How can we best target and support a large number of organisations at the earliest stage of thinking about diversifying their income, to inform themselves and consider their options?

Go through existing organisations and networks who are already doing so - SSE, UnLtd, SEUK, Locality, NCVO, ACEVO, CFG, Small Charities Coalition etc.

Anecdotally, it might appear that early stage ventures have weak relationships with sector infrastructure and membership bodies - direct contact via local networks and trusted advisors would therefore seem to be a more effective means through which to reach this group (for comparison - there is a loosely correlated relationship between localities where the CIC regulator visits to give public talks, and a subsequent rise in the number of CIC applications from that area)

Match-making ('buddying') between organisations who have received support and those who are at the early stages of considering such support. It would be ideal if these buddies could be organisations of a similar scale and / or which are geographically close together for informal advice, sharing their journey, and peer support. I am always nervous of taking advice from funders, but informal, unbiased advice from others who've been through the process would be great.

Workshops, webinars, videos - delivered by organisations who have done it successfully.

Advertise through social media and through local CVS's; NCVO; NAVCA and large affiliated groups such as UK Youth, Ambition; etc. Try a few Facebook and Google ads.

For those that get beyond this stage, what forms of support are effective and proportionate in helping them develop a feasible business plan and, where required, an investment proposition?

Why is the end point an investment proposition? And why is the intermediate step a business plan? Surely it is about establishing a working business model (with some levels of earned income) and then about helping those organisations access the finance and support they may need (NB - this may include social investment). The framing is all wrong here.

Benchmarking and previous examples of plans and propositions is a useful and 'quick' way for ventures to best consider what they might be able to offer, and have more realism in working up a realistic proposition

I assume you already offer resources / templates etc., and offer feedback on first drafts. If so, connections with a coach or mentor to support the entirety of the process would be excellent.

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1) Talent - access to people with business expertise, entrepreneurial drive (and backgrounds if possible).

2) Competition/challenges - cliched as they may be, organisations with innovative ideas can be sparked into action by the opportunity to 'win' something/work with talented people. Year Here and the GSVC are good examples in the social space.

3) Networks and peer environments (e.g. Hub Impact, CAN, Public Services Lab)

The team developing the business within the charity need to be (at least from time to time) in a high energy environment to maintain moral, motivation and optimise opportunities to learn from others around them and network effectively with potential customers/client and potential investors.

* The business planning and capital raising invariably come months (more often years) after the business concept has been nailed down. Entrepreneurs (and established social organisations) with impactful ideas are not in short supply in our experience. Those executing on the back of a credible plan with a capable team are. The development of a compelling early stage high impact enterprise is rarely not the product of years' worth of graft, testing of different products/services, business model and growth strategies.

Capacity building grants are useful. Support with business plan writing - seminars / blogs / actual people to come and help write it

The Reach Fund directs support to organisations referred into the programme by an 'Access Point' social investor. It is intended to help organisations with a developed investment proposition 'over the line' with a small amount of support. As a participant or an observer, what has been your experience of the Reach Fund thus far? We're particularly keen to hear from any applicants/grantees from the first 'testing' phase of the Fund, running from November 16 – March 17.

Don't know directly - I've heard that it has been mixed for the social investment intermediaries involved.

I've had conversations with a number of the access points personally from professional interest, and it appears that to date there has been little uptake of this offer - it may be that it needs better promoting, or a clearer offer of what this support might involve being communicated to potential applicants

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Positive so far. However, i have observed that as the development of the investment readiness plan is largely in the hands of Access Point investor (or should i say, the leverage to shape one), this creates an issue for the business/charity unless they are particularly forthright and knowledgeable about what they need. Their ambitions (and needs) are being seen through the lens of one investor, with a particular set of skills (often), and a particular investing mindset (invariably) which is unique to their fund/intermediary investing strategy, and not necessarily the most helpful viewpoint for the venture. As such, it is not a given that the investment readiness plan will be shaped in the best interests of the business/charity but rather what the Access Point Investor believes and understands to be the best interests of the venture.

Experienced investee organisations may continue to require support, particularly where they seek larger investments in order to grow. How can such needs be met most effectively?

Has this need been evidenced? If you look at most of the applications coming through to Big Potential Advanced, most of them are for *contracts* not for larger investments. If there's an evidenced need of support, it's around winning customers and business, not ever-greater investment. Those who do want that, frankly, at the moment can easily find it.

Developing relationships with social lenders in the same way that they might with their business account manager from their bankers or accountants

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Semi-regular check-ins, that aren't focussed on existing investment management (so could perhaps be with a new 'face'), and instead look ahead to aspirations (again, like the role of a coach).

Talent: again, access to talent to build their teams is paramount to maintain and build growth. At this stage, programmes like On Purpose are begininning to fulfill this need but there is undoubtedly a need for experienced business people, in a myriad of fields, who are itching to work for an impactful organisation, to make the transition. Platforms like Escape the City and CharityWorks may be illustrative of some of solutions to this.

Advisors: equally, high calibre advisors (legal, business strategy, investment and impact measurement etc..) who are independent (of the organisation, of existing and potential investors, and commissioners where relevant) are vital. Impartiality is super important. These organisations will often have a range of different options (with varying implications, in the short and long term) in front of them in terms of how they go about growing to the next level. It is important that advise in not agendarised and comes with a broad perspective on the market).

In an ideal world, these 'experienced' investee organisations should (and should be able to) pay for these advisory services themselves. In practice, an increasing proportion do (albeit from a small base), some don't (but could) and seek to go it alone (which sometimes is the right decision, and sometimes isn't with hindsight), and some others probably can't afford it; and some of the above receive grant funding (e.g. Big Potential Advanced) to subsidise or underwrite the costs of this advisory support. Structuring these programmes is clearly challenging and we should be mindful of their potentially distortive effect. However, on balance, I would make the argument that they are valuable place (for orgs that would otherwise struggle to pay for the advice, AND have a compelling high impact business they wish to grow to the next level).

A diversity of Investors (and investment products)

At present, the number of investors who can write large checks (in a full variety of investment forms) is pretty limited and i don't think this is healthy for organisations that are in a strong position to scale with additional capita for obvious reasons.

From a mixture of grants (say 10%) loans say 70% and up to 30% investment in the outcomes (payment by result)

...what balance should be struck between building internal capacity/skills for the long-term, and buying in external expertise?

More of a balance than has been struck to date. Who's done best out of Big Potential? The providers. The best of those leave the organisations they work with in a stronger state, the worst perpetuate dependence. It's horses for courses - sometimes an investment in an organisation's capacity / skills pays dividends; at other times, they require expertise or an external catalyst that they don't have. It very much depends on the piece or type of work they need.

External expertise should only be a short-term activity - otherwise the venture risks mission drift from freeing the capacity needed to engage with it; it also ultimately weakens the venture if it does not develop these skills, and building a long-term dependency on the ongoing accessing of external support

For one-off needs, external expertise is efficient and can be impactful, but where the skills are likely to be needed on an ongoing basis then the organisation should be supported either to develop internal skills, or to bring in those skills on a more ongoing basis, e.g. through board members.

If only it were that simple. It so depends on the context and your financial resources. Invariably, a early stage venture/small charity is starved of capital, can only plan for the short-term (with any degree of clarity) and you have to prioritise, meaning external advice is absolutely vital but you can't really pay for it. Hence the vital importance of an ecosystem of cheap/'free' services - shared workspaces, mentors and advisors, product hackathons, accelerators, angel investors etc.. in these fragile early years. So let's say 20/80 (internal to external - in terms of where strength of team lies between staff/founders and advisors)

By contrast, an established organisation should be far more focused on the long-term and should be able to identify internal weaknesses and decide how to address these. so let's say 80/20.

Building the internal capability should be high on the agenda and external support limited so 80: 20% ratio

...where have you seen peer support prove effective, and how can Access encourage strong peer networks through the design of its own programmes?

SEUK member networks, SSE action learning sets, various forums that place relationships & trust above specific outcomes. Access can learn from these, work through them.

School for social entrepreneurs seems to create supportive peer networks through developing a culture based on regular in person meetings and discussions

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Firstport bring grantees from each cycle of investment together for a launch event. There is some aspiration for this cohort to stay in touch with one another, but my experience is that it hasn't really happened (there's a LinkedIn page, but it's not really used). I would have valued this resource had it been more used. Face to face contact was relatively impractical (a geographically dispersed group, all of whom by nature were at busy times in their organisation's growth). I would use a Facebook page (simple but effective), and I would also have liked an online forum where links and questions could be shared both by Firstport and grantees. I've been to some great workshops (led by ESF, I think), where the workshops were led by grantees, which was a really useful experience.

We used to run our own workshops for social entrepreneurs, sometimes thematic (e.g. healthcare), sometimes stage focused (e.g. seed/idea stage). We simply facilitated the conversations, which gave 10 or so entrepreneurs 15 mins each to seek advice from group on their business strategy. Sometimes we gave presentations (e.g. financial modelling) at the beginning as well. The whole point was to build their confidence and increase their chances of making less mistakes, more quickly, along the journey.

Ella support programmes

...should impact management be integral part of any support provided, or a separate strand, independent of any fundraising/investment activity?

All of the organisations should be thinking about how they measure and manage impact. Whether this needs support on top of the existing programme seems unlikely.

I think they are best if connected, but separate. You want investees to be able to have open, frank conversations about the future (including challenges, doubts etc) without worrying about the impact on their existing investment. Support is vital, but there should be some element of independence, if you want honest, open conversations.

Depends on the organisation, their stage, their beneficiaries, their theory of change, and the market context in which they find themselves. Some are creating impact in a way which can and should be tracked and measured acurately, if it can been done in a cost effective manner, and is central to their organisation remaining an impact driven organisation. Other ventures, their impact is elusive but intuitively stakeholders recognise its long-term potential. In these cases, i think that investors (and other funders) should give the organisation some breathing space to build their businesses before looking at how they should measure and manage their impact.

Yes a good idea

...how would greater transparency - including sharing of data, tools and approaches by funders/investors, support providers and social organisations – affect the quality of support?

Difficult to know.

It should raise it through providers and supporters recognising it as a clear opportunity to enhance their own respective CPD and offer in the marketplace

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It depends on how generic/homogenous that information is and how applicable and useful it is to the market.

Sharing a detailed business plan and financial model template developed for community groups wishing to develop their own solar power - is probably a very good idea (assuming there are common elements to those businesses in terms of assumptions, risks, inputs and outputs that are applicable to pretty much all of these groups) and should be encouraged and supported. It will help build capacity. On the other hand, there will come a stage where certain community groups will need a third pair of eyes to critique what they have put together before courting investors, and this is where bespoke professional advisors needs to kick in (and peer support/case studies to a certain degree).

As for data, all stakeholders need to have a reason to share it in the first place and may have very good reasons not to share it, even if they wanted to (e.g. client confidentiality and compliance with FCA regulations). Also, they need to be confident that, if they show their 'hand' in good faith, others will do so as well. Tricky to pull off.

The more information the better

...what role can 'one-to-many' support (eg group training sessions, network events) play which would complement/enhance any one-to-one support?

A lot - for networking, relationships, contacts, other people's questions and all the other things that 1:1 support can't do.

By covering common concepts and issues experienced by many/all - this would allow the venture to make better use of 1-2-1 support

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Good - especially if led by investees. Great as a light-touch approach for those at the earliest stages (who might not commit to 1-to-1)

Bringing groups together with a common aim is usually very helpful provided the sessions are well run.

...what are the pros and cons of an approach (as in Big Potential) which mandates that the majority of grant funding is spent on fees for a fixed set of pre-approved providers of support?

See earlier answer - main beneficiaries at times have been the providers.

It makes it harder for earlier stage ventures to fully engage with providers from not having sufficient capacity that could have been otherwise created by a greater backfilling of staff posts

I haven't seen this approach used elsewhere. It sounds good in terms of an easy source of quality providers, but my concerns would be around limiting freedom and autonomy for investees (and it sounds quite patronising and controlling, too). What if the investees have better sources of providers?

Pros

- focuses the organisation on what needs to be accomplished in order to get them investment ready

- provides them with a non-exhaustive option pool of advisors who should be experienced at working with similar organisations to theirs.

- healthy competition between advisors who build up a track record of working with social organisations and can be assessed/monitored by the grant provider

- programme is manageable as their is a limited pool of advisors

Cons

- Limited choice of advisors for organisations may mean certain grant applicants are not working with an advisor who would be most apt for their needs.

- Requires a fair amount of monitoring and oversight which can be cumbersome and poorly managed at times.

The problem is if you know of some good local provider of support who is not on a designated list. Groups need to be able to suggest alternatives who can then pass any checks you need to make.

Place: how should Access approach focussing on a particular city or region, in collaboration with our peer funders, social investors and public sector partners, to strengthen its social sector? Within this, how replicable might such approaches be for other cities and regions?

With humility, not assuming social investment is the answer, working through credible local and city-infrastructure. Place-based approaches have some value, particularly when aligned to existing social value strategies or local place objectives. This focuses people on the outcomes, rather than the organisations.

Given the cultural and economic variances that exist across different parts of the country, any approach to replication should be based on a less structured model/strategy used within social franchising

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Social Enterprise Networks, Chamber of Commerce, Women in Business events etc. Check out Inspiring Scotland, who have local experts who help them to guide local investment (how can you know a region if you're not part of it?)

Start with the most challenging social problems in that area, find the people who are closest to that problem are already tackling it. Develop initiatives from there.

Whilst you might pilot in an area such as Birmingham, Manchester or Newcastle your offer needs to be available across the country

Transitioning from grants to investment: grant funders have large networks of grantees, some of which may benefit from exploring social investment. How can Access and others best coordinate to help grant funders identify such organisations and signpost them to information and support?

Again, the transition is arguably first one from grants to trading and earning. Then, possibly, to investment if that is required. If you lead with social investment every time, people will tell you social investment is the answer - but also narrow the pool of whom you reach significantly.

Make it a requirement of receiving a grant to have at least an initial professional discussion with external specialist support

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Lots of grant funders (e.g. Children in Need, Comic Relief) host start-up sessions which are compulsory for grant holders - could you go along to them? Would the grant makers necesssarily know which organisation would benefit from exploring social investment? The BIG Lottery's Investing in Ideas seems an obvious starting point - I imagine lots of the ideas tested through that fund would be ripe for social investment (it's essentially the 'testing' phase of your arrow / model).

Host seminars/workshops and invite grantees. Get content out to them via grant funder newsletters. Run challenges which will draw out grantees with the greatest appetite to develop social enterprise models.

Presumably through joint discussions, emails, consulting them and putting up joint funding bids e.g. I heard Esmée Fairbairn invested in 4 projects with an organisation on the basis of 100% return. Two projects failed and two succeeded so they got their money back.