



NOMS CFO SOCIAL **ENTERPRISE PROGRAMME**



Summer 2012 Edition

Bounce Back Team

Social Enterprise: Maximising Social Value

One of the things that distinguish a 'social enterprise' (SE) from a conventional business is the social value or wider social impact created as a consequence of the business activity. For example, an offender working on a house restoration with the Restore Trust may benefit from training and later paid employment (a good social outcome), but the community also benefits from increased availability of social housing, improvements in street scene, encouragement of further regeneration with economic benefits, improvements to community safety (and reductions in re-offending) and even the environment if green technology is installed. The Public Service (Social Value) Act will require public sector procurement to consider any potential social value, which could create a valuable opportunity for social enterprises to establish a competitive point of difference. The NOMS CFO 'More than the Sum' consortia building programme includes support for participating SE's

to develop their approach to this, linked with some wider work on how NOMS can address implementation of the Act. Measuring the impact or value created can be complex and expensive and there is an extensive range of tools and approaches available. In a detailed contribution to a forthcoming report commissioned from the Ideas Mine by the NOMS CFO Programme 'Creating Sustainable Social Enterprise in the Criminal Justice System' social value expert Philip Angier explores why measuring the impact of activities is important, the constraints and challenges of doing this in a criminal justice context and through two 'live' case studies demonstrates how it can be achieved using established methodologies. The full report will be available soon, but the chapter on social value can be found here: www.co-financing.org

Social Enterprises in Action

Bounce Back are a social enterprise working successfully with HMP Wandsworth and other London establishments. They are also in the process of creating a new Community Payback focused business 'Brush Up' as part of a delivery plan to support their painting and decorating contracts.

Bounce Back Foundation

Working with the London Prisons, Bounce Back aligns the offender introductory training received in custody with their project centre in the community. Each offender obtains industry recognised training - including CSCS cards, NVQ 2 in Painting and Decorating, First Aid qualifications and additional soft skills training in business development and self-employment. The programme graduates then proceed to provide Bounce Back CIC with a highly trained pool of employees working to industry professional standards.

A recent expansion in customer base has enabled them to increase opportunities for ex-offenders with a genuine interest in becoming a skilled painter decorator, which in turn is creating a more diverse range of services to market.

Supported by Axis Europe plc, Bounce Back CIC has also been busy working as a subcontractor on a number of Housing Association contracts across London increasing the opportunities for offenders. The feedback has been overwhelmingly positive and they now plan to take on work on several sites simultaneously.

What's Next

Bounce Back has been working closely with NOMS to diversify its delivery model and increase the range of service that can be commissioned through Bounce Back as a social enterprise. This

includes establishing a Release on Temporary Licence (ROTL) specific initiative. They are also developing a specific offer with a view to becoming a NOMS CFO prime provider sub contractor.



Ahead with Consortia

The 'More than the Sum' consortia building programme is now entering its second phase in which the short listed successful consortia will be able to start accessing technical support under the four thematic lots: Social Finance and Sustainability, Social Value, Legal Constitution and Governance. The scale and quality of the bids for both the main consortia building programme and the technical support were very impressive.

Following a competitive tender process, four organizations have been appointed to provide the technical support:

Social Finance and Sustainability: Harris and Harris Accountancy Services CIC

Social Value: Initiative for Social Entrepreneurs CIC

Legal Constitution: Association of Chief Executives of Voluntary Organisations (ACEVO)

Governance: Bates Wells & Braithwaite London LLP

There will be an extensive range of support available including workshops, advice lines, onsite visits and consultations, access to teams of lawyers, manuals and other written guidance.

The support package recognises that developing an appropriate, robust consortium model is both complex and resource intensive, especially for SME's that are the principle targets of the programme. The aim is to ensure that all the short listed consortia (irrespective of whatever existing resources they have) can access good quality specialist/expert advice whilst further developing their relationships, business model and the final proposal.

P3 Community Enterprise Partnership (CEP) and London Probation Trust (LPT)

P3 (CEP) is an emerging social enterprise that, in collaboration with LPT (and supported by NOMS CFO), is creating enterprise hubs for offenders and other disadvantaged groups within London. They have successfully located a prime site in North Kensington where they will start to deliver holistic wrap around services for newly released ex offenders and other disadvantaged citizens. The model aims to use other social enterprises in providing link-working, basic skills such as numeracy and literacy, CV writing skills, employment advice, housing support, sexual health support as well as art and physical training - all in one accessible 'Hub.'

CROSS-CUTTING

The social enterprise programme team attended a Black Training and Enterprise Group (BTEG) event, 'Employment, Education, Enterprise and Rehabilitation



in June'. The aim of the event was to explore ways to support BAME Offenders to change their lives.

It was an opportunity for representatives of community organizations, national charities, statutory bodies, prisons and the Ministry of Justice to hear from a range of speakers including Sharon Barrett and Dena Tyler from NOMS, Abi Conway Todd from Working Links and Dr Andy Aresti from Westminster University. Attendees were encouraged to actively participate in practical, development focused workshops, such as 'Education and Enterprise'.

With the prevention of re-offending at the heart of the agenda the enterprise workshops outlined many innovative and creative ways of encouraging and supporting BAME offenders into starting, developing and sustaining enterprises.

The speakers outlined both the lack of opportunities available and the apparent lack of motivation for BAME groups to consider self employment and enterprise. Discussions looked at the barriers and some solutions:

- BTEG to lead a piece of work identifying social enterprises adept at providing the extra support needed to fully engage with BAME offenders and also indentify organisations that can offer tailored support to enable BAME offenders with enterprising ideas to translate them into business plans capable of implementation and which are investment ready.
- 2. Investigation and development of an enterprise forum / business hub which could be linked to a prison or a cluster that would provide research opportunities and discuss ways in which barriers to self employment and social enterprise could be overcome in the BAME community. The forum would also provide recognition of the specific supported needs required for BAME offenders that social enterprises could offer.

A full report on the event will be available on the BTEG website including the recommendations made to the prisons minister Crispin Blunt MP. www.bteg.co.uk

Are you ESF Compliant?

'We hope so' say the new SE Compliance Team located at Daresbury Park who are here to help if you are awarded ESF Funding through NOMS CFO.

Any organisation which receives funding from ESF must comply with the requirements as agreed when the Funds are awarded. The Team ensures that organisations meet their responsibilities - such as producing regular reports and retaining the required documentation.

We have an important role to play in ensuring agreements are adhered to however, the team's remit is wider than just making sure you follow the rules. In having the team involved at the outset of any new activity, compliance methodologies can be built in from the start and become second nature.

We have already been out and about visiting established projects and have also been heavily involved in the organisation and delivery of 11 nationwide events to promote the consortia building opportunity to over 300 individual social enterprises.

In addition we created a database to provide networking opportunities for social enterprises and other organisations with an interest in forming consortia. Currently our website is being accessed 11,000-12,000 times a month with the database of contact details being the most downloaded item in June - downloaded 281 times - and now expanded to include over 700 available contacts.

Please get in touch at: cfo-socialenterprise@noms.gsi.gov.uk

Deborah Macdonald, TA Compliance Manager

Socia Capita Solutions (SCS)

Socia Capita Solutions is a new social enterprise emerging from Lewisham Council in London. It's a form of 'spin out' - looking to use the greater commercial freedoms offered by the SE model to create much wider value and impact from services previously delivered by the authority. For example, refurbishment activity can be used to provide training and employment opportunities for targeted groups including offenders. The NOMS CFO has provided funding to facilitate the development of their policies and a business plan reflecting a number of business propositions including a handy person enterprise based on taking over a local authority service. They are also exploring a number of asset transfer opportunities. Activity will initially be in Lewisham and South London Boroughs, in both the public and commercial sectors.

Social Investment Social Loans

Social investment is playing an increasing part in the development of social enterprises especially those who offer offender related services. Here Daniel Wilson from Big Issue Invest outlines the ambitions for a new investment organisation created through the merger of Big Issue Invest (BII) and The Social Enterprise Loan Fund (TSELF)

In the last quarter of 2011 over 21,500 sentenced prisoners were discharged in the UK. An increasing number of these ex-offenders will receive support from NOMS CFO funded social enterprises and others upon their release, helping them to integrate back into the community and employment.

With this increasing level of demand, many social enterprises will need to expand and develop their business – and need to source the right kind of growth finance.

The merger in June of BII and TSELF enabled £8m to be immediately available for investment as individual loans or equity-like investment in amounts ranging from £50,000 to £1m.

BII has a mission to dismantle poverty and inequality by investing in business solutions to social and environmental challenges. They have a strong track record in helping expand social enterprises and charities throughout the UK, including several offender related services.

Previous investments (totalling nearly £400,000) include: Blue Sky, Mow & Grow and Get Hooked on Fishing, all of which provide employment opportunities for ex-offenders.

Blue Sky received a loan from BII to help roll out a new delivery model focused on commercial catering developed with assistance from the NOMS CFO SE programme. Over the five years since it was set up, Blue Sky has employed nearly 500 ex-offenders. Of these, less than 15% have re-offended - that's a quarter of the national average.

Mow & Grow is an award winning social enterprise which uses its innovative commercial and domestic gardening business as a means to train and employ deprived / hard to employ individuals. BII stepped in to help Mow & Grow with a loan to build capacity and support capital expenditure enabling them to deliver a £5m contract with the Department for Work and Pensions. NOMS CFO Social Enterprise programme is currently also supporting them to develop a marketing route for taking East of England prison industry goods and services to market.

Get Hooked on Fishing engages young people by delivering fun and interactive activities centred on the sport of angling, supporting the prevention of anti social behaviour. TSELF supported them with a loan to purchase their fishing lakes. The loan has been repaid and the organisation continues to expand.

BII is led by social entrepreneurs and experienced social financiers who have first hand experience of building and running social businesses.

Offender related charities and social enterprises looking for investment should contact BII on enquiries@ bigissueinvest.com and 020 7526 3434.

For more information visit www.bigissueinvest.com

