guide learning outcomes, monitoring and evaluation

While the programme has demonstrated a strong record of reflecting, learning and adapting, with many areas of the programme having evolved over time, there lacks a consistent analysis and tracking of the true impacts of the programme. There has not been enough emphasis upon tracking both the change achieved by the participants and the outcomes experienced by their beneficiaries. We would recommend developing a detailed evaluation framework to guide the process of monitoring and evaluation moving forward, with a more robust learning outcomes framework to assess participant learning. CLES recognises that the development of a digital platform is underway and would suggest it is reviewed in terms of how it may operate as a useful platform for collecting and evidencing the social impact of the enterprises supported in phase 2 of the programme. The digital platform could host resources and tools for collecting data and information about wider impact, with survey questions and tools for use with beneficiaries and for publishing and sharing case studies for example.

### 4.2 Recommendation 2 - Develop internal roles to support impact measurement

To help progress, and to take full advantage of, improved frameworks for learning, monitoring and evaluation we recommend building internal evaluation capacity. The recent appointment of a Monitoring, Evaluation and Research Manager is a key first step in doing this. Beyond this, we suggest those who develop strong personal relationships with participants could play a stronger role in supporting post programme monitoring and impact measurement through an 'alumni' building role. We suggest that learning and grant managers would need to work much more closely together across schools to facilitate national level peer interaction and therefore working structures, processes and relationships at this level would require investment.

### 4.3 Recommendation 3 – Improve pre and post programme support

Our research has highlighted opportunities to develop the programme design both pre and post learning programme to develop stronger outcomes for participants. We suggest considering the development of new programme elements which wrap around the main body of the course and allow for a strengthening of relationships within a cohort. We would argue this could be supported by a more purposeful crafting and levelling of a cohort, ensuring that participants are at a similar stage of development, valuable as the relationship's formed throughout the programme are central to sustaining, growing and evidencing impacts.

We suggest that a pre and post programme social event would be a useful way of building stronger cohort relationships from the outset, supporting stronger peer working and support networks for social entrepreneurs as they move forward after the learning programme. The digital platform could be used to connect social entrepreneurs in new ways, opening up opportunities to think both locally and nationally about peer interaction.

### 4.4 Recommendation 4 - Reframe mentoring offer

While two thirds of participants rated the mentoring as supporting them to develop as a social entrepreneur, our research has highlighted challenges associated with this element of the programme. Both SSE and Lloyds Banking Group are undertaking work to improve the mentoring offer and central to this is ensuring that the SSE regional schools really drive the mentoring aspect

at the local level, liaising with Lloyds Banking Group over mentors, interviewing mentors and mentees prior to engagement, and continuously monitoring effectiveness, which has already started to happen. Both SSE and Lloyds Banking Group are working on a series of resources including new written guides and videos which can help manage expectations and enable both the mentor and mentee to get the most possible from the experience. It would be of value to embed a needs-based approach to the mentoring, so that there are specific match ups around: attracting funding, finance and accountancy, and human resources, for example.

#### **4.5 Recommendation 5 - Grow the movement through sector collaboration and communicating the evidence**

While delivery focused organisations such as SSE are building extensive communities of social entrepreneurs, this massive reach in terms of alumni and fellowship needs to be more effectively leveraged in a collaborative fashion which can start to translate into a movement which can transform our economy for the benefit of all. SSE as an organisation is well embedded in the social enterprise landscape and has established working relationships with a wide range of key organisations. There is opportunity here for SSE to work more collaboratively with partners in the sector as movement makers, and to contribute to evidencing the role of social enterprise by deepening the narrative around the impact of the sector, by providing quantitative and qualitative evidence of social and economic change in communities up and down the country.



**APPENDIX 1**  
**Methodology**

## APPENDIX 1: METHODOLOGY

The following tables set out the evaluation themes and issues explored in this commission, with the lines of enquiry which shaped conversations with consultees. The final column of this table highlights the methodological approach used to collect findings for each theme/issue.

**Figure 37: Evaluation framework (Impact evaluation)**

Theme/evaluation issues	Lines of enquiry	Method
Impact on individuals	<ul style="list-style-type: none"> <li>• To what extent have individuals become better equipped with skills, capability and resource through implementing the learning and grant resource?</li> <li>• What impact do grantees feel they are having on social change?</li> <li>• How has the Programme contributed to the achievement of the following outcomes?               <ul style="list-style-type: none"> <li>○ Increased business/communication skills</li> <li>○ More sustainable with increased income</li> <li>○ Helped make deprived communities stronger and develop social capital</li> <li>○ Real improvements to communities</li> </ul> </li> <li>• What other support has the individual received prior, during and post SSE award and how can impact be attributed to other programmes/support?</li> <li>• What impact have increased/strengthened networks had on the participant?</li> </ul>	<ul style="list-style-type: none"> <li>• Data analysis</li> <li>• In-depth impact evaluation work with participants – using Theory of Change as a framework</li> </ul>
Impact on enterprises	<ul style="list-style-type: none"> <li>• How have organisations been able to develop their working practices?</li> <li>• How have the organisations impacted upon their own success, as a direct result of the learning programme and grant resource? i.e. to what extent have they become more sustainable and has it led to increased confidence in the organisation?</li> <li>• What are the survival rates of organisations and what do participants then go on to do?</li> <li>• How has the organisations focus/way of working changed during the programme? How has the programme flexibility enabled this?</li> <li>• What impact have increased/strengthened networks had on the organisation?</li> </ul>	<ul style="list-style-type: none"> <li>• Data analysis</li> <li>• In-depth impact evaluation work with participants</li> </ul>
Impact on beneficiaries	<ul style="list-style-type: none"> <li>• How have beneficiaries been impacted by the learning and grant funding from the Programme?</li> <li>• How can these impacts be attributed to the SSE programme vs other support?</li> <li>• Have there been any unforeseen negative impacts on beneficiaries?</li> <li>• To what extent may these impacts have happened anyway without the Programme?</li> </ul>	<ul style="list-style-type: none"> <li>• In-depth impact evaluation work with participants and beneficiaries</li> <li>• Case studies</li> </ul>

**Appendix 1: Methodology**

Impact on SSE Schools	<ul style="list-style-type: none"> <li>• How have working practices, procedures and structures been influenced by the Programme?</li> <li>• How has your SSE school benefitted from its involvement in the programme?</li> <li>• Has the programme enabled or opened up opportunities to secure/lever additional funding?</li> <li>• What have been the reputational impacts of being involved in the programme? Positive or negative?</li> <li>• Have there been any negative perceptions of involvement in the programme (e.g. time away from other activities)?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with individual schools</li> </ul>
Impact on mentors	<ul style="list-style-type: none"> <li>• How have mentor/mentee relationships supported the development of the individual/organisation?</li> <li>• How have mentor/mentee relationships impacted on the mentor/mentor's organisation?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with mentors/corporate partners</li> </ul>
Impact on wider locality	<ul style="list-style-type: none"> <li>• How has the Programme contributed towards wider economic and entrepreneurial outcomes in your locality?</li> <li>• How has the programme impacted on differing local geographies/ areas of deprivation demographic groupings</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with individual schools</li> <li>• Data analysis (mapping)</li> <li>• Case studies</li> </ul>
Impact on strategic relationships	<ul style="list-style-type: none"> <li>• To what extent has the programme provided Strategic Added Value (SAV)? e.g. has it been catalytic in connecting different stakeholders, providing a new joined up way of working and shared benefits?</li> <li>• What is the potential for future collaborative activity and funding as a direct result of the programme?</li> <li>• Would you change anything about the programme?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with individual schools</li> </ul>
Impact on policy	<ul style="list-style-type: none"> <li>• How has the work of the School of Social Entrepreneurs influenced policy narratives around social business? (Nationally, locally)</li> <li>• How have participants directly impacted on local policy?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with SSE, key strategic partners and stakeholders (e.g. SE UK), individual schools</li> </ul>

**Figure 38: Evaluation framework (Process evaluation)**

Theme/evaluation issues	Lines of enquiry	Method
Effectiveness of SSE working arrangements	<ul style="list-style-type: none"> <li>• Has the Lloyds Banking Group Social Entrepreneurs Programme been well managed by SSE, with robust and accountable governance?</li> <li>• Have the Schools been well managed with robust and accountable governance?</li> <li>• Has SSE been conducive to sound decision making, being flexible and responsive to accommodate changes when needed?</li> <li>• How effective has communication been between SSE and Schools and between Schools?</li> <li>• How are SSE and Schools learning from the programme?</li> <li>• What barriers and enablers have there been to strong working arrangements? (e.g. funder flexibility)</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with SSE, funders, key strategic partners/stakeholders, and Schools</li> </ul>
Design of the programme and its strategic fit	<ul style="list-style-type: none"> <li>• How has the Programme been designed (nationally/locally) and has this approach been effective?</li> <li>• What do you think has been the purpose of the programme?</li> <li>• Has the Programme been sufficiently resourced (nationally/locally) to meet its aims and objectives? Were these resources allocated and prioritised appropriately?</li> <li>• How has the programme design (nationally/locally) facilitated learning and feedback to shape the programme?</li> <li>• How has the design of the programme evolved over time?</li> <li>• Was there sufficient strategic direction provided to the programme and particularly to individual schools?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with SSE, funders, key strategic partners/stakeholders, and Schools</li> </ul>
Learning programme and Grant application and allocation process	<ul style="list-style-type: none"> <li>• What structure and processes have been in place to manage the learning programme</li> <li>• How efficient and effective has this been?</li> <li>• What barriers and enablers have there been to effective delivery?</li> <li>• What structure and processes have been in place to manage the process of grant application and award?</li> <li>• How efficient and effective have the applications and selection processes been?</li> <li>• What barriers and enablers have there been to effective delivery?</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with SSE, funders, key strategic partners and stakeholders, and Schools</li> <li>• Data analysis</li> </ul>

**Appendix 1: Methodology**

Relationship between Schools and Participants	<ul style="list-style-type: none"><li>• How has the relationship been managed between the Schools and learning programme participants?</li><li>• What is the nature of support that has been provided and how effective has this been?</li><li>• What has been the added value provided by the Schools to participants (e.g. through wider offering) and how has the programme enabled this?</li><li>• How are Schools sustaining relationships with participants post intervention?</li></ul>	<ul style="list-style-type: none"><li>• Interviews with SSE, funders, key strategic partners and, stakeholders, and Schools (Learning Managers), and participants</li></ul>
Process for monitoring outputs of grants recipients	<ul style="list-style-type: none"><li>• How effectively has the programme been monitored as a whole? Is it serving the purposes of SSE? What could be done differently?</li><li>• Has the monitoring and evaluation to date been sufficient to meet reporting requirements?</li><li>• How have requirements changed over the duration of the programme?</li><li>• Has the monitoring system collected the appropriate data to evaluate the programme outputs and outcomes? E.g. linking the survey with learning outcomes</li><li>• How are people not accepted to the programme monitored.</li></ul>	<ul style="list-style-type: none"><li>• Interviews with SSE, funders, key strategic partners and, stakeholders, and Schools, and participants</li><li>• Data analysis</li></ul>

**SSE Central staff**

Alastair Wilson	Chief Executive
Louise Garner	Grant Management Team
Marta Zukowska	Programme Manager
Sophie Hobson	Head of Communications
Bethan McGrath	Communications Coordinator
Amy Barbor	Network Manager (Quality & Learning)
Penelope Rodie	Network & Community Officer
Emily Vermont	Network Manager (Sustainability)
Philippa Frankl	Director of Programmes & Learning
Nicola Steuer	Managing Director

**SSE Schools**

Lisa Mairah	Head of SSE NW	North West
Cathy Varley	Learning Manager	North West
Sue Osborne	CEO	Yorkshire/NE
Dena Dalton	Programme Manager	Yorkshire/NE
Digby Chacksfield	CEO	East of England
Chanel Olding	Learning Manager	East of England
Tracey Muirhead	CEO	Scotland
Sally Heard	Chief Exec	Cornwall
Sarah Hertzog	Administrator and Project Coordinator	Cornwall
Dirk Rohwedder	Director	Dartington
Lisa Howard	School Administrator	Dartington
Charles Rapson	CEO	Midlands
Sue Dovey	Chief Executive	Hampshire
Sandie Davis	Coordinator	Hampshire

**Case studies**

Cornwall	Bodeeworx	Sarah Cowburn – Fellow Sara Marsh – Stakeholder Diane Peters - Stakeholders Jo – Volunteer Tracie – Volunteer
Dartington	Dangerous Dads	Ian Blackwell – Fellow 3 leaders of other DD groups
East	Hollywell Housing Trust The Feed	Katie Sherjan – Fellow Matt Townsend – Chief Executive, Fellow
Hampshire	Your Own Place Global Music Visions	Rebecca White – CEO, Fellow David Shervill – Fellow Robert – Board member Anne-Marie Asgari – Stakeholder Tim Mason - Stakeholder
Midlands	Innovating Minds	Asha Patel – Fellow
North East	Mindful Therapies	Rachel Jones Wild – Fellow Naheed Haq – Volunteer
	Sound Sensations	Claire Quinney – Fellow

## Appendix 1: Methodology

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North West	IMPACT North East Reform Radio	Sharon Boyd – Fellow Rachel Rogers – Fellow Curtis – Volunteer / Beneficiary
Scotland	Employability Solutions ReTweed MsMissMrs	Claire Cook - Fellow Hazel Smith – Fellow Sylvia Douglas – Fellow
Yorkshire & Humber	LoveBread  The Grand Old Duke of Sauce  The Company that Caters	Carole Roberts– Fellow Liz Pearson – Volunteer Tracy Riley - Stakeholder Paul Kilgallon – Fellow Marie Whitnham - Stakeholder Lyndsay Thomas - Fellow

### ***Mentors***

Yvonne Twum-Barima	Lloyds Banking Group
Val Mann	Lloyds Banking Group
David Moisan	Lloyds Banking Group

### ***Funders***

Paula Rogers	Enterprise Programmes - Responsible Business & Inclusion	Lloyds Banking Group
Nik Thompson	Manager, Responsible Business & Inclusion	Lloyds Banking Group
Sarah Pattison	Funding manager	Big Lottery Fund

### ***Strategic partners***

Charlie Wigglesworth	SEUK
Kate Stewart	Power to Change
Sara Buchanan	Power to Change
Mark Norbury	Unltd

## APPENDIX 2

### Estimating enterprise survival, job creation, volunteers and beneficiary reach



## APPENDIX 2: ESTIMATING ENTERPRISE SURVIVAL, JOB CREATION, VOLUNTEERS & BENEFICIARY REACH

This following section sets out how we have arrived at estimates of enterprise survival, job creation, volunteers and beneficiary reach. We have utilised a different approach to Middlesex University who conducted the mid-term evaluation, and therefore the estimates are not comparable. Throughout this section we highlight the differences and reasoning for our approach to further explain the differences between estimates.

### Gross to net - enterprises

Information on the number of participants per cohort were collected from SSE monitoring data. A measure of students officially withdrawing from the programme in financial monitoring was used to develop a 'net' number of enterprises exiting the programme. This has been calculated for each cohort and, when summed, for the programme as a whole.

**Figure 39: Net enterprises**

	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5
<b>Start up</b>					
Cornwall	17	16	16	17	16
Dartington	17	41	35	33	39
East of England	14	15	14	17	18
Hampshire	16	14	17	16	18
London	13	36	35	39	41
Midlands	0	20	18	33	35
North West	17	57	38	21	21
North East	0	15	20	17	16
Scotland	15	15	17	17	15
Yorkshire & Humber	13	20	18	18	18
<b>Total</b>	<b>122</b>	<b>249</b>	<b>228</b>	<b>228</b>	<b>237</b>
<b>Scale Up</b>					
London	20	20	21	21	21
North West	0	21	21	20	21
<b>Total</b>	<b>20</b>	<b>41</b>	<b>42</b>	<b>41</b>	<b>42</b>
<b>Grand total</b>	<b>142</b>	<b>290</b>	<b>270</b>	<b>269</b>	<b>279</b>
	<b>1,250</b>				

### Social enterprise survival

A rate of social enterprise 'survival', as gained from a New Philanthropy Capital (NPC) study, 'Are social enterprises more resilient in times of limited resources?'<sup>27</sup> This was a study on SSE fellows, making it directly applicable, however it did not differentiate between a Start Up or Scale Up programme as they did not exist at the time of the research.

**Figure 40: SSE social enterprise survival rate**

	Year 1	Year 2
NPC Study (2011)	100%	93%

This survival ratio of 93% was then applied to the enterprises in each net cohort, to calculate the number of surviving enterprises two years following the enterprises' creation. It is therefore reasonable to expect

<sup>27</sup>[https://www.thinknpc.org/publications/are-social-enterprises-more-resilient-in-times-of-limited-resources/social\\_enterprises\\_resilience/?post-parent=5676](https://www.thinknpc.org/publications/are-social-enterprises-more-resilient-in-times-of-limited-resources/social_enterprises_resilience/?post-parent=5676)

1,182 enterprises were still operating after two years of survival, a time period chosen because of insufficiently robust information following this point. Therefore as of the second year following completion of the programme, no further enterprise drop-off or growth rates are assumed.

We do not feel it would be appropriate to use the fellows survey response rate as an estimate for enterprise survival given the feedback from fellows on the nature of the surveying approach. Previous evaluation conducted by Middlesex University utilised an assumption that 50% of non-respondents to a survey could be assumed to be operating enterprises, however we have been unable to identify a rationale for this assumption and it appears low given other estimates, including SSE's 2017 analysis which suggested a 78% survival rate for Start Up and 95% for Scale Up. Given this, the two year 'cut-off' date and associated survival rates seems reasonable.

**Figure 41: Surviving enterprises after two years of operation**

	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Total
<b>Start Up</b>						
Cornwall	16	15	15	16	16	78
Dartington	16	38	33	31	39	157
East of England	13	14	13	16	18	74
Hampshire	15	13	16	15	18	77
London	12	33	33	36	41	155
Midlands	0	19	17	31	35	102
North West	16	53	35	20	21	145
North East	0	14	19	16	16	65
Scotland	14	14	16	16	15	75
Yorkshire & Humber	12	19	17	17	18	83
<b>Total</b>	<b>113</b>	<b>232</b>	<b>212</b>	<b>212</b>	<b>237</b>	<b>1,006</b>
<b>Scale Up</b>						
London	19	19	20	20	21	99
North West	0	20	20	19	21	80
<b>Total</b>	<b>19</b>	<b>38</b>	<b>39</b>	<b>38</b>	<b>42</b>	<b>176</b>
<b>Grand Total</b>	<b>132</b>	<b>270</b>	<b>251</b>	<b>250</b>	<b>279</b>	<b>1,182</b>

SSE provided data from a 'Social Impact Survey' they had conducted using LBGSEP Fellows examining the number of full and part time jobs, volunteers and beneficiaries' enterprises had at one year following graduation from the programme. Data was provided for two years worth of growth, but because of the relatively low sample size when this data was expanded out across schools and cohorts, it would have resulted in millions of volunteers and beneficiaries, which was deemed unrealistic. As a result the figures in the table below incorporate two year's worth of survival rates combined with one year's worth of employment, volunteer and beneficiary growth for each cohort. This represents a conservative yet realistic assessment of the net effects of a reduction of enterprises plus an expansion of the remaining enterprises over time.

**Figure 42: Employment, volunteer and beneficiary growth following first year of graduation (SSE Social Impact Survey)**

	Full Time	Part Time	FTE	Volunteers	Beneficiaries
Start Up	1	3	2.5	9	34
Scale Up	5	6	8	22	1,641

The Middlesex evaluation used an assumption that employment increased by 1 FTE for each year of operation following graduation, suggesting a sole entrepreneur would have 5 FTE employees by year 5. Our approach has taken a lower expectation of employment, volunteer and beneficiary growth for Start Up and a higher expectation of growth for Scale Up, although crucially these are both utilising actual survey data from SSE and hence are more robust.

**Figure 43: Employment estimates – difference between approaches**

Area		Year 1	Year 2	Year 3	Year 4	Year 5
Employment (FTE)	Middlesex University	2	3	4	5	6
	CLES (Start Up)	2.5	2.5			
	CLES (Scale Up)	8	8			
Volunteers	Middlesex University	11	11	11	11	11
	CLES (Start Up)	9	9			
	CLES (Scale Up)	22	22			
Beneficiaries	Middlesex University	325	325	325	325	325
	CLES (Start Up)	34	34			
	CLES (Scale Up)	1,641	1,641			

The above assumptions were utilised to create the totals stated in the table in Figure 44. These figures are cumulative for the period since the start of Phase 1.

**Figure 44: Gross jobs, volunteers, beneficiaries**

	Full time	Part time	Volunteers	Beneficiaries
<b>Start Up</b>				
Cornwall	78	234	702	2,652
Dartington	157	471	1413	5,338
East of England	74	222	666	2,516
Hampshire	77	231	693	2,618
London	155	465	1395	5,270
Midlands	102	306	918	3,468
North West	145	435	1305	4,930
Scotland	75	225	675	2,550
Yorkshire & Humber / North East	148	444	1,332	5,032
<b>Total</b>	<b>1,011</b>	<b>3033</b>	<b>9,099</b>	<b>34,374</b>
<b>Scale Up</b>				
London	495	594	2,178	162,459
North West	400	480	1,760	131,280
<b>Total</b>	<b>895</b>	<b>1,074</b>	<b>3,938</b>	<b>293,739</b>
<b>Grand total</b>	<b>1,906</b>	<b>4,107</b>	<b>13,037</b>	<b>328,113</b>

The above figures were utilised and compared with the number of surviving enterprises to establish the number of gross jobs, volunteers and beneficiaries per surviving enterprises. These totals are stated in the table in Figure 45.

**Figure 45: Gross jobs, volunteers, beneficiaries per surviving enterprise**

	Full time	Part time	Volunteers	Beneficiaries
Start Up	1	3	9	34
Scale Up	5	6	22	1,669
<b>Total</b>	<b>2</b>	<b>3</b>	<b>11</b>	<b>278</b>
<b>FTE</b>	<b>3</b>		<b>-</b>	<b>-</b>

Based on the methodology used in the Middlesex mid-term evaluation an assumption was made that growth would continue at the same rate every year post graduation, for 5 years. We have taken a more modest estimate of growth, over 2 years. However, for sake of comparison we show below the effect of re-applying the Middlesex methodology, using actual rather than forecast figures for the programme, for calculating cumulative impacts for jobs and beneficiaries.

<b>Jobs and beneficiaries, if applying Middlesex University assumptions</b>	<b>Forecast</b>	<b>Actual</b>
Number of jobs created	4,000	3,577
Number of beneficiaries reached	800,000	848,668

Additionality estimates (building on the SQW/Middlesex-University's Mid-term evaluation of the SSE programme), create a level of net jobs that are attributable to SSE (as opposed to jobs that would have occurred without the input of SSE).<sup>28</sup> This accounts for the roles of others in the creation of jobs as these enterprises do not exist in a vacuum.

**Figure 46: Additionality deflators**

	<b>Full time</b>	<b>Part time</b>	<b>Volunteers</b>	<b>Beneficiaries</b>
<b>Start Up</b>	0.6	0.59	0.5	0.5
<b>Scale Up</b>	0.63	0.61	0.5	0.5

A level of change, or outcome, that can be attributed to a programme of support does not remain static over time. The extent to which an individual gets/keeps hold of a job is less attributable to SSE as time passes, as other factors come into play. In our additionality assessment we adopt a (linear) drop-off figure (%) and a five-year benefit period (after the benefit period the attribution is therefore zero), meaning an annual drop off of 20%.

By applying this assessment of additionality with a drop off rate, a net job, volunteers and beneficiaries assessment has been made as follows.

**Figure 47: Net jobs, volunteers, beneficiaries 2017/18**

	<b>Full time</b>	<b>Part time</b>	<b>Volunteers</b>	<b>Beneficiaries</b>
Start Up	607	1,784	4,550	17,187
Scale Up	565	658	1,969	146,870
<b>Total</b>	<b>1,172</b>	<b>2,442</b>	<b>6,519</b>	<b>164,057</b>
<b>FTE</b>	<b>2,393</b>			

In conclusion Middlesex University's methodology used a uniform increase in employment and applied that across all figures. CLES used actual survey data (which was split across both Start Up and Scale Up) and did not extrapolate that across multiple years, and as such have resulted in more conservative estimates (but ones which we believe are more robust).

As SSE continues to improve its measures of impact and evaluation, these figures will become more robust.

<sup>28</sup> A 20% drop off rate has been used from a previous SSE study conducted by nef, see <http://sse.com/media/475208/SROI-methodology-guidance-NEF-Consulting.pdf>