Review of the Business Support to Third Sector Organisations Contract

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Business Support to Third Sector Organisations Contract

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1   Introduction

1.1   This report presents the findings of the review of the Business Support to Third Sector Organisations contract, the service known as 'Just Enterprise'. The primary research was carried out over the period July 2017 to November 2017[1]. The review covers the contract period from 2011 and is the first review since Just Enterprise's inception.

Aims of the Review

1.2   The aims of the review were "to assess how effective the various specialised business support services delivered by the contract have been, and how these services 'sit' within the business support landscape in Scotland". The review sought to answer the following questions:

- How effectively has Just Enterprise delivered specialised Business Support, Start-up Support and Leadership Support services to progress achieving the contract objectives?

- Have the objectives identified for the contract been delivered, and how effectively, or are there objectives which have not been delivered (and if not why not) during the contract period?

- Have there been any unintended consequences arising from the work of Just Enterprise?

- What key lessons can be learned from the experience of Just Enterprise, for example: around growth, resilience, sustainability, leadership, equalities; and in relation to issues such as the diversity of the sector, geography, levels of demand; and the consortium method of delivery, and referrals into and out of Just Enterprise?

- How does the specialised business support developed and provided by Just Enterprise co-exist with support provided by other organisations (mainstream business and Third Sector) in Scotland[2]?

- What are the advantages / disadvantages of a national contract to provide specialised business support in Scotland compared to

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[1]Subsequently, a workshop was undertaken to present, share and reflect on the review findings with stakeholders who participated. A period of time was given for stakeholders to provide further comments. These comments were then addressed where appropriate in this report, and the more detailed commentary has been collated in a separate document to inform future considerations.

[2] The Enterprise and Skills Review work and the Social Enterprise Strategy (see context for the review) recognise that the social enterprise offer needs to be strongly aligned with an overall approach to business support to be as effective as possible.

separate contracts, for example, contextualised to geographic localities or themes[3]?

- What would have happened if specialised support was not developed and provided by Just Enterprise through the 'Business Support for Third Sector Organisations' contract?

- Are there any gaps in provision of business support for Third Sector organisations in Scotland (with consideration around what more needs to be done)?

1.3   It is expected that the findings of this review will shape future direction, investment and inform the (re)design of specialised business support for Third Sector organisations in Scotland for Start-up, Growth and Recovery; complementary to mainstream provision.

Overview of Just Enterprise

1.4   The Business Support to Third Sector Organisations contract known as Just Enterprise is a Scottish Government funded business support programme for enterprising Third Sector organisations and social enterprises. Just Enterprise services are organised around the following groupings: a Start-up service covering one-to-one support and Start-up workshops; a Business Development service, again comprising one-to-one and workshop support; and Leadership programmes.

1.5   The service commenced in June 2011 upon the initiation of a two-year contract.[4] This contract has since been extended on a number of occasions. The latest extension having taken place in May 2017 when the option to implement a fourth year of the second contract was implemented.[5]

1.6   Just Enterprise is delivered by a consortium of organisations with expertise in business support for the Third Sector and social enterprises. The consortium partners are: Community Enterprise in Scotland (CEiS), Highlands and Islands Social Enterprise Zones (HISEZ), Firstport and the Social Enterprise Academy (SEA), with the consortium delivery partners: Forth Sector Development, Community Enterprise Ltd, Council of Ethnic Minority Voluntary Organisations (CEMVO) Scotland, Lanarkshire Enterprise Services, Ready for Business and InspirAlba.[6]

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[3] The review specification acknowledged the complexities of doing this as there is no control group. A possibility highlighted was to compare to Business Gateway which is delivered differently in each local authority.

[4] Just Enterprise (2012), Annual Report June 2011-May 2012.

[5] Scottish Procurement and Commercial Directive (2017), Case/203247: Business Support for Third Sector Organisations Amendment No2. Since completion of the review, a further contract extension is now in place to May 2019.

[6] Just Enterprise (2013), Annual Report June 2012-May 2013; the consortium delivery partners are subcontractors to the consortium partners.

1.7   Over the past six years, Just Enterprise has provided 6,697 instances of support to some 4,927 organisations and 9,922 instances of support to individuals. Recipients came from a range of different sectors and across all 32 Scottish local authority areas.

Context for the Review

1.8   The review of the Business Support to Third Sector Organisations contract comes at an important time. The Social Enterprise Strategy for Scotland 2016-2026[7] has been prepared, a ten-year Strategy to stimulate social enterprise, develop stronger organisations and to realise the considerable market potential that exists in the sector.

1.9   Out of the Social Enterprise Strategy came the Building a Sustainable Social Enterprise Sector in Scotland Action Plan 2017-2020[8] which sets out the first steps that will be taken to put the strategy into practice with future action plans to be published in 2020 and 2023.

1.10   The results of the second Social Enterprise Census for Scotland[9] were also made available during the course of this commission. There are now 5,600 social enterprises (SEs) operating in Scotland, representing an 8% growth over the period from 2015 to 2017. In total SEs in Scotland have an annual income of £3.8 billion, representing a 5% growth from 2015 to 2017. Of this income, £2.7 billion was trading income, and there has been a 22% growth in trading income since 2015.

1.11   The social enterprise movement has grown strongly over the past decade and, reflecting this, the sector remains fairly youthful with over one-third of Scottish social enterprises being established within the last 10 years.

1.12   This means that our review is not happening in a vacuum, and builds the evidence base further, in order to help make informed decisions on the best way to support the sector going forward.

1.13   The review also comes at a time when the Enterprise and Skills Review[10] Phase 1 and 2 reports have been produced. This too is important context: The Review recommends (and is designed to facilitate) far stronger agency working and collaboration in the arena of Enterprise and Skills. The extent to which business support to Third Sector organisations could and should be integrated with mainstream business support provision is part of this review brief.

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[7] http://www.gov.scot/Resource/0051/00511500.pdf

[8] http://www.gov.scot/Resource/0051/00516611.pdf

[9] http://www.ceis.org.uk/wp-content/uploads/2017/09/Census-2017-Full-Report.pdf
http://www.ceis.org.uk/wp-content/uploads/2017/09/Census-2017-Summary.pdf

[10] http://www.gov.scot/Topics/Economy/EntandSkillsreview/publications

Approach

1.14   The review has involved a mix of survey, consultation, and desk-based research.   Appendix A sets out the detailed research methods. In summary the work comprised:

- An online survey of service beneficiaries, gathering 231 views;

- A telephone survey of service beneficiaries, obtaining 200 views;

- Qualitative consultations with a further 25 service beneficiaries;

- An online discussion forum involving 14 service beneficiaries;

- A short telephone survey with 50 social enterprises and enterprising Third Sector organisations that did not take-up the service offer;

- Consultations with 17 stakeholders with a range of different experiences of Just Enterprise;

- Consultations with the 20 Just Enterprise delivery partners, including advisors and delivery staff;

- Desk-based research, including a literature review, contract and management information analysis, and survey and consultation analysis.

1.15   The beneficiary feedback has been anonymised. Individuals (also anonymised) from delivery partner and stakeholder organisations that participated in the research are at Appendix B.

Structure of the Report

1.16   The report is structured in the following way:

- Chapter 2 reviews the contract and management information, including an assessment of reported performance;

- Chapter 3 presents the service beneficiary feedback and economic impacts, based on experiences and benefits of those that participated in the review;

- Chapter 4 reviews the Just Enterprise service and offer, its alignment with mainstream business support, and operational issues such as contract management;

- Chapter 5 looks at the Just Enterprise offer in light of the new and emerging policy context and new sector intelligence, notably the Social Enterprise Census, with a view to looking forward;

- Chapter 6 presents the Conclusions of the review, along with considerations for the Scottish Government and stakeholders going forward.

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2 Business Support to Third Sector Organisations in Scotland: The Just Enterprise Service

2.1 This chapter reviews the evolution of Just Enterprise and describes the offer and how this has changed over time. Considerable management information has been gathered over the contract periods and this is summarised and analysed. The chapter also draws on research carried out at the end of the first contract period 2011-2014.

Evolution of the Just Enterprise service

2.2 The first Business Support to Third Sector Organisation contract commenced in June 2011, thereby initiating the Just Enterprise service as the first national business support offer to the social enterprise sector covering a range of services.

2.3 Prior to this, business support to social enterprises was provided through some individual contracts covering some of the services that were subsequently included under Just Enterprise. In the Highlands and Islands, for example, Highlands and Islands Enterprise contracted support for social enterprises, whilst in the Lowlands the Aspire to Enterprise consortium was awarded a contract for business support to social enterprises in 2008. The policy context at the time, as set out in the Enterprising Third Sector Action Plan 2008-2011, was one where there was an emergent recognition of both the need to support the sector to become more enterprising, and of the benefits of doing so[11].

2.4 Geographic coverage of business support to social enterprises was certainly partial, and the service offer inconsistent. This led to the decision to develop an Invitation to Tender (ITT) for the Business Support to Third Sector Organisations contract to establish a universal support offer to the sector.

Just Enterprise 2011-2014

2.5 Following the issuing of the ITT, bids were received, not just from the consortium awarded the contract but others, including large well-known private sector practices. The bid was awarded to a consortium involving a number of organisations with expertise in business support for the enterprising Third Sector and social enterprises. As mentioned in the introduction, this was a consortium comprising: CEiS, HISEZ, Firstport, the Social Enterprise Academy; and the delivery partners: Forth Sector Development, Community

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[11] http://www.gov.scot/Resource/Doc/228582/0061861.pdf

Enterprise Ltd, CEMVO Scotland, Lanarkshire Enterprise Services, Ready for Business and InspirAlba.[12]

2.6 The first Just Enterprise contract was initiated on 24th May 2011 for two years. This was extended for a third year from June 2013 - May 2014 before the commencement of a new contract on 24th May 2014.

2.7 The objectives of the first contract were 'to grow and sustain enterprising Third Sector organisations, support the establishment of new social enterprises and develop social entrepreneurs and Third Sector leaders.'[13] Specifically, the objectives centred around:

- For Third Sector organisations (including supported business and those that are equalities-led) to grow in financial resilience and sustainability.

- Helping Enterprising Third Sector organisations demonstrate a pathway to resilience, growth and operate as effective and / or growing businesses.

- Third Sector organisations winning more contracts, including with the public sector.

- That the response of the Third Sector to public sector application of Community Benefits Clauses (CBCs) and Public Social Partnerships (PSPs) is strengthened and maximised.

- New social enterprises and social entrepreneurs are supported to become established and grow.

- That Third Sector leadership is enhanced to support business development and sustainability.

2.8 Meeting these objectives framed the Just Enterprise service offer. A financial award for 2011 - 2014 in the region of £3m was made to the consortium to deliver a range of activity, and the contract value was subsequently drawn down.

2.9 Table 2.1 shows the contract spend for the first contract period 2011 / 12 to 2013 / 14. Total spend against the contract for this three-year period was £2,998,732. By far the majority of the expenditure was spent on service delivery, some £2,438,749, or 81% of the total, with a further £570,677, 19%, being spent on support activities and management.

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[12] Just Enterprise (2014), Annual Report June 2013-May 2014.

[13] Just Enterprise (2013), Annual Report June 2012-May 2013.

Table 2.1: Contract Expenditure 2011 / 12 to 2013 / 14

Year of Contract	Calendar Year	Contract Expenditure	Support Activities & Management	Service Delivery
Contract 1 year 1	2011/12	£1,021,846	£206,100	£815,746
Contract 1 year 2	2012/13	£1,011,153	£180,617	£841,230
Contract 1 year 3	2013/14	£965,733	£183,960	£781,773
Total Years 1-3	**2011/12-13/14**	**£2,998,732**	**£570,677**	**£2,438,749**

Source: CEiS

2.10   CEiS was, and continues to be, the lead partner in the Just Enterprise consortium, responsible for contract management. It manages the relationships with the delivery partners which includes agreeing annual budgets, approving applications and allocating cases to the most appropriate partner who in turn allocates the case to a particular adviser.

2.11   The Just Enterprise service comprised a number of service offerings, brigading under the three main parts of the service as outlined in the introduction (Start-up, Business Development and Leadership). For the 2011-2014 contract, the following targets for number of recipients by type of service were established (Table 2.2).

Table 2.2: Target recipients by type of service, years 1 - 3

Type of Service*	Year 1 target	Year 2 target	Year 3 target	Total
Start-up	400	350	350	1,100
Business Development Workshops	358	431	414	1,203
Start-up Workshop	160	200	200	560
Business Support	130	155	155	440
Leadership Programmes	160	126	172	458
Finance Workshops	100	100	100	300
Tender Workshops	100	75	75	250
Total	**1,408**	**1,437**	**1,466**	**4,311**

Source: Just Enterprise Annual Reports; *excludes client management service

2.12   The first contract targets reflected the nature of the service required by the specification, and so included specialist components (e.g. Tender Workshops) to meet the procurement-related objective. The targets also reflect the mix of Workshops (one-to-many) and one-to-one Start-up and Business Support interventions.

2.13   What is clear is that considerable volumes of activity were anticipated. Indeed, this was the basis of the consortium bid: to deliver short, sharp one-to-one interventions, based around a specified client need, alongside lighter-touch one-to-many awareness-raising and information (Workshop) sessions, which responded to sector demand. This model intentionally mirrored the Business Gateway support service offer, which similarly delivers a considerable volume of activity.

2.14   Efficiency and effectiveness targets were also introduced during the first contract period to formalise this Business Gateway-style model, which is based on a single point of contact for recipients / beneficiaries, and which anticipates both referrals into the service, and out and onwards post-service use (or to alternative support as relevant). The efficiency and effectiveness targets were:

- To create a single resource and enquiry point;

- To engage widely with stakeholders;

- To create a robust, efficient and fair selection process;

- To create active signposting / referral;

- To create supports for those not qualifying for one-to-one support;

- To deliver high quality business support and learning and development services;

- To build the capacity of Enterprising Third Sector organisations to respond to public sector procurement opportunities and Community Benefit Clauses (CBCs); and,

- To ensure equitable distribution of service across Scotland.

2.15   Key to the effective delivery of the service was the notion of national geographic coverage and a consistency of service offer. From a standing start, there was acknowledgement of the challenge of delivering on a national scale. However, this was a strong part of the consortium bid and offer, and as later in this chapter and the report shows, this has in the main been successfully achieved.

2.16   The overall target volumes for service take-up in the first three years were achieved, as Table 2.3 shows. Some recipients received more than one instance of support. For most parts of the service, activity exceeded

target, in some cases (e.g. one-to-one Business Support) by a considerable margin.

Table 2.3: Recipients by service, years 1 - 3

Type of Service	Number of Take ups	Target	Percentage of target
Start-up (one-to-one)	1,231	1,100	112
Business Development Workshops	1,146	1,203	95
Start-up Workshop	676	560	121
Business Support (one-to-one)	625	440	142
Leadership Programmes	474	458	103
Finance Workshops	348	300	116
Tender Workshops	184	250	74
Total	**4,684**	**4,311**	**109**

Source: CEiS monitoring data, analysed by Context Economics

2.17 Start-up Workshops accounted for the largest numbers of recipients, 1,231 (26%), followed by 1,146 at Business Development Workshops (24%), as expected given the one-to-many support. It was anticipated that many workshop attendees would then go on to access one-to-one support, and again, as we shall see, this has indeed been the case.

2.18 In seeking to establish a national offer, efforts were made by the consortium to ensure the service was promoted across Scotland. Promotional activities included conferences, stakeholder groups and networking lunches taking place in all Scottish regions, given that one of the efficiency targets for the programme was to have a proportionate geographical spread of applicants.

2.19 In year 1, the majority of enquiries were sourced through members of the consortium. However, word of mouth, internet search and Third Sector events were also important.[14] By year 3, enquiries via organisations remained the largest source of enquiries; alongside internet searches.[15]

2.20 The first contract period was subject to early impact assessment work, and a number of case studies were produced. These sought to highlight particular areas of success for the first contract, including examples such as

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[14] Just Enterprise (2012), Annual Report June 2011-May 2012.

[15] Just Enterprise (2014), Annual Report June 2013-May 2014.

Stepwell where support from Just Enterprise to form plans for a new line of business resulted in a funding award of over £100,000, leading to business expansion and the employment of new staff[16].

2.21   Overall the impact report[17] from year three of the first contract suggested targets had been broadly achieved. In terms of Business Support, 66% had implemented the support provided in full or in part with a further 16% being in the process of implementing support and 10% planning to do so in the future. For impact measures, of those who had received Business Support, 94% were still trading 12 months after support; 48% had either maintained or increased the total number of employees (for 34% support was not relevant to employee levels); 59% either maintained or increased turnover (for 23% support was not relevant to turnover); and 42% either had or were in the process of establishing new ventures as a result of the support.

2.22   Across all the Leadership Programmes a majority of recipients who responded stated that they made use of learning frequently and they had made changes as a result of taking part in the programme. In all, 80% had shared learning with colleagues and 75% said the programme had had a positive impact on their organisation (25% said it was too soon to tell). Further, 78% of recipients said they expected their organisation would expand over the next 6 - 12 months, and 98% stated that they felt better able to address challenges and opportunities in their role as a result of taking part in a Leadership Programme.

2.23   For Start-up services, 12 months after support was completed 60% of recipients who responded had either started trading or were in the process of being set-up, and 67% employed one or more person.

2.24   Apart from impact targets, over the first contract Just Enterprise also had targets related to efficiency and effectiveness. Within these areas there were a number of more specific targets and outcome measures. Targets around transparency, geographical spread, administration and setting up an enquiry hub had been achieved within the first year, whilst targets around promotion and delivery were mostly still on-going as Just Enterprise sought to develop its services. This remained the case in years two and three.

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[16] Just Enterprise (2013), Case Studies.

[17] Just Enterprise (2014), Impact Report. To note all percentage responses are of those that responded to the Just Enterprise surveys to measure impact and are NOT representative of all recipients / beneficiaries.

2.25   In terms of effectiveness targets these were set in the following areas:

- 80% of recipients fully satisfied;

- 100% of programme participants register for Public Contracts Scotland and the Supplier Development Programme, where appropriate;

- 25% of programme participants followed up at 1 month and 3 months after intervention;

- Contract management reports provided at least 5 days before quarterly contract performance meeting;

- Training provision to achieve 90% customer satisfaction levels;

- 25% of clients new to programme in each quarter;

- To manage contract spend and performance.

2.26   Overall, across years one, two and three, most satisfaction targets were met, although the impact assessment identified that for some of the Business Support programmes the satisfaction rate was below 80%. Chapter 3 of this review presents satisfaction levels across Years 1-6, with the majority of the measures of satisfaction above or very close to 80%[18].

2.27   Follow-up rates were achieved and of those providing a response, training provision achieved customer satisfaction targets. The contract management report target had also been achieved, though with a revised target in year two[19].

Just Enterprise 2014-2018

2.28   The six objectives above (at 2.7) were retained for the duration of the second contract period (May 2014 to May 2016). Between September and December 2015, a Scottish Government PhD intern undertook a desk review of reports (progress and evidence) produced by Just Enterprise to evaluate the progress made to that date in relation to programme objectives. This internal evaluation recommended establishing a monitoring and evaluation working group, comprising Scottish Government officials and members of the Just Enterprise consortium.

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[18] Our survey of participants for this review across Years 1 - 6 found satisfaction levels 80%+ for some but not all aspects of support. Over 80% of respondents ranked their satisfaction as four or higher out of five for the following three aspects: quality of the service provided, level of expertise of the support provider and the method of engagement. It was just under 80% for: relevance of the support to my organisation (79%), the duration of support (72%) and the timing of support (79%) (in relation to the stage of your business). This is a more detailed assessment of satisfaction than in the Year 1 - 3 review. Chapter 3 presents the full analysis.

[19] Just Enterprise (2012), Annual Report June 2011-May 2012; Just Enterprise (2013), Annual Report June 2012-May 2013; Just Enterprise (2014), Annual Report June 2013-May 2014.

2.29   This group developed logic models in the context of the three key areas of support (Start-up, Business Development and Leadership), and based on these models, subsequently refined the programme objectives and research tools (e.g. questionnaires, training / workshop evaluation forms, and case study proformas), to capture further impact evidence against the programme objectives.

2.30   The evaluation also provided evidence to extend the contract in May 2016 for a further year (to May 2017), and in light of the PhD intern evaluation report, and work of the monitoring and evaluation working group, the programme objectives were refined, as follows:

- Enterprising Third Sector organisations to become sustainable businesses or grow where appropriate.

- Enterprising Third Sector organisations to achieve more diverse and sustainable income streams by winning more contracts through competitive tendering processes.

- Supported businesses to effectively combine public sector support and trading income to thrive as business entities while supporting disadvantaged employees.

- Social entrepreneurs supported to establish and grow new social enterprises.

- Third Sector leadership enhanced to support growth and sustainability of Third Sector organisations.

2.31   A further one year contract extension (May 2017 to May 2018) was awarded and the refined objectives at 2.30 were retained for this extension period, as were the research tools noted at 2.29 for further monitoring and evaluation of these objectives.

2.32   Contract expenditure for Years 4 - 6 has continued to be just short of £1m per annum (Table 2.4). From 2014 / 15 to 2016 / 17 the contract expenditure was £2,937,070. Over this time, £2,428,932 (83%) was spent on service delivery and £508,139 (17%) on support activities and management.

2.33   Expenditure over Years 1 - 6 combined has totalled £5,935,802. Total spend over the six years on delivery has been £4,867,681, whilst a further £1,078,816 has been spent on support activities and management.

Table 2.4: Contract expenditure, 2014 / 15 - 2016 / 17

Year of Contract	Calendar Year	Contract Value	Support Activities & Management	Service Delivery
Contract Year 4	2014/15	£971,986	£171,986	£800,000
Contract Year 5	2015/16	£985,927	£165,046	£820,882
Contract Year 6	2016/17	£979,157	£171,107	£808,050
Contract Years 4-6	2014/15-16/17	£2,937,070	£508,139	£2,428,932
Total (Years 1-6)	**2011/12-16/17**	**£5,935,802**	**£1,078,816**	**£4,867,681**

Source: CEiS monitoring data, analysed by Context Economics

2.34   Having taken place in May 2016 and May 2017, the two one-year contract extensions took place within an important period of policy development for social enterprise. It was 2016 when the Scottish Government published the Social Enterprise Strategy 2016 - 2026 and further analysis, particularly on its commitments regarding business support, is available in Chapter 5. And it was in April 2017 that the Scottish Government launched the Building a Sustainable Social Enterprise Sector in Scotland 2017 - 2020, as the first of three action plans outlining how the Social Enterprise Strategy will be implemented.

2.35   As the Just Enterprise service has matured over the contract extensions, new service offerings have been introduced. These have extended the range of Just Enterprise services, responding to both identified need (including political imperative) and to demand.

2.36   Services introduced included:

- Supported Businesses – an offer designed to specifically address the new contract objective identified above, through more intensive, account management style support. This was partly in light of the high profile closure of Remploy and the desire to avoid any repeat scenarios;

- Business Recovery – an intervention for established social enterprises facing a threat to their ability to operate. This was not a promoted service offering, but rather one that allowed rapid intervention when the need arose;

- Procurement – a one-to-one support service introduced to help organisations negotiate the tender submission process, building on the success of Tender Workshops;

- Pre-investment assessment and support – designed to build investment readiness in social enterprises, above and beyond the more standard business planning;

- Equalities – since the start of the Just Enterprise service, there have been specific targets for supporting equalities organisations, with the specification of targets welcomed by the consortium delivery partner CEMVO to ensure sufficient attention (and budget) is dedicated to this sector.

2.37   The additional service offerings were not typically supporting large numbers of social enterprises, but rather enabling bespoke services to be provided as needed.

2.38   Further, within the Start-up services, Lift-up was introduced, allowing support during the transition from Start-up to Business Development support, for certain social entrepreneurs. Also, although not one-to-one support, there have also been additional workshops delivered across a range of subjects. These have been developed in response to demand and in addition to the core services provided.

2.39   In addition, and more recently, Knowledge Exchange sessions have been arranged and introduced in Lowland Scotland. These have been designed to allow best practice and understanding to be shared between the Just Enterprise advisers, Business Gateway advisers, and Scottish Enterprise.

Monitoring Data Analysis

2.40   At the time of the review, Just Enterprise monitoring data for the service was available for the years 2011 / 12 to 2016 / 17. The data from 2011 / 12 (Year 1) to 2016 / 17 (Year 6) is considerable, and has been used to analyse the Just Enterprise service by:

- Service;

- Sector; and

- Geography.

2.41   In some cases, Years 1 to 3 (2011/2012 – 2013/2014) are presented alongside Years 4 - 6 (2014/2015 – 2016/2017) to show change over time.

Coverage by Type of Service (support instances to individuals)

2.42   As indicated at Table 2.5[20], analysis by service shows just over a quarter of instances of support had been received: one-to-one Start-up support (26%), and a further quarter of one-to-one Business Development Workshops (26%). The 9,922 recipients of support here (Table 2.5 to Table 2.10) relate to instances of support to individuals (as opposed to organisations from Table 2.11 onwards); often more than one individual per organisation benefits from a support instance (e.g. a Workshop) and also one individual per organisation often benefits from more than one type of support. If Leadership Programmes are included, more than 60% of the service recipients (individuals) have benefited from intensive support.

2.43   Overall, service take-up reflects the objectives for Just Enterprise in delivering Start-up support (41% of all individual recipients), Business Support and Development (39% of support) and Leadership (10% of support), with the Finance and Tender Workshops making up the remaining 10%. For Leadership, the support is course-based and intensive, so high volumes were not anticipated.

Table 2.5: Type of service, years 1 - 6

Type of Service	Number of Recipients (Instances of Support to Individual Recipients)	Percentage of Total
Start-up	2,586	26
Business Development Workshops	2,566	26
Start-up Workshop	1,466	15
Business Support	1,304	13
Leadership Programmes	981	10
Finance Workshops	633	6
Tender Workshops	386	4
Total	**9,922**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics

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[20] The duration of support can vary from half day workshops to five days or more business support advice.

In all tables, percentages do not always add up to exactly 100% due to rounding.

2.44   As shown in Table 2.6, from Years 1 to 3 to Years 4 to 6 there has been an increase in the number of recipients (again instances of support). This has been achieved with roughly the same contract expenditure. In all, there were 4,684 recipients in Years 1 - 3 and 5,238 in Years 4 - 6, implying a lower unit cost for each instance of support.

2.45   Years 4 - 6 have seen an increase in the number of recipients for both one-to-one and one-to-many support, including a strong increase in the number of participants taking part in Business Development Workshops (+274), reflecting the growing number of workshops that have been made available. The numbers benefiting from Start-up one-to-one support and Start-up Workshops have also increased, by 124 and 114 respectively.

2.46   There has also been a more modest growth in the number of recipients taking part in Tender Workshops, largely a result of new workshops for Years 4 to 6 covering Tender Costing and Your Next Step.

Table 2.6: Type of service, years 1 - 3 and years 4 - 6

Type of Service	Number of Recipients[1] years 1-3	Percentage of Total years 1-3	Number of Recipients[1] years 4-6	Percentage of Total years 4-6
Start-up	1,231	26%	1,355	26%
Business Development Workshops	1,146	24%	1,420	27%
Start-up Workshops	676	14%	790	15%
Business Support	625	13%	679	13%
Leadership Programmes	474	10%	507	10%
Finance Workshops	348	7%	285	5%
Tender Workshops	184	4%	202	4%
Total	**4,684**	**100%**	**5,238**	**100%**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to individual Recipients

2.47   Table 2.7 shows that more than two-thirds of Start-up support is one-to-one support (68%). A quarter is telephone support. The introduction of Lift Up in Years 4 - 6 is reflected in the lower numbers of overall recipients, and that Lift Up will not be appropriate for all. In general, as Chapter 3 shows, the mode of delivery is largely welcomed by service recipients / beneficiaries, who value the one-to-one support.

Table 2.7: Start-up service, years 1 - 6

Type of Service	Number of Recipients[1]	Percentage of Total
Start-up 1-2-1	1,768	68
Start-up telephone	642	25
Start-up	124	5
Start-up Lift Up	52	2
Total	**2,586**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to individual Recipients

2.48   As indicated at Table 2.8, core business support comprises 85% of all one-to-one support taken up under Business Support services. The other specialist forms of support comprise a much smaller number of take-ups. Procurement, with 65 recipients, has been the specialist support service most accessed. Business Recovery and Pre-investment Support were introduced later in the contract period.

Table 2.8: Business Support service, years 1 - 6 (one-to-one support)

Type of Service	Number of Recipients[1]	Percentage of Total
Business Support	1,105	85
Procurement	65	5
Equalities	55	4
Supported Business	33	3
Business Recovery	28	2
Pre-investment Support	10	1
Pre-investment Assessment	8	1
Total	**1,304**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to individual Recipients

2.49   Table 2.9 demonstrates that of all the Business Development workshops, Social Impact Workshops have been the ones most accessed (15%) followed by Business Planning (10%), Equalities (10%), Pricing (10%) and Costing (10%).

Table 2.9: Business Development Workshops, years 1 - 6

Type of Workshop	Number of Recipients[1]	Percentage of Total
Social Impact	386	15
Business Planning	258	10
Equalities	258	10
Pricing	248	10
Costing	245	10
Market Research	220	9
Marketing	180	7
Intro to Selling	162	6
Charitable Trading	112	4
Legal Structures	111	4
De-mystifying	107	4
Writing 4 Web	84	3
Negotiation	76	3
Web Design	63	2
Sustain Assets	49	2
Board Response	7	0
Total	**2,566**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to individual Recipients

2.50 Leadership Programmes are available at different levels. As shown at Table 2.10, Pre-start Programmes account for 40% of those taken up, which is expected given that this is an introductory course. Just under a quarter have been the ILM Awards (24%) and in all, half of the Leadership Programme support leads to an accreditation (award, certificate or advanced). Some of the programmes have been introduced more recently (e.g. the Certificate) in response to recipient / beneficiary feedback for additional support at this intermediate level.

Table 2.10: Leadership Programmes, years 1 - 6

Type of Service	Number of Recipients[1]	Percentage of Total
Pre-start	393	40
ILM Award	233	24
ILM Certificate	159	16
Advanced Leadership	97	10
New Start	89	9
Your Next Step	10	1
Total	**981**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to individual Recipients

Service Coverage by Geography (support instances to organisations)

2.51   As shown at Table 2.11 (page 25), there were 6,697 instances of support to organisations[21] via Just Enterprise over years 1 - 6, although again organisations could have accessed more than one type of support.

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[21] Figures in Tables 2.11 to 2.14 relate to support instances to organisations (recipients are organisations).

Table 2.11: Recipients (Organisations) by local authority, years 1 - 6

Local Authority	Organisation Recipients		Local Authority	Organisation Recipients	
	Number	%		Number	%
Glasgow City	1,233	18%	East Ayrshire	128	2%
Edinburgh City	1,119	17%	Aberdeenshire	125	2%
Highland	581	9%	West Lothian	120	2%
Fife	253	4%	Falkirk	116	2%
Dundee City	243	4%	West Dunbartonshire	96	1%
South Lanarkshire	243	4%	Inverclyde	90	1%
Aberdeen City	199	3%	East Lothian	88	1%
Renfrewshire	196	3%	Clackmannanshire	87	1%
Argyll and Bute	194	3%	Midlothian	71	1%
Dumfries & Galloway	177	3%	East Dunbartonshire	62	1%
North Lanarkshire	173	3%	East Renfrewshire	53	1%
Perth and Kinross	168	3%	Eilean Siar	48	1%
North Ayrshire	167	2%	Angus	45	1%
South Ayrshire	167	2%	Orkney Islands	9	>1%
Stirling	152	2%	Shetland Islands	6	>1%
Moray	146	2%	Other	8	>1%
Scottish Borders	134	2%			
			Total	**6,697**	**100%**

Source: Just Enterprise monitoring data, analysed by Context Economics

2.52   As shown in Figure 2.1 (page 27), the reach of Just Enterprise has been Scotland-wide, and the support has broadly followed the distribution of social enterprises across Scotland (based on the 2017 Social Enterprise Census).

2.53   Figure 2.1 does however illustrate geographic areas where Just Enterprise support has been over- or under- represented. In all, over a third (35%) of Just Enterprise organisation recipients were based in Glasgow or Edinburgh, as the largest urban centres, although the Census shows that just under 26% are based in these two local authority areas[22].

2.54   In all, around 15% of Just Enterprise service recipients are from Highlands and Islands. This is higher than the 10% share of population but is lower than the total social enterprise / Third Sector organisation sector base of 21%[23].

2.55   Within the Highlands and Islands region, the vast majority of recipients are in Highland, along with Moray and Argyll and Bute. A far smaller proportion are from Orkney and Shetland, or Eilean Siar.

2.56   At 5% of the total, Aberdeen City and Aberdeenshire appear under-represented, although not as much as one would think given that only 8% of Scotland's social enterprises are based there. Under-representation is more in Aberdeenshire as it accounts for 5% of all social enterprises but just 2% of Just Enterprise recipients[24].

2.57   As mentioned earlier, service activity volumes have increased over time. Table 2.12 (page 28) shows the geographic spread of the service in years 1 - 3 compared to years 4 - 6. From this, it is notable that there has been a decline in the number of recipients located in the Highland local authority area. Recipients from the Highland local authority accounted for just 7% of participants in years 4 - 6 compared to 10% in years 1 - 3. This represented a fall in the number of recipients from the Highland local authority area of 46 (or 14% proportionally).

2.58   Of the ten Orkney recipients, six were in Years 1 - 3 and of the eight Shetland recipients, five were in Years 1 - 3; little progress (in this example) has been made in extending Just Enterprise reach.

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[22] http://www.gov.scot/Resource/0052/00524559.pdf

[23] Ibid

[24] Ibid

Figure 2.1: Scottish Local Authority areas by number of Social Enterprises and number of Just Enterprise organisation recipients
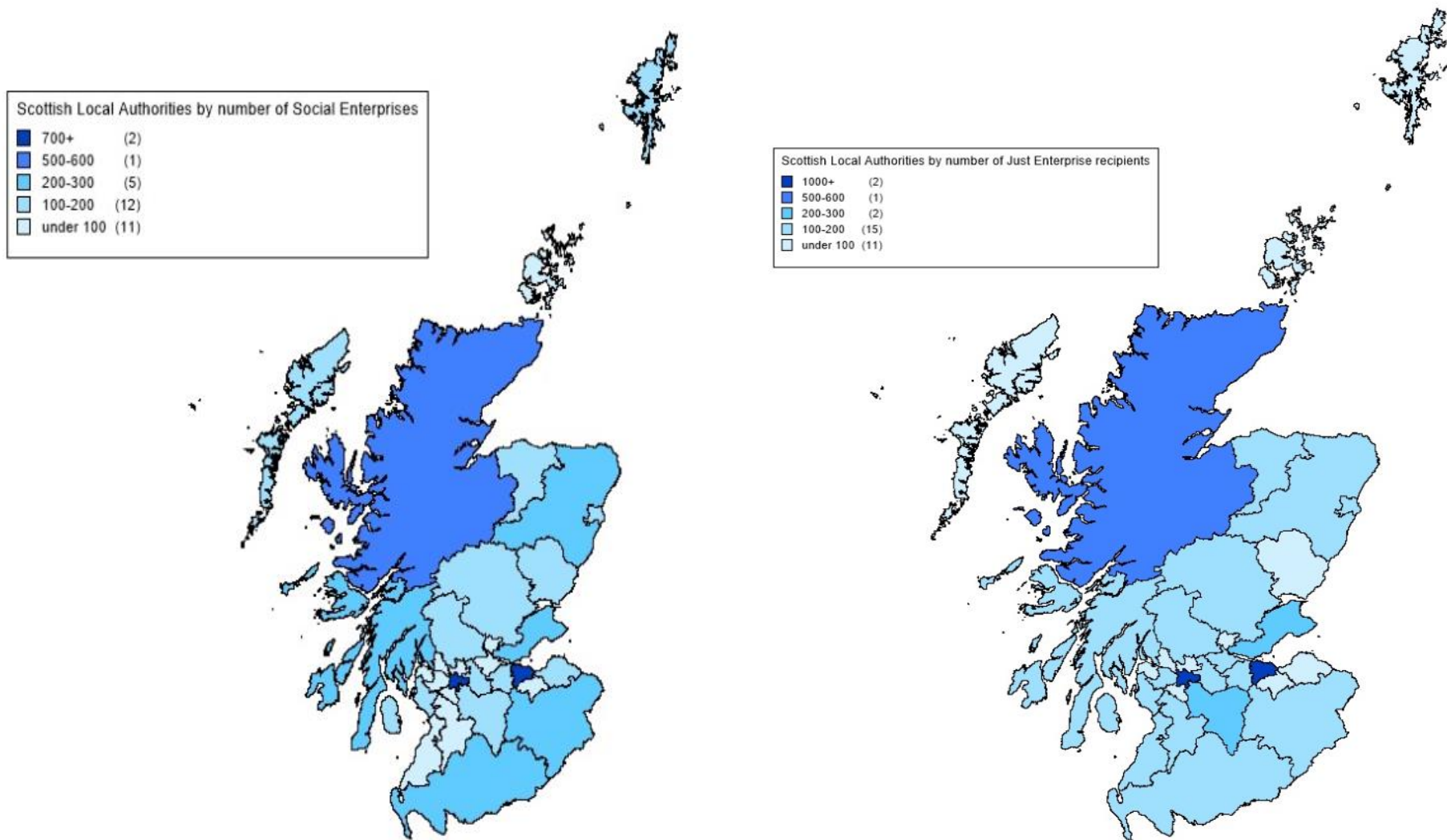
Table 2.12: Recipients by local authority area, years 1 - 3 and 4 - 6

Local Authority	Years 1-3		Years 4-6	
	Number of Recipients[1]	Percentage of Total	Number of Recipients[1]	Percentage of Total
Glasgow City	633	19%	686	18%
Edinburgh City	560	17%	646	17%
Highland	334	10%	288	7%
South Lanarkshire	126	4%	139	4%
Fife	124	4%	147	4%
Dundee City	111	3%	144	4%
Argyll and Bute	97	3%	118	3%
Stirling	96	3%	72	2%
Aberdeen City	90	3%	123	3%
Renfrewshire	87	3%	124	3%
Dumfries and Galloway	82	2%	111	3%
North Lanarkshire	80	2%	111	3%
Moray	75	2%	76	2%
South Ayrshire	74	2%	108	3%
North Ayrshire	73	2%	106	3%
Scottish Borders	73	2%	65	2%
Perth and Kinross	71	2%	107	3%
Aberdeenshire	67	2%	68	2%
Falkirk	66	2%	58	2%
East Lothian	61	2%	37	1%
Clackmannanshire	58	2%	36	1%
East Ayrshire	55	2%	86	2%
Inverclyde	41	1%	59	2%
Midlothian	41	1%	33	1%
West Dunbartonshire	41	1%	66	2%
West Lothian	36	1%	95	2%
East Dunbartonshire	30	1%	36	1%
Angus	27	1%	21	1%
East Renfrewshire	23	1%	32	1%
Eilean Siar	17	1%	33	1%
Other	8	>1%	4	>1%
Orkney Islands	6	>1%	4	>1%
Shetland Islands	5	>1%	3	>1%
Total	**3,368**	**100%**	**3,842**	**100%**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to Organisation Recipients. The total does not equal 6,697, and is more as some organisations in Years 1-3 were also recipients in Years 4-6

Service Coverage by Sector

2.59   Table 2.13 shows recipients over years 1 to 6 by sector.

Table 2.13: Recipients[1] by sector, years 1 - 6

Sector	Number of Recipients	% of Total	Sector	Number of Recipients	% of Total
Social Entrepreneur	756	11	Advice and Information	59	1
Arts, Heritage and Culture	634	9	Equalities	58	1
Community Development / Regen	602	9	Business Services	47	1
Employability and Training	479	7	Tourism and Hospitality	44	1
Child and Family	364	5	Leisure	39	1
Sports and Recreation	298	4	Community Café and Catering	34	1
Education	269	4	Local Authority	27	0
Disability	259	4	Addiction	26	0
Environment	255	4	Law and Justice	23	0
Ethnic minorities	248	4	Transport	22	0
Health	231	3	Retail	20	0
Voluntary / Volunteer Network	200	3	Wildlife	18	0
Housing and Homelessness	191	3	Community Transport	17	0
Care and Support	165	2	ICT	17	0
Mental Health	161	2	Animal Welfare	15	0
Youth	155	2	Conservation	11	0
Food and Nutrition	143	2	Minority Groups	11	0
Third Sector Interface	139	2	Other	11	0
Recycling and Re-use	130	2	Social Enterprise Member Body	9	0
Social Care	108	2	Government	8	0
Elderly	107	2	Men	3	0
Women	77	1	Carers	1	0
Community Resource Centre	72	1	Community Forest	1	0
Health and Wellbeing	70	1	Health and Disability	1	0
Funding and Finance	62	1	**Total**	**6,697**	**100**

Source: Just Enterprise monitoring data, analysed by Context Economics; [1] Instances of support to Organisation Recipients

2.60   Social Entrepreneur is the most common 'sector', comprising 11% of all recipients (these are organisations who consider themselves social entrepreneurs that do not yet identify with a particular business sector). Arts, Heritage and Culture (9%), Community Development / Regeneration (9%) and Employability and Training (7%) are also represented. These comprise 37% of all instances of support to organisation recipients.

2.61   The work of social enterprises / enterprising Third Sector organisations in addressing equalities issues and in working with people with protected characteristics and the most vulnerable is clear (e.g. disability, mental health, ethnic minorities, addiction).

2.62   In terms of sector, years 4 to 6 saw growth in the number of recipients from sectors that had not been well represented in years 1 to 3. Most significantly this included 73 Social Care recipients, reflecting growth in the sector. There was also a notable growth of 221 new Employability and Training recipients and 169 new recipients within the Community Development / Regeneration sectors. All illustrate the changing nature of demand.

Summary and Conclusion

2.63   The Just Enterprise service was introduced following a successful bid from a consortium of organisations. It offered a national service, with a single point of contact, and a mix of one-to-many and one-to-one support, very much modelled on the Business Gateway service.

2.64   The Just Enterprise service has evolved over time, and new services have been included, either as a result of Ministerial decisions or a result of demand. Adding services has been a feature of Just Enterprise, which has had the flexibility to respond over the successive contracts.

2.65   Overall, it is clear that a considerable volume of activity has been delivered. The Just Enterprise service has been very focused on the service recipient / beneficiary, with more limited resources for management. The activity-driven nature of the service has reflected the establishment of a new service, and this has been achieved.

3 Just Enterprise Beneficiary Experience and Benefits

3.1   The review undertook primary research, via face-to-face, telephone and online survey methods. This chapter concentrates on the service recipient experience and benefits. It should be noted that the percentages identified in the analysis relate to the proportion of the 431 organisations who responded to the survey and are therefore not representative of all individuals / organisations who have received Just Enterprise Support over the full contract periods. See Appendix A for Research Methods.

3.2   This chapter covers:

- a profile of respondents;

- analysis of how they have engaged with Just Enterprise;

- how satisfied they are with the support and the benefits they feel they have gained from taking part;

- the economic impacts achieved and forecast as a result of support;

- their plans for future engagement with Just Enterprise; and

- user recommendations for how support could be improved.

3.3   Due to the varying nature of Just Enterprise support, some of the benefits and impacts of support have been separated by the three broad types of Just Enterprise support received. These are Start-up Support, Business Support, and Leadership Support. Case studies are also used to illustrate points.

Respondent Profile

3.4   In total, 431[25] organisations responded to the survey (231 completed online and 200 were surveyed by telephone). As shown overleaf in Figure 3.1, over one third (37%) of respondents were Social Enterprises, 26% were an Enterprising Third Sector organisation and 14% were Community Enterprises. The remaining 23% were 'other' types of organisations, mainly Charities and Scottish Charitable Incorporated Organisations (SCIOs), and also Housing Associations, Credit Unions, Community Trusts and Voluntary Organisations.

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[25] In the tables, total number of respondents varies as not all respondents provided a response to some questions. Further, in the tables in this chapter where column % does not total 100% this is because questions allowed multiple responses. Percentages in the tables relate to the total number of respondents reported in each table (row number divided by total number of respondents). To avoid confusion percentage totals have not been reported here.

Figure 3.1: Type of survey respondent organisation
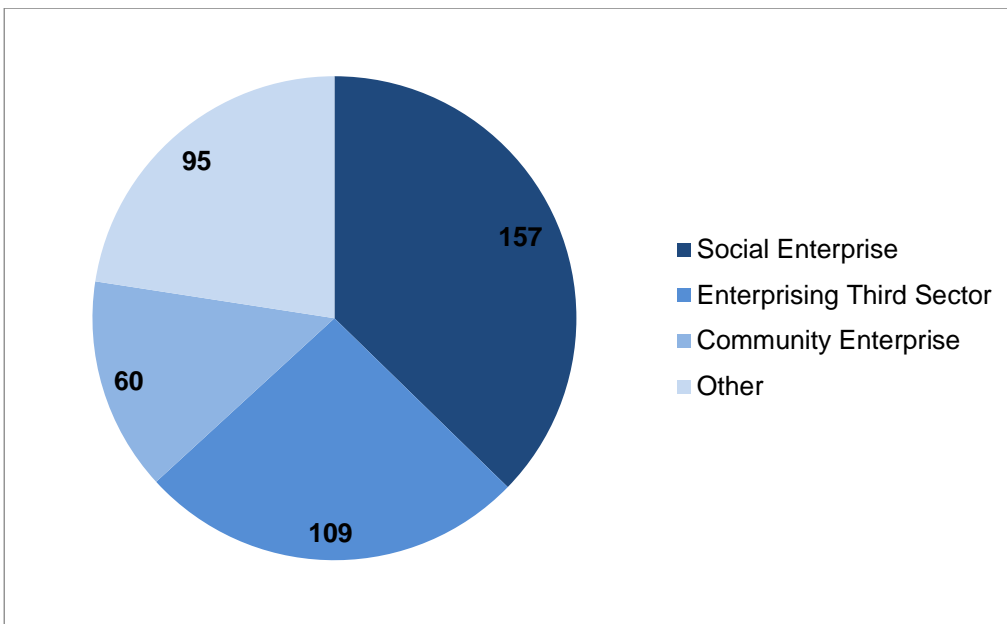
Source: Context Economics survey of beneficiaries

3.5 The respondents (413 answered this question) represented 26 different sectors with a number also selecting the 'other' category. These respondents tended to cover a number of sectors e.g. disability, older people and minority groups. As shown in Table 3.1, the most common sector was Community Regeneration / Development, accounting for 48 or 12% of respondents.

3.6 This is broadly reflective of the overall profile of Just Enterprise recipients. The top three sectors for the total population are Arts, Heritage and Culture, in line with our respondent profile, Community Development / Regeneration (9% for the overall population, and so slightly over-represented in our sample) and Employability and Training (7%) slightly under-represented in our responses.

Table 3.1: Respondents by sector

Sector	No.[1]	%	Sector	No.	%
Community Development / Regeneration	48	12%	Third Sector Interface[26]	10	2%
Health and Wellbeing	36	9%	Older People	9	2%
Arts Heritage and Culture	36	9%	Law and Justice	8	2%
Child and Family	33	8%	Leisure	8	2%
Education	26	6%	Recycle and Reuse	6	1%
Employability and Training	24	6%	Voluntary	6	1%
Housing and Homelessness	22	5%	Food and Nutrition	6	1%
Disability	18	4%	Ethnic Minority	5	1%
Sports and Recreation	16	4%	Funding and Finance	5	1%
Mental Health	15	4%	Tourism and Hospitality	5	1%
Environment	15	4%	Transport	5	1%
Social Care	14	3%	Minority Groups	3	1%
Youth	13	3%	Women	2	0%
Other	19	5%	**Total**	**413**	**100%**

Source: Context Economics survey of beneficiaries; [1] Number of respondents.

3.7   As to be expected, the majority of respondents (399 to this question) were micro organisations, 240 (60%) employed 0.5 to nine Full-Time Equivalent (FTE) employees and a further 54 (14%) had no employees. Of those that were larger, 81 (20%) were small enterprises, employing 10 to 49 FTEs and 24 (6%) were medium enterprises, employing 50 to 249 FTEs. There were no large organisations (250 FTEs and over). Unsurprisingly, recipients of Start-up Support tended to be micro organisations or have no employees. Recipients of Leadership Support tended to be large in size, while Business Support recipients cut across all sizebands.

3.8   Respondents (396 to this question) reported employing a larger number of volunteers than paid employees. One hundred and thirty (33%) employed one to nine volunteers, 119 (30%) employed 10 to 49 volunteers, 45 (11%) employed 50 to 249 volunteers and five employed 250 volunteers. Just 97 employed no volunteers, and these were split fairly evenly among the three types of support.

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[26] Please note that a small number of Third Sector Interface respondees (10) responded to the survey as service recipients / beneficiaries.

3.9   In terms of turnover in the most recent financial year, the most common category was £100,000 to £499,999, which accounted for just over one third (35%, 108 of the 305 respondents to this question). This was followed by nil or not applicable, which was reported by 17% of respondents, nearly all of whom were Start-up organisations. As shown in Figure 3.2, the rest of the categories were fairly evenly split with 12% reporting a turnover of £1 million+, 11% £10,000 to £49,999, 9% up to £9,999 and 8% £50,000 to £99,999 and £500,000 to £999,999.

3.10   When excluding Enterprising Third Sector organisations from our survey sample, this is broadly similar to the entire spectrum of social enterprises in Scotland. The 2017 Social Enterprise Census[27] indicates that 43% of social enterprises turn over below £50,000 (45% for our survey sample), and that 12% are turning over £1m or above (9% in our sample).

Figure 3.2: Respondents by turnover
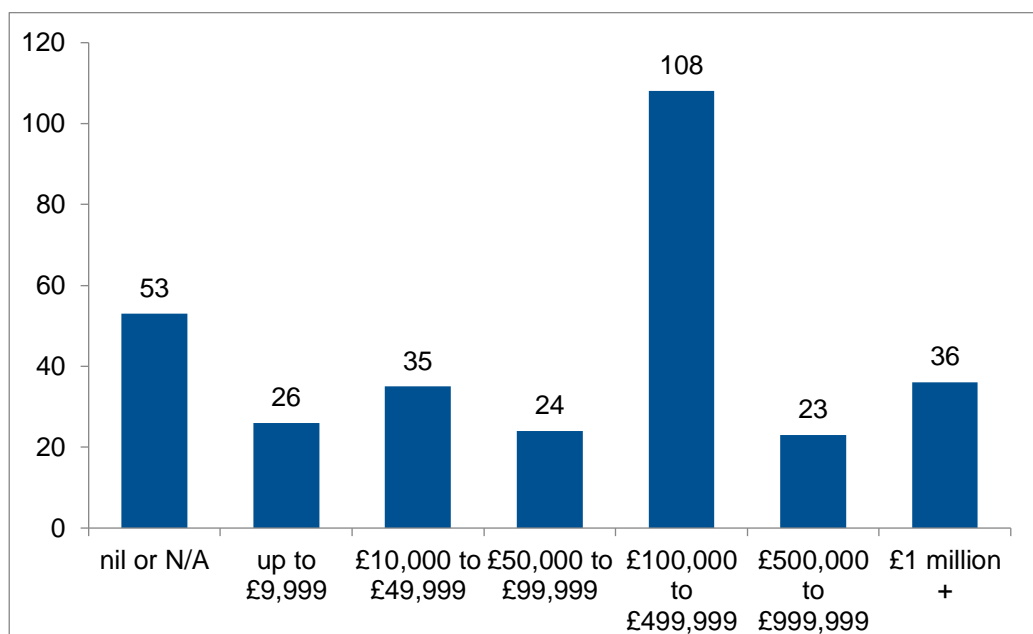
Source: Context Economics survey of beneficiaries

3.11   In total 323 respondents reported having received 443 instances of support over the period from 2011 to 2017. This is an average of 1.37 per beneficiary compared to the Just Enterprise monitoring information which suggests an average of 1.42 instances of support per organisation. The respondent profile, not surprisingly, generally reflected those who received instances of support in recent years: 109 instances of support in 2017, 113 in 2016, 74 in 2015, 60 in 2014, 29 in 2013, 29 in 2012 and 29 in 2011.

3.12   Following the population distribution in Scotland, the majority of respondents (421 to this question) were in the Central Belt. As shown in Table 3.2, Glasgow City accounted for the largest number at 75 organisations (18%). This was followed by City of Edinburgh with 67 respondents (16%), so that in our sample 34% were from Glasgow and Edinburgh (compared to 35% for the Just Enterprise service

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[27] http://www.gov.scot/Resource/0052/00524559.pdf

as a whole). Amongst our sample, 36 respondents (9%) were from Highland (in line with all Just Enterprise beneficiaries). The top three local authorities in our survey responses are therefore the same as the total population of Just Enterprise recipients[28].

3.13 In all, 15% responding were from Highland and Islands (as per Just Enterprise monitoring data), versus 21% of social enterprises (Social Enterprise Census Scotland).

Table 3.2: Respondents by Local Authority

Local Authority	Number	%	Local Authority	Number	%
Glasgow City	75	18%	Moray	9	2%
City of Edinburgh	67	16%	Scottish Borders	8	2%
Highland	36	9%	East Ayrshire	8	2%
Fife	15	4%	West Lothian	8	2%
South Lanarkshire	15	4%	Falkirk	7	2%
Dundee City	15	4%	West Dunbartonshire	7	2%
Dumfries and Galloway	13	3%	Eilean Siar	6	1%
Perth and Kinross	12	3%	Inverclyde	6	1%
Aberdeen City	12	3%	East Dunbartonshire	5	1%
Argyll and Bute	12	3%	Midlothian	5	1%
Renfrewshire	12	3%	East Lothian	5	1%
North Lanarkshire	11	3%	Clackmannanshire	5	1%
South Ayrshire	11	3%	Angus	3	1%
North Ayrshire	10	2%	East Renfrewshire	3	1%
Stirling	10	2%	Orkney Islands	1	>1%
Aberdeenshire	9	2%	**Total**	**421**	**100%**

Source: Context Economics survey of beneficiaries

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[28] Just Enterprise Monitoring Data.

Beneficiary[29] Experience
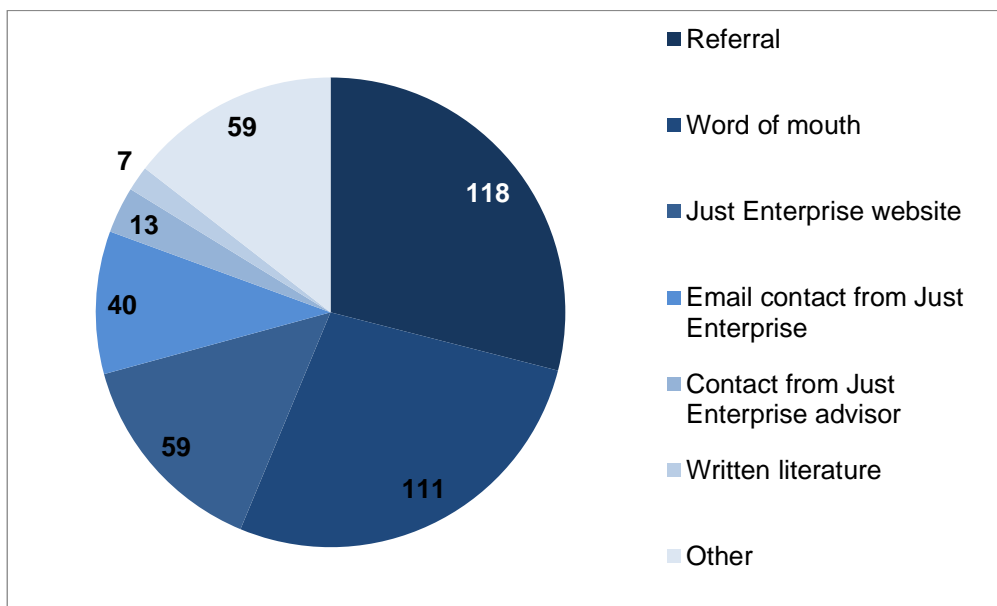
Awareness of Just Enterprise

3.14   Almost six in 10 beneficiaries become aware of Just Enterprise support through referrals or via word of mouth. As shown in Figure 3.3, the most common way for respondents (407 to this question) to first become aware of Just Enterprise is by being referred from another organisation. However, whilst the most common route, this is still reported by less than three in 10 (118, 29%) of respondents.

3.15   Referrals are more common amongst Start-up Support recipients. The most common route of referrals has been from Business Gateway, although this is only 8% of all routes into Just Enterprise. Smaller numbers of organisations were also referred through Firstport, the enterprise agencies, the Social Enterprise Academy and local authorities and Community Enterprise Ltd.. Other, smaller referral sources included other consortium partners (CEMVO Scotland, InspirAlba, CEIS, HISEZ) and the Development Trust Association for Scotland. Many of the referral routes in have been via consortium partners and one may have expected referrals into Just Enterprise to be higher, including from Business Gateway and via Third Sector Intermediaries.

3.16   The next most common form of service awareness was word of mouth, which accounted for a similar share (111, 27%) of respondents, which varied little among the three support types.

3.17   Direct contact from Just Enterprise (via email or an advisor) was reported by 53 respondents (40 and 13 respectively) (13%).

Figure 3.3: How respondents first became aware of Just Enterprise

Source: Context Economics survey of beneficiaries

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[29] Recipients of Just Enterprise support.

Motivation for Accessing Just Enterprise

3.18 Respondents (406) reported a number of different motivations for accessing Just Enterprise support. As shown in Table 3.3, amongst the most commonly cited reasons were to develop new or existing skills, which was reported by 186 (46%), almost half of all respondents to this question. Further, one in five specifically were seeking to develop leadership, reinforcing the perceived value of this element of support.

3.19 Growing the organisation is a strong motivator, reported by 161 (40%) of respondents to this question, as is increasing the sustainability of the organisation (37%). This is encouraging, given the first objective of the service is to 'help organisations to become sustainable businesses or grow where appropriate.' With growing the organisation a stronger motivator than sustainability, there could perhaps be a more explicit objective to achieve organisational growth. Further, almost one in four were seeking to increase their trading activity.

3.20 Just over one in five (21%) were seeking to develop services and products and almost one in five were seeking to access finance for growth (19%), reflecting the importance of investment readiness and ability to access funding, perhaps in greater volume than the Just Enterprise service has to date been offering.

Table 3.3: Respondents by motivation to take part in support (multiple responses[30])

Motivation	Number	% of respondents
To develop the skills of the organisation	186	46%
To grow the organisation	161	40%
To increase the sustainability of the organisation	150	37%
To support the start-up of the organisation	132	33%
To increase trading activity	99	24%
To deliver more services or products	87	21%
To develop leadership	80	20%
To access finance for growth	76	19%
To access more markets	62	15%
To overcome trading difficulties	31	8%
Other	34	8%
Total number of responses	**1098**	
Total number of respondents	**406**	

Source: Context Economics survey of beneficiaries

Application Process

3.21   Table 3.4 shows that the majority of the 406 respondents to this question found the application process to be a positive experience with 40% giving it a rating of five out of five (very good) and 32% rating it four, so that just over seven in 10 (72%) rated the process good or very good.

3.22   However, almost one in 10 beneficiaries (9%) rated it as one out of five (very poor) or two (poor), and a further 20% a rating of three. In all, over one quarter (29%) rated the process between one and three out of five, which does suggest some room for improvement.

3.23   Disaggregating this further, it was the support and responsiveness of the Just Enterprise team that was rated highest (74% rating this four or five out of five), followed by the level of paperwork (71%) and the length of the application process (70%) (Table 3.4). The support and responsiveness of the Just Enterprise team also

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[30] As a reminder, as noted in footnote 25 on page 31. Percentages in the tables relate to the total number of respondents reported in each table (row number divided by total number of respondents). To avoid confusion percentage totals have not been reported here.

had the highest percentage of five out of five ratings, with 44 percent rating this five out of five. These views were supported by qualitative responses with the most representative qualitative responses commenting:

"[The most beneficial aspect was] the ease of application and good advisor. This saved us volunteer time."

"[The most beneficial aspect was] the ease of access to great support and at no financial burden to the enterprise. Simple application process, speed of decision making and quality of support put in place. No charge applied."

"[The most beneficial aspect was] it's quick and easy application process so you get the support when you need it. This is in comparison with other support organisations and their application processes."

3.24   Although the Just Enterprise team support is valued highly, as Table 3.4 shows there is suggestion for some room for improvement in the overall process, the level of paperwork involved, the length of the application process and the support and responsiveness of the Just Enterprise team[31].

Table 3.4: Satisfaction of application process (1=very poor, 5=very good)

Satisfaction	1	2	3	4	5
The application process overall	3%	6%	20%	32%	40%
The level of paperwork involved	2%	5%	22%	33%	38%
The length of the application process	3%	6%	22%	34%	36%
The support and responsiveness of the JE team	6%	5%	17%	30%	44%
Source: Context Economics survey of beneficiaries					

Experiences of those Not Taking up Support

3.25   As well as engaging with recipients of Just Enterprise support, a telephone survey was carried out with 50 Third Sector organisations who had applied to Just Enterprise but had either not been offered, or did not take up support. The main aim of this strand of the research was to uncover what barriers there are to accessing Just Enterprise support and why some people may choose not to engage after having initially applied for support.

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[31] It should be noted that the application process was designed to filter applicants towards appropriate and relevant support.

3.26　　As shown at Table 3.5, the majority (52%) of respondents were not sure of the reason their organisation did not take up Just Enterprise support. Overall, there is not one clear barrier to support. A small number of respondents cited issues around quality with two saying they didn't feel participating would be worthwhile and another two preferring a different type of support to that available. Logistical barriers were more often cited, five were too busy and for four, the support was too far away for them to travel, which illustrates the value of support being available locally. Just one felt accessing support was too costly in terms of travel, and this respondent was based in Orkney.

3.27　　Ten respondents (20%) cited other reasons. These included ill-health and deciding not to go ahead with setting up their social enterprise for various reasons, including moving into employment and starting a family. Only one stated they found a more suitable course from a different provider, although no details were provided.

Table 3.5: Non-beneficiaries by main reason for not accessing support

Main reason for not accessing support	Number	%
I was too busy / didn't have the time	5	10%
The support was held too far away	4	8%
I didn't feel the support would be worthwhile for my organisation	2	4%
I wanted a different type of support to workshops/courses	2	4%
The support was too costly to access	1	2%
I wanted to access support but was not accepted	0	0%
Insufficient information available about Just Enterprise	0	0%
I was unaware of what Just Enterprise offered	0	0%
Other	10	20%
Don't know / unsure	26	52%
Total number of respondents	**50**	**100%**

Source: Context Economics survey of non-beneficiaries

Beneficiary Satisfaction

3.28　　Returning to those who accessed Just Enterprise support, beneficiaries reported high levels of satisfaction with various elements of the Just Enterprise support. As shown in Table 3.6, across six different aspects (relevance, quality, expertise, engagement method, length and timing), a minimum of 42% reported that they were extremely satisfied (five out of five) (the total number of respondents was between 405 and 408 for each category).

3.29   Beneficiaries were most satisfied with the level of expertise of the support provider, with 81% rating this four or above out of five, and over half (53%) rating it a five (extremely satisfied). Beneficiaries rated the quality of the service, the method of engagement and the timing of support, in relation to the stage of the business, similarly. Even the element with the lowest rates of satisfaction, the duration of support, had a positive response with 72% of respondents rating this four or above out of five, and over four in 10 (42%) being extremely satisfied with this.

3.30   These are good satisfaction levels, although it is important to learn lessons, wherever possible, from those who are less satisfied. Almost three in 10 did not find the duration of support as appropriate. This varies little by geography, although a small number of qualitative comments from non-Central Belt recipients stated that advisor travel time should be shown and paid for separately, access to one-to-one support should be carefully considered, and that the support needs to be updated to reflect those recipients not from the Central Belt.

Table 3.6: Satisfaction of support (1=not at all satisfied, 5=extremely satisfied)

Element of support	1	2	3	4	5
Relevance of the support	5%	3%	14%	33%	46%
Quality of the service	3%	4%	13%	29%	52%
Level of expertise of the support provider	3%	4%	13%	28%	53%
The method of engagement	2%	3%	14%	34%	46%
The duration of support	4%	5%	19%	30%	42%
The timing of support	3%	4%	14%	30%	49%

Source: Context Economics survey of beneficiaries

3.31   These satisfaction levels compare somewhat favourably to other national support programmes. One large scale and high profile evaluation of a national volume business support programme[32] found that service users were satisfied (rating four or five out of five) with the service staff's level of expertise (71% - Just Enterprise 81%), relevance of support (73% - Just Enterprise 79%), and professionalism (82% - Just Enterprise quality of service 82%).

Benefits of Support

Morale, Confidence, Aspirations to Grow and Motivation

3.32   Respondents reported that Just Enterprise support has had a very positive effect on their organisation's confidence, with 83% of the 404 respondents to this question reporting a positive effect, and 44% reporting a significant positive

[32] Ekosgen (2011). Business Gateway National Evaluation and Future Arrangements for the Delivery of Business Gateway.

effect, as shown at Table 3.7. Around one in eight (12%) reported no effects to date from use of the service, and 5% cited a negative effect.

3.33   Beneficiaries were equally positive about the impact of Just Enterprise support on their organisation's motivation, morale and aspirations to grow. Fewer than one in 10 respondents had experienced a negative effect on any of these as a result of the support.

Table 3.7: Effects of support

Rating	Significant negative effect	Small negative effect	No effect	Small positive effect	Significant positive effect
Morale	4%	1%	18%	37%	40%
Confidence	3%	2%	12%	39%	44%
Motivation	3%	2%	16%	38%	42%
Aspirations to grow	4%	1%	15%	38%	42%

Source: Context Economics survey of beneficiaries

3.34   Respondents (53 to this question) who had benefitted from Leadership Support were more likely to report positive effects from the support, followed by Business Development beneficiaries, and then Start-up beneficiaries. This was similar for the effect of Just Enterprise support on the recipient's confidence and motivation.

Leadership support for a Housing Organisation

The positive effects of Leadership support were highlighted by a housing organisation that participated in the research. The member of the team who participated in an ILM workshop in 2015 and Your Next Step Leadership Workshop in 2017 commented that the support had had a particular impact on his confidence. He felt that this had led him to challenge himself and rethink his leadership style. From this he felt that he had been able to become more active in his decision making and in turn this has helped the organisation to trade more effectively.

3.35   For Leadership, this reinforces work by the Social Enterprise Academy, the delivery partner, that found that impacts on beneficiary organisations arising from Leadership Support often increase over time. The findings are also supported by the in-depth consultation work with Leadership beneficiaries; the group setting of the courses where like-minded individuals from different social enterprises came together was highly valued motivationally and inspirationally.

3.36　　　Start-up beneficiaries were slightly more likely to report a negative effect. While there were almost no reported negative effects from Leadership and Business Support beneficiaries, around five per cent of Start-up beneficiaries reported a negative effect on their organisation's aspirations to grow, morale and motivation.

3.37　　　Qualitatively, some Start-up beneficiaries stated that their more negative view was due to a lack of follow-up / aftercare, feeling 'lost' because support did not last long enough or they did not have enough one-to-one advisor time, or content being too profit-focussed. At the same time, there is always likely to be a greater mismatch between a service beneficiary's expectations at the start-phase, where some expectations may not be realistic, when compared to more established organisations.

Respondents Reported Economic Impacts

Reported Impacts to Date

3.38　　　In all, Table 3.8 shows that 161 of 390 organisations (41%) who answered the question reported that they had achieved economic impacts to date as a result of the support they received through Just Enterprise. A smaller proportion, 122 organisations (31%) felt it was too soon after the support to make a judgement, whereas the remaining 107 organisations (27%) reported that they had not achieved any economic impacts to date.

Table 3.8: Economic impacts

Economic impact	Number	%
Economic impacts achieved	161	41%
Too soon to say	122	31%
No economic impacts	107	27%
Total	**390**	**100%**

Source: Context Economics survey of beneficiaries

3.39　　　The types of economic impacts reported as being achieved are shown in Table 3.9 (multiple responses were allowed)[33]. Increasing turnover, creating new jobs and new volunteering positions are the three most common impacts experienced by beneficiaries.

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[33] As a reminder, in this table (3.9) and tables 3.11 to 3.14, multiple responses were allowed. Percentages in the tables relate to the total number of respondents reported in each table (row number divided by total number of respondents). To avoid confusion percentage totals have not been reported here.

Table 3.9: Types of economic impacts achieved to date

Economic impact	Number	% of respondents
Increase in turnover	72	45%
Jobs created	68	42%
Volunteer positions created	51	32%
Safeguarded turnover	46	29%
Jobs safeguarded	36	22%
Increase in profit	36	22%
Securing social investment	32	20%
Cost savings	31	19%
Volunteer positions safeguarded	21	13%
Saved or recovered business/organisation	18	11%
Total number of responses	**411**	
Total number of respondents	**161**	

Source: Context Economics survey of beneficiaries

3.40   A reflection of the stage of the organisation, Business Support and Leadership recipients were more likely to report economic benefits than Start-up Support recipients.

3.41   Leadership and Business Support recipients were therefore much more likely than Start-up Support recipients to have increased their turnover or profit as a result of the Just Enterprise support. Reflecting this, a higher proportion of Start-up recipients (40% of 84 respondents) felt it was too soon to report any economic impacts compared to Leadership (37% of 38 respondents) or Business Support (22% of 150 respondents) recipients[34].

3.42   Overall, of the 72 organisations that reported increased turnover to date as a result of Just Enterprise support, 33 were able to estimate this value, which ranged from £600 to £700,000 (with a median[35] of £50,000).

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[34] Respondents were asked to self-identify, and 272 of the 390 respondents to this question identified as Start-up, Business Support or Leadership beneficiaries.

[35] The median is reported as the mean averages are skewed heavily by outliers, therefore the median is a more accurate average.

Generating Turnover Impacts

Two examples where beneficiaries highlighted the positive impact of Just Enterprise support on their turnover focused on help with procurement and funding applications. A **community business** highlighted how Just Enterprise support with sourcing and applying for funding had been instrumental in the organisation being awarded £150,000 to deliver workshops.

Another example came from an **educational theatre company**. The organisation's confidence was dented when it lost a contract it had held for nearly 20 years, but procurement support from Just Enterprise helped the organisation to win back the contract. This was important as a confidence booster and also for their turnover, as the contract is worth £250,000 per annum.

3.43 Of the 68 organisations who reported they have created new jobs to date as a result of support, 50 were able to estimate the number, which ranged from 0.5 Full Time equivalents (FTEs) to 14 FTEs (with a median of 2 FTEs). In terms of creating volunteer positions, 36 of the 51 organisations reporting this impact were able to estimate the number, which ranged from 0.5 FTEs to 100 FTEs (with a median of 4 FTEs).

3.44 Finally, 18 respondents indicated that the support through Just Enterprise had saved or recovered their organisation.

3.45 In all, 46 respondents reported safeguarded turnover as a result of support, although only 15 were able to estimate the value of this, which ranged from £15,000 to just under £1m of safeguarded turnover (with a median of £50,000).

3.46 Similarly, 36 respondents attributed safeguarding jobs to the Just Enterprise support, and 22 were able to estimate the number, ranging from 1 FTE to 18 FTEs (with a median of 2 FTEs).

3.47 Beneficiaries who had achieved economic impacts were asked to what extent they would have been achieved without the Just Enterprise support. Fewer than one in four, (33 beneficiaries) felt that the impacts would have been achieved anyway, and 26 reported that their impacts would not have been achieved at all. Of the remainder who were able to quantify, the impacts would have been achieved but would have taken a longer time to accrue or would have been to a smaller scale.

Home support organisation

One beneficiary highlighted that Just Enterprise supported them in their bid as part of a consortium for a contract with a Local Authority. They felt that the support from Just Enterprise was invaluable and assessed that without the support they would definitely not have won the contract, which was worth a total of £1.6 million for the consortium.

Respondents Reported Forecast Economic and other Impacts

3.48　　　In line with business confidence data presented in the Social Enterprise Census, respondents were slightly less optimistic about achieving economic impacts in the future (Table 3.10).　Just fewer than four in 10 organisations (150 of 394 who answered this question, 38%) expect to achieve economic impacts in the next three years as a result of support received.　Three in 10 organisations (119, 30%) felt that it was too soon to say whether impacts would be achieved and a similar share (125, 32%) were not expecting any economic impacts as a result of Just Enterprise support.

Table 3.10: Achieving economic impacts in the future

Economic impact	Number	%
Economic impacts expected	150	38%
Too soon to say	119	30%
No economic impacts	125	32%
Total	**394**	**100%**

Source: Context Economics survey of beneficiaries

3.49　However, Just Enterprise recipients who responded to these questions are confident the economic benefits they forecast will in fact materialise.　The 150 organisations forecasting future economic impacts were asked how confident they were that these benefits will be achieved, between 0% (no confidence) and 100% (full confidence), ranging from 10% to 100% confidence (with a median confidence level of 80%).

3.50　　　The most common forecast impacts are an increase in turnover and job creation.　It is noticeable that around one quarter of beneficiaries who answered this question (24% of the 387 respondents[36]) expect to increase their turnover within three years as a result of the support received.　Forecast impacts are set out at Table 3.11 (multiple responses were allowed).

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[36] Questions in relation to Tables 3.10 and 3.11 were asked of all respondents, so Table 3.11 is more than the 150 respondents in Table 3.10 that expected economic impacts.

Table 3.11: Economic impacts forecast in the future

Economic impact	Number	% of respondents
Increase in turnover	94	24%
Jobs created	72	19%
Increase in profit	62	16%
Safeguarded turnover	51	13%
Volunteer positions created	47	12%
Jobs safeguarded	43	11%
Securing social investment	43	11%
Volunteer positions safeguarded	32	8%
Cost savings	32	8%
Saved or recovered business/organisation	17	4%
Total number of responses	**493**	
Total number of respondents	**387**	

Source: Context Economics survey of beneficiaries

3.51   In contrast to impacts achieved to date, forecast impacts are spread much more evenly across the three different support types. At least 40% of Start-up (33 of 82 respondents), Business Support (61 of 154 respondents) and Leadership Support (17 of 39 respondents) recipients[37] who answered this question anticipate achieving economic benefits over the next three years as a result of Just Enterprise support.

3.52   Also in contrast to impacts to date, Start-up recipients who answered this question are much more optimistic about increasing their turnover in the future (30% of 82 respondents in the future, compared with 15% of 84 respondents to date). Again, this will reflect the stage of these organisations. This is slightly greater than the share of Business Support and Leadership recipients expecting to increase their turnover in the future as a result of Just Enterprise support. There is a similar split for forecast job creation.

3.53   Overall, of the 94 organisations who expect to increase their turnover as a result of Just Enterprise support, 50 were able to estimate the value, ranging from just £50 to £1.75m (with a median of £40,000).

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[37] Respondents were asked to self-identify, and 275 of the 387 respondents to this question identified as Start-up, Business Support or Leadership beneficiaries.

3.54   In terms of job creation, 41 of the 72 organisations expecting to increase their posts as a result of support were able to estimate how many jobs, ranging from 1 to 12 FTEs over the three year period (with a median of 2 FTEs).

3.55   Similarly, 25 of the 47 organisations expecting to increase their volunteering positions as a result of support were able to estimate how many, ranging from 1 FTE to 50 FTEs (with a median of 8 FTEs).

Additional Economic Benefits

3.56   The following section assesses the additional economic-related qualitative benefits identified by beneficiaries who responded to our survey.

3.57   Around half of respondents reported additional economic benefits they have achieved as a result of the support (multiple responses were allowed). As shown in Table 3.12, the most commonly reported benefit was improved strategic and business planning, which was reported by 116 (30%) respondents.   This was followed by greater sustainability and resilience in the organisation (85 respondents, 22%) and having more efficient working practices (also 85, 22%).

Effective business planning – sports sector social enterprise
Support with strategic and business planning was highlighted by one community sports organisation. Just Enterprise support allowed the organisation to develop business plans and forecasting required by Sportscotland. This support was very important for the organisation and Just Enterprise also helped them to apply for a Social Investment Scotland Loan, without which it is likely the organisation would not have survived.

3.58   Half of supported organisations stated that they had either not achieved any additional economic benefits to date (147, 38% of the 387 respondents) or were unsure (47, 12%). Unsurprisingly, Start-up beneficiaries were most likely not to report any benefits to date (43% of the 83 respondents), being too soon for these impacts to materialise.

Table 3.12: Additional economic benefits

Additional economic benefit	Number	% of respondents
Improved strategic and business planning	116	30%
Greater sustainability and resilience within the organisation	85	22%
More efficient working practices	85	22%
Improved organisational image or reputation	73	19%
Increased scale of the organisation	53	14%
New product / service markets accessed	39	10%
Improved cashflow	37	10%
New or wider portfolio of contracts held	32	8%
We have set up as a result of support	29	7%
New geographical markets accessed	22	6%
Other	9	2%
None	147	38%
Don't know	47	12%
Total number of responses	**774**	
Total number of respondents	**387**	
Source: Context Economics survey of beneficiaries		

3.59   Compared to the 43% of Start-up beneficiaries reporting no additional benefits to date, the proportion was 31% (48 of 155 respondents) for Business Support service users and just 19% (7 of 37 respondents) of Leadership beneficiaries. Leadership beneficiaries were more likely to report having achieved additional economic benefits – 59% (22 of 37 respondents) had improved their strategic and business planning, 43% (16 of 37 respondents) had implemented more efficient working practices and 43% (16 of 37 respondents) had greater sustainability and resilience as an organisation[38].

Wider Social and Environmental Benefits

3.60   Perhaps surprisingly, given that these are unintended consequences of Just Enterprise support, around half of respondents reported wider social and environmental benefits from accessing support (53% of the 377 respondents) (again,

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[38] Respondents were asked to self-identify, and 277 of the 387 respondents to this question identified as Start-up, Business Support or Leadership beneficiaries.

multiple responses were allowed). Table 3.13 shows that almost three in 10 (27%) positively reported expanding their network through new relationships with other Third Sector organisations, reported by some 100 respondents (27%). Almost as many (95, 25%) now have a clearer organisational purpose. These are unexpected, or unintended consequences of the Just Enterprise support service. Some one in six beneficiaries now have more clearly defined social values / ethos, as a result of their support. At the same time, almost half of all respondents either did not know if wider social or economic benefits had been realised (50, 13%) or reported none of these to date (130, 34%). Again, Start-up beneficiaries were the ones least likely to report social or economic benefits at the time of the survey.

Table 3.13: Wider social or economic benefits

Wider social or economic benefit	Number	% of respondents
New relationships with other Third Sector organisations	100	27%
A clearer social purpose of the organisation	95	25%
Providing employment or volunteering positions	76	20%
Identifying social needs or gaps	63	17%
More clearly defined social values / ethos	59	16%
A greater understanding of equalities issues / organisations	42	11%
Delivering environmental benefits	33	9%
Other	15	4%
None	130	34%
Don't know	50	13%
Total number of responses	**663**	
Total number of respondents	**377**	

Source: Context Economics survey of beneficiaries

3.61   The networking element of the Leadership programmes is evident. In all, more than half of the Leadership beneficiaries surveyed (53% of 38 respondents) reported new relationships with other Third Sector organisations. Leadership beneficiaries who responded also reported a higher rate of achieving a clearer social purpose and more clearly defined social values / ethos.

The benefits of networking

One example of networking as a result of Leadership support was highlighted by a housing charity. In this instance the recipient had attended a Leadership course in 2016 but was still taking part in regular meetings with the group, which they had organised so they could share their experiences. He felt that it had been particularly useful to be able to meet and learn from Third Sector organisations outside of the housing sector. As well as taking part in a new learning network, the beneficiary had also cascaded his learning throughout the organisation.

3.62   Start-up beneficiaries were also more likely to have developed a clearer social purpose (32% of 81 respondents) and more clearly defined social values / ethos (23% of 81 respondents); clearly further (unintended) benefits from interacting with Just Enterprise. Whilst these are not objectives of Just Enterprise it is clear the service helps to assist new social entrepreneurs to gain a wider understanding of the social value and purpose of social enterprises.

3.63   By contrast, Business Support beneficiaries were more likely to provide employment or volunteering positions as a result of the support (29% of 151 respondents).

Further 'Intangible' Benefits of Support

3.64   Increasing confidence to trade as a Third Sector organisation was the most common 'intangible benefit' achieved by beneficiaries (multiple responses were allowed), as shown at Table 3.14, with 129 (33%) respondents reporting this. Just Enterprise has also given organisations a greater understanding of trading in the Third Sector, reported by 107 (27%) respondents. One in four respondents stated they had achieved no intangible benefits, and a further 11% stated that they did not know whether intangible benefits had occurred or not.

Table 3.14: Intangible benefits

Intangible benefit	Number	% of respondents
Increased confidence to trade as a Third Sector Organisation	129	33%
New networks developed	120	31%
Improved leadership skills	114	29%
Greater understanding of trading as a Third Sector Organisation	107	27%
Acquisition of specific knowledge	54	14%
Other	7	2%
None	98	25%
Don't know	42	11%
Total number of responses	**671**	
Total number of respondents	**391**	

Source: Context Economics survey of beneficiaries

3.65   Leadership and Business Support beneficiaries were much more likely to have derived some intangible benefits as a result of Just Enterprise than Start-up support recipients[39]. Twenty-four per-cent (20 of 83 respondents) of Start-up beneficiaries had not achieved any intangible benefits compared with 15% (23 of 155 respondents) of Business Support and 8% (3 of 39 respondents) of Leadership beneficiaries. Across all beneficiaries, a further 11% were unable to say whether intangible benefits had occurred, or not.

3.66   Increased confidence to trade as a Third Sector organisation was particularly reported by Business Support (40% of 155 respondents) and Start-up Support recipients (39% of 83 respondents). This was similar for those reporting a greater understanding of trading as a Third Sector organisation. As would be expected, Leadership beneficiaries were by far the most likely to have improved their leadership skills (79% of 39 respondents), while all three support types had developed new networks.

Beneficiaries Future Plans

3.67   Almost two-thirds of respondents (62% of 360 respondents) stated that they planned to access support from Just Enterprise or another business support organisation in the future. Most of these were planning to access Just Enterprise

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[39] Of those respondents that self-identified as Start-up, Business Support and Leadership beneficiaries.

support again. Others mentioned that they planned to access Business Gateway, Scottish Enterprise, Scottish Development International, local authority support (e.g. East Ayrshire's beReady programme), Firstport Start It and Build It funding, and Scottish Government's Developing Social Entrepreneurs programme[40].

3.68   As shown in Figure 3.4 (multiple responses were allowed), the greatest need for Third Sector Business Support going forward is for finance (181 of 349 who responded to this question, 52%) and for business planning (168, 48% respondents). However, there was significant reported interest for all Business Support areas, including Marketing / Web Design (132, 38%), Leadership (117, 34%), Tendering (93, 27%) and Sales (76, 22%).

Figure 3.4: Future needs for business support
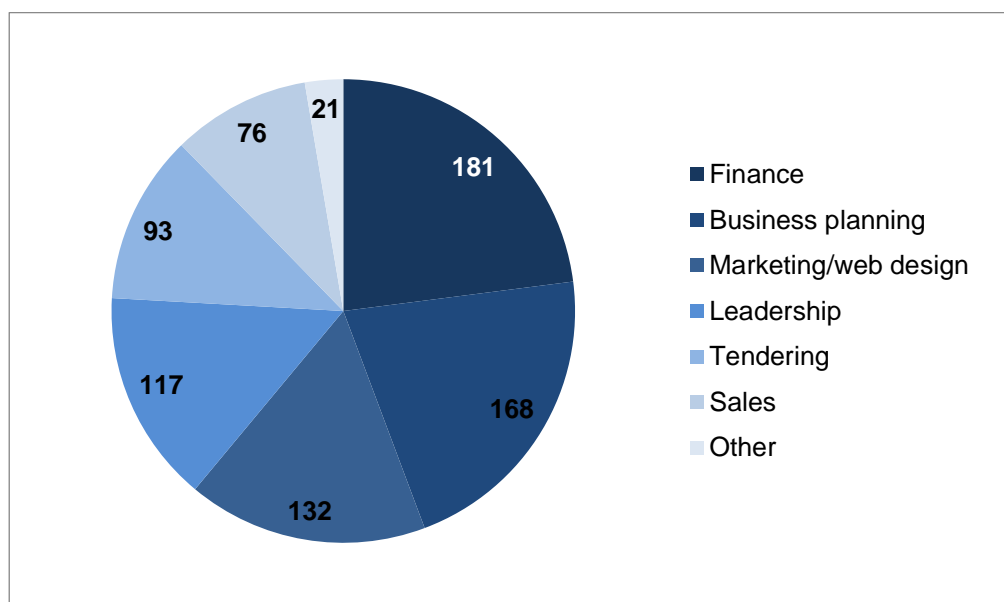
Source: Context Economics survey of beneficiaries

Beneficiaries Recommendations

3.69   Beneficiaries were broadly positive about Just Enterprise support with many stating they had no recommendations for improvement as they felt the service was already of a very high standard.

3.70   Whilst generally respondents were positive about the content of support, some recipients felt that the content could be more up-to-date and specific. One respondent stated that 'the content seems tired occasionally perhaps not totally relevant to the context today', and another felt that 'more tailored' content would be useful.

3.71   Again, many respondents were positive about the delivery of support with one person describing it as 'excellent'. In terms of recommendations for change, there were comments on the pace of delivery with one respondent recommending that delivery is 'perhaps a little quicker' whilst another said 'something over a longer

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[40] Although this was a response to the survey, it should be noted that this Programme was not initiated.

time period would have helped'. Overall this may suggest that, as with content, it would be useful to tailor the pace of delivery to beneficiary needs. One respondent commented delivery should be 'paced to suit the needs of the organisation – especially where staff resources are limited.'

3.72   As with support delivery, a number of recipients described resources as 'excellent'. Recommendations for improvements tended to focus on increasing online resources and providing documents to show areas of support covered and examples of best practice. Examples of respondents' comments included 'perhaps greater online resources would encourage further engagement' and suggestions were made to provide 'toolkits' and 'best practice information'.

3.73   Based on their experience of Just Enterprise, respondents suggested that key lessons for business support providers to the Third Sector were to appreciate the specific needs of Third Sector businesses and provide experienced trainers. For example, one respondent said that 'having experienced practitioners is really important. People have to learn, but direct experience of the issues being advised upon is vital'. Another commented that support organisations need to 'be aware that although Third Sector organisations are effectively businesses, they often operate in a different way'.

3.74   Respondents were asked about the most beneficial aspect of Just Enterprise support. Their responses are shown at Figure 3.5, with the size of words representing the frequency as to which they were reported. The most frequently used terms were 'confidence', 'networking', 'understanding', 'knowledge', 'help' and 'understanding'.

Figure 3.5: Survey word cloud

Summary and Conclusion

3.75   There is some very positive feedback on the Just Enterprise service from those who have used it (participants / respondents to this review), with good levels of satisfaction with the quality and relevance of support, and this has translated into organisation and wider benefits.

3.76   Social enterprise benefits cover those that may be expected from Just Enterprise, such as improved business planning, and a more sustainable organisation, key objectives for Just Enterprise. However, a range of wider benefits have also been derived, including more confident organisations, who are more motivated, and with greater aspirations to grow. Not all respondents have derived benefits, although these are more typically Start-up beneficiaries, where impacts may yet be realised.

3.77   Some of the wider benefits can be seen as unintended consequences of the support, such as a more clearly defined social purpose, and new relationships formed with other Third Sector organisations.

3.78   There are pointers in the survey responses on areas for improvement or consideration going forward. By no means all have been satisfied with the application process, and this is not confined to Start-up organisations. Levels of referral into the programme are low, including from mainstream Business Support agencies, and this is another area to be investigated further.

3.79   Future demand looks strong, and more than six in 10 plan to use Just Enterprise or other Business Support going forward, with demand strongest in the areas of finance and business planning, but also in other areas that are not as strong in the current Just Enterprise offer as they could be, such as marketing, online and social media.

3.80   Good satisfaction with the Just Enterprise support offer, and the benefits this has resulted in, translate into economic impacts. For those that responded to these questions, more than four in 10 have already achieved economic impacts as a result of support, increasing and safeguarding turnover and creating and safeguarding jobs, and these are economic impacts that on the whole would not otherwise have been achieved without the Just Enterprise support.

4   The Just Enterprise Offer

4.1   This chapter reviews the Just Enterprise offer and its fit with the wider business support landscape in Scotland. Chapter 2 has demonstrated the volume of activity and the breadth of service coverage, and Chapter 3 has shown the benefits the service has generated for beneficiaries / recipients.

4.2   This chapter discusses some of the broader questions for the review: whether the business support available to Third Sector organisations is the right offer; how it is viewed and understood by partner organisations; and how it is positioned within the business support landscape in Scotland.

4.3   The chapter also considers operational aspects of Just Enterprise such as how the service has operated and been delivered in practice.

Just Enterprise – Strategic Approach

4.4   The Just Enterprise service is widely regarded by stakeholders as both necessary and important. It is viewed as fulfilling a need for business support for social enterprises and enterprising Third Sector organisations. As one stakeholder put it:

> "If Just Enterprise didn't exist, we would have to create something that looked like Just Enterprise."

4.5   Certainly, the evidence from the analysis presented in Chapters 2 and 3 substantiates the point that there is demand for the service, and demand for the types of support made available through Just Enterprise.

4.6   There is also a general view amongst stakeholders that Just Enterprise is right to focus on enterprise, rather than "trying to be all things to all people". As we say below, the understanding that Just Enterprise has a tight and explicit focus on enterprise is not universal. However, for those that are clear that this is the purpose and role of Just Enterprise, the focus on enterprise is deemed appropriate, and necessary to meet what the sector needs.

4.7   Further, it is generally agreed that it is appropriate that Just Enterprise seeks to provide a national service, and that there should be a broad consistency of offer. That said, there is also a recognition that local circumstances vary, and so the consortium approach, with local delivery of service is welcomed. There are some challenges in achieving this consistency of approach, as we discuss below, but the broad consensus is that it is the right aspiration.

4.8   There is also broad agreement that Just Enterprise is right to be demand-led, and that it responds to client need, so that the support offered to each social enterprise is tailored to what they need, rather than what the provider wants to deliver. This user-led approach in a national programme is perceived by partners and stakeholders as bringing particular value to the sector. The collaborative working provides a more comprehensive support package for social enterprises. It is also

more straightforward for them to find what they want where they need it e.g. provided locally.

Integration with Mainstream Business Support

4.9   The Just Enterprise service is a bespoke business support service for social enterprises and enterprising Third Sector organisations. A key question for the review is how this business support co-exists, and interfaces, with mainstream business support, via Business Gateway, the enterprise agencies, and indeed the private sector.

4.10   The simple answer is that, whilst the Just Enterprise service was modelled on the Business Gateway service (as the principal mainstream business volume support service), it has largely operated in parallel. Whilst it is true that there are referrals into and out of Just Enterprise from / to Business Gateway (and vice versa), as Chapters 2 and 3 show, there is not a large volume of such referrals. The research indicates that around 8% of all organisations supported by Just Enterprise came via Business Gateway.

4.11   This is perhaps surprising, since much of the support provided via Just Enterprise is similar to that provided to 'conventional' mainstream business (business planning, investment readiness, procurement, leadership etc.) and that the issues facing social enterprise are also similar. However, it is also widely understood that the social enterprise sector is in many ways different from the mainstream business sector. Its twin commercial and social objectives, and often its operating context, differentiates the sector, requiring a more bespoke approach.

4.12   Indeed, there are complexities within this arena, including the perception (and often reality) that mainstream business support agencies do not sufficiently understand the social enterprise sector. Again, this is a point in favour of a bespoke enterprise support service to social enterprises. Whilst the picture is variable across Scotland in terms of Business Gateway advisors understanding of social enterprises – there are some very good examples of strong social enterprise support via Business Gateway advisors – in the main, mainstream business support provider understanding of the social enterprise sector remains weak.

4.13   The integration of social enterprise business support with mainstream business support therefore is seen as a long way from being achievable, although this remains an aspiration for many stakeholders. Indeed, there is a view that social enterprises should not be 'silo-ised', with some observing a tendency for social enterprises to be directed to Just Enterprise from mainstream organisations "simply because it is there". Stakeholders who participated consider this to be a sub-optimal use of resources and certainly there are existing opportunities to bring Just Enterprise support and Business Gateway and the enterprise agencies closer together.

4.14   The issue of the need for closer working and integration has been recognised. Chapter 2 cites the introduction of Knowledge Exchange sessions between Business Gateway advisors, Scottish Enterprise and Just Enterprise.

These have widely been viewed by stakeholders as positive and useful in sharing experiences and knowledge and deepening the understanding of respective individuals involved.

4.15   A more integrated approach will not be easy to achieve. From the perspective of the social enterprise sector, there is somewhat limited interaction with mainstream business support, and indeed the private sector more widely. So some of this is about breaking down the barriers for social enterprises so they can access mainstream business support, as well as up-skilling the mainstream business support sector to better engage with the social enterprise sector. The future considerations section in Chapter 6 suggests the new South of Scotland multi-agency approach may be an opportunity to pilot greater levels of integration.

Appropriateness of Support Offer

The Core Components

4.16   Within the Just Enterprise service offer, the majority of its components are welcomed and viewed positively by stakeholders who participated in this review. There is a general recognition that Start-up Support is necessary and valuable, as is support to established social enterprises. Further, there was generally positive feedback around the role of Leadership in helping to embed an enterprising and can-do mindset in supported organisations.

4.17   Whilst the basic building blocks of the service have been recognised as the right ones, some have viewed the Start-up service as one that can stand-alone. However, this is more a question of positioning and delivery; all stakeholders who participated considered that there should be Start-up enterprise support to the sector.

4.18   Similarly, with Leadership, whilst viewed as a positive offer, not all were clear that this should form part of the Just Enterprise service. This appears to stem from the fact that Leadership Support is offered via the Social Enterprise Academy out-with Just Enterprise, and also by mainstream agencies (including the enterprise agencies). Again, this is more about positioning, rather than whether the support should be provided, and Chapter 3 is clear on the benefits to Just Enterprise service recipients of this element of support.

Specialised Components

4.19   Within this broad positive feedback, there were components singled-out as offering particular benefits for recipients. This included the introduction of Start-up Lift-up, which has helped close the 'gap' between the Start-up offer and the main Business Support. Although this has now been in existence for a few years, there is by no means universal awareness that this support exists, including amongst those from within the sector. However, the introduction of Lift-up has allowed some continuation of support, post Start-up intervention(s).

4.20   There were views expressed on other parts of the offer. The issue of the Pre-investment Support offer was raised by some in terms of whether the support

sufficiently meets sector needs. This part of the service has been introduced as the service has evolved, and as highlighted in Chapter 2, the support has been made available to only a small number of businesses. This support is typically (although not universally) for businesses seeking larger amounts of loan finance. However, there is a wider issue in terms of social enterprise access to finance that is worthy of further consideration, particularly in terms of the need for greater investor readiness amongst service users, user reluctance and inability to access loan finance and continued reliance on grant funding amongst many social enterprises.

4.21   The Supported Businesses offer was introduced as a result of the desire to prevent high profile business failings and to give supported businesses the help they required. Again, as Chapter 2 highlights, this has involved a small number of businesses, principally a result of the relatively small number of businesses meeting the definition. Comments from advisers, and direct feedback from some of the Supported Businesses accessing help from Just Enterprise, suggests that the required support has now been provided, and that this has formed the necessary relationships, so there is little ongoing need for a specific offer. More recently, the definition of Supported Businesses has been changed and widened following new European Union Directives, and this wider definition now covers most social enterprises, therefore going forward, there may be little value in differentiating this part of the overall Just Enterprise offer.

4.22   With regard to Business Recovery, this has been viewed as a useful addition to the suite of support. The view here is that, whilst useful, it may also be 'too late' in effect by the time the intervention is made. This may in part be a result of the fact that this service offer is (understandably) not widely advertised given that many struggling organisations do not wish their circumstances to be known, and so social enterprises may not be aware of the service. Often, there is an unwillingness for the social enterprise to admit there is an issue. What is clear, however, is that this part of the offer is valued and what is also clear is that sustainability is a strong motivator of support (see Chapter 3). The issue here, as we discuss is how best to help social enterprises avoid reaching the stage where business recovery is required.

Service Gaps and Duplication

4.23   Feedback suggests there are no major gaps in the service offering, although views were expressed that the service could be more proactive in seeing where demand may be likely to arise, or where this is emerging. At present, Just Enterprise responds to demand as it arises i.e. it typically reacts to demand.

4.24   An example given was a Government funding injection for working in / with schools that led to a proliferation of social enterprises in this sector. Through responding to this new demand, Just Enterprise advisors became skilled in this sector, and in meeting the needs of social enterprises.

4.25   However, this reactive approach can take time, and a more planned approach may enable the service to have the right skills in place to meet likely demand increases. The Government commitment to increase entitlement to

childcare may become an example where Just Enterprise needs to be ready to meet what may be a significant increase in demand from this sector.

4.26   Some of the potential 'gaps' in the offer identified were more about how best to meet community, or sector needs, and not all of this will be appropriate for Just Enterprise. For example, in the Social Care sector example above, including early learning and childcare, the issue may be about how best to meet the sector need by increasing the number of childcare social enterprises.

4.27   This may not be for Just Enterprise, and indeed there are some pockets of activity that are designed to do this, for example programmes delivered by Firstport. It may not be the role of Just Enterprise to drive the development of social enterprises, although it should be sufficiently close to policy agendas and sector development to plan for any likely increases of demand as a result.

4.28   Further, whilst the service offer includes business planning, for example, as do mainstream business support agencies, the context for the Just Enterprise service, and its beneficiaries, is on the whole clear and distinct.

4.29   The exception in terms of potential duplication, and this is new in 2017, is the Procurement support. The Partnership for Procurement (P4P) grant funded support introduced this year is designed to support social enterprise collaboration to access market opportunities.

4.30   In theory, P4P is quite distinct from the Just Enterprise Procurement Support to individual organisations with respect to specific opportunities and the tender process. The Procurement Support via Just Enterprise has been a small but important part of the service offer, and it would be unfortunate if P4P caused this part of the Just Enterprise service to become clouded for the sector.

Appropriateness of the Mode of Support

4.31   The Just Enterprise offer is also broadly viewed as appropriate in terms of its means of engagement. There is broad consensus that short, sharp interventions bring focus to the support provided, rather than open-ended support. That said, some partners would welcome the opportunity to provide longer support. Whilst not a service 'gap' as such, this brings in to debate whether some form of mentoring style support would be beneficial, or some form of aftercare support.

4.32   Overall, from the beneficiary perspective, the issue of length of support does not come through strongly as a negative part of Just Enterprise. Partly, this appears to be a result of the use of multiple interventions, which allow Just Enterprise to provide a longer-term service, based around particular projects.

4.33   Nonetheless, a mentoring style programme could form a strand of a continuum of support and aftercare. In this scenario, established social enterprises could mentor early stage and new social enterprises, providing support and sharing their experiences and helping them to navigate issues and develop solutions.

Capacity Building and Early Stage Support

4.34   As we mentioned at 4.6 above, there is a general recognition that Just Enterprise should (as it does) focus on those that are capable of trading. Where views have been expressed as to what the service should additionally cover, some stakeholders cited the need for more early stage support.

4.35   A number of partners hold the view that more early stage support is required, prior to accessing Just Enterprise. Effectively what is being referred to is the need for greater capacity building, as part of early stage support. For some, this is a gap in provision and a demand that is not currently being met.

4.36   As noted, under current contract arrangements, this early stage capacity building is not a role for Just Enterprise. The exception is where capacity building is built into the contract for some groups, notably for Black and Minority Ethnic social enterprises via CEMVO, although even here the majority of the funding for capacity building does not sit within the Just Enterprise contract. Thus here, whilst the capacity building is regarded as necessary activity, and useful in generating Just Enterprise business, this is not a core role for the service. Therefore, currently early stage support and capacity building lies out-with the Just Enterprise service[41]. The Third Sector Interfaces (TSIs) have a remit to promote and develop social enterprise locally (as part of the wider eco system of social enterprise support). In practice, this varies across local authority areas, with some TSIs working in partnership with the local Social Enterprise Network (SEN), some funding the local SEN directly and others working independently of or without a strong SEN. This is a reflection of the ongoing growth of the social enterprise sector and consequent challenges faced by some TSIs in meeting demand, as well as of the variable knowledge and understanding of the social enterprise sector within some of the TSI organisations.

4.37   Some stakeholders have been vocal about the need for more support for organisations in this early stage space. The Scottish Community Alliance, for example, via their Local People Leading piece, has been critical of the lack of business support for very early stage community enterprises.

Visibility and Partner Awareness

4.38   The chapter has noted on a number of occasions where there has been a degree of misunderstanding as to what constitutes the Just Enterprise offer. This is an issue more widely, with partner understanding of Just Enterprise variable, and in some cases quite poor. This includes some in mainstream business support and in Third Sector membership organisations.

4.39   In part, this misunderstanding stems from a lack of clarity about what Just Enterprise consortium partners deliver, since most (if not all) deliver other support to the sector other than the support they provide via the Just Enterprise contract. It is not always clear to external stakeholders (and service beneficiaries / recipients)

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[41] Within the Just Enterprise contract - although not capacity building - The Highlands and Islands area has additional resource for promotion and engagement reflecting the geography of the region.

which of the consortium partner support constitutes the Just Enterprise support and what is not Just Enterprise.

4.40   The lack of partner understanding also comes partly from a general lack of visibility and information available about Just Enterprise. Many partners stated that Just Enterprise has a relatively low profile and visibility, and that they were not sure what effect Just Enterprise was having, other than what they were being told anecdotally, or in the case of member organisations, via their members.

4.41   Chapter 2 highlighted that the vast majority of the contract value (80% plus) is devoted to service delivery, rather than management and partnership engagement, and this may be a contributory factor.

Potential Overlaps and Duplication

4.42   One consequence of a lack of awareness amongst partners is that overlap and duplication can emerge. We have covered the fact the Just Enterprise service offer is not duplicating other forms of support, however, there are indications in the research that some TSIs are developing more business support to social enterprises.

4.43   This could present a risk in terms of diverting referrals from Just Enterprise to TSIs and also adding a layer of unnecessary duplication. There is also some concern in the sector that this may lead to an environment in which TSIs are competing with their members.

The Consortium Approach

4.44   There was a general (although again not universal) view that a consortium approach is sensible, and appropriate if the objectives of a national service are to be met. The prevailing view was that, whilst a consortium approach may be expected to be challenging, the approach has largely been successful and (from those consortium and delivery partners) had improved over time.

4.45   There is no doubt that the consortium approach delivers economies of scale. A single, centralised management hub means that more of the resource is directed to providing support rather than to management and administration, and the focus on service delivery has been a feature of Just Enterprise.

4.46   The consortium approach also means that there is a national brand which has helped to establish the reputation and profile of the programme (and as noted earlier there are arguments that the brand should be further invested in). The approach successfully combines the benefits of being a national programme, with localised delivery that is responsive to local need and circumstance. This combination is considered to be a significant strength and a key contributing factor to the success of the service.

4.47   As stated, this view is not universal, and the chapter has already touched on the fact the consortium could better communicate the Just Enterprise service to external stakeholders. The strong consortium working may itself have limited the

relationships that have been built with members and external stakeholders, including potential referral agencies.

4.48 From within the consortium, there is again a general sense that the approach is beneficial, and necessary, for national coverage to be achieved. That is not to say consortium working cannot be improved. This is covered below.

Delivery Processes

4.49 The chapter has already discussed the appropriateness of the overall approach. What is covered below are some of the specific workings of service management and processes.

Application Processes and Allocation

4.50 In general, as Chapter 3 shows, the application process is regarded as good, although more than a quarter do not rate it as good or very good, particularly amongst Start-up enterprises, and this represents room for improvement. The consortium partners themselves stated that they considered the process of applying for Just Enterprise support to be generally smooth. As one delivery partner commented:

"There is a smooth entry and re-entry point."

4.51 Within the consortium, the process of allocating cases is also viewed as working reasonably well, as one delivery partner put it:

"The process effectively identifies the most appropriate delivery partner."

4.52 These processes have been refined over time. Once allocated to a delivery partner, the partner then decides on the most appropriate adviser, based on their skill-set and workload.

4.53 It is a two-stage process, with all enquiries logged and recorded in the first instance by CEiS, as the single point of contact, a process which again is regarded to work reasonably well.

Contract Management and Consortium Working

4.54 Overall, CEiS as the contract lead, provide strong management of the service, acting as the core contact point for applicants and partners. This is considered to be a strength, giving the programme coherence across Scotland. CEiS's contract management has been a factor in the Just Enterprise service repeatedly delivering against expenditure and activity targets. As one delivery partner put it the service offer is:

"Well conceptualised and well executed."

4.55 However, whilst strong management has been demonstrated, there is always a challenge to balance this with partnership working.

Consortium Skills and Knowledge

4.56	The consortium comprises a wide range of skills and expertise meaning that it can effectively meet the diverse range of social enterprises' needs. However, there is a sense that there could be greater knowledge sharing and understanding between delivery partners regarding the specific expertise and specialist knowledge held by respective partners and advisers. If there was better understanding of this expertise, then partners could draw more on each other for, as an example, technical information and knowledge about a particular sector.

4.57	As we have already discussed, the Just Enterprise service typically has responded to needs as they have arisen. This has been reactive in many cases (e.g. Education, or Social Care). Greater knowledge-sharing within the consortium (and outside the consortium with external stakeholders) may help Just Enterprise to see where future demand may come from more effectively and allow for planned utilisation of skills within the consortium more effectively, or bringing in additional skills as required.

4.58	Over time the skills and capability of the consortium has increased considerably. This has been a result of the longevity of Just Enterprise and the establishment of an ongoing service which has allowed continuity and consortium partners to invest in their staff. This has been another strength of the service.

Adviser Training and Expertise

4.59	Aside from the recently introduced Knowledge Exchange sessions with mainstream business support, there appears little direct adviser training and development within Just Enterprise. That is not to say each individual consortium partner does not invest in their staff development. However, more formal and ongoing training and knowledge refresh arrangements may be appropriate, now that the service moves towards further improving quality and impact.

4.60	Further, and as discussed above, a more proactive approach to assessing future demand would be beneficial. This would enable more effective skills development and adviser training, and, if required, new skills to be brought into the consortium (or accessed from external partners).

Data Sharing and Client Tracking

4.61	There is perceived to be an issue with the extent and quality of data-sharing and client tracking between Just Enterprise consortium members / delivery partners. This means that there is less of a joined-up approach to delivery than there could be, and it is regarded as hard to assess the specific impact and progression of social enterprises across the programme.

4.62	This is a difficult issue but one where further attention is required. There are clearly data protection issues, and it may not be appropriate or desirable for all consortium partners to have details for the many thousand organisations and individuals benefiting from the service.

4.63   From a beneficiary / recipient perspective, it also means that beneficiaries may have to provide details more than once if they are working with more than one delivery partner.

Contract Innovation and Flexibility

4.64   Through the successive contract periods, new service offerings have become available. This has been a strength of the Just Enterprise service and the consortium approach, where delivery partners have identified gaps in the service and responded to demand accordingly. In effect, innovation has come from within the consortium; from helping to design new services such as Business Recovery to provision of specific additional workshops to meet new areas of demand, both across the programme and at a local level.

4.65   This innovation and flexibility is also evidenced by Just Enterprise successfully delivering new services such as the Supported Business Intervention, which came as an 'ask' for the service, but one which the consortium has responded to positively, working with partners, notably Scottish Enterprise.

4.66   This innovation and evolution, and the swiftness with which it was achieved may not have been possible without the consortium approach e.g. if there were a number of providers operating independently. As an example, Business Recovery and Pre-investment Support were both added to the programme's offer to fill identified gaps.

4.67   In some ways, given the service is in its seventh year, the addition of some services may have been expected. Overall, the service remains demand-led, and greater levels of flexibility and innovation may well be possible. It may be possible for the service to have some headroom to allow for local responsiveness, or response to specific issues, for example through some form of discretionary funding not tied to contract outputs at the outset.

Summary and Conclusion

4.68   Overall, the Just Enterprise service is widely recognised as the national service for enterprise support for social enterprises, an achievement in its own right, with a broadly appropriate offer, and an ability to respond to sector demand.

4.69   The chapter has discussed a wide range of issues, from the strategic positioning of Just Enterprise within the business support landscape, to the nature of the offer, to partnership working, through to management and delivery arrangements.

4.70   Most stakeholders who participated consider that something like Just Enterprise would need to be created if it did not exist. That is not to say that all external stakeholders are clear on all elements of the Just Enterprise offer, or to say that improvements could not and should not be made. Just Enterprise is arguably not visible enough, in terms of both its offer and achievement, and this risks confusion creeping in, with the potential for provider duplication. The service has

very much been about delivering activity to date, and now more needs to be done to celebrate impact and communicate with partners.

4.71 The integration with mainstream business support remains a long way off, yet closer working relationships would be desirable, building on the recent knowledge exchange sessions. There are also a range of service offer modifications and delivery process refinements that would also be beneficial. These form the basis of some of the conclusions and forward considerations identified in Chapter 6.

5   Looking Forward

5.1   This chapter considers the context in which considerations of a future Business Support to Third Sector Organisations service offer should be framed. Much has changed since the initial Just Enterprise service was introduced, including policy developments and wider social, political and economic change. It is also important to seek to learn lessons from elsewhere.

5.2   The chapter therefore covers:

- The Social Enterprise Census 2017 and what this tells us about sector support needs;

- The Social Enterprise Strategy 2016 - 2026 and the 2017 - 2020 Action Plan, again focusing on what this means for future business support to the sector; and

- International best practice and lessons. Scotland is regarded as a world leader in the support it provides to the social enterprise sector, however it is important to learn from approaches that are developing elsewhere.

The Social Enterprise Census 2017

5.3   The 2017 Social Enterprise Census identified 5,600 social enterprises operating in the sector, up 8% from the 2015 Census, with 599 new social enterprises formed over the last two years. The sector is clearly large, and growing, and making a substantial contribution to the Scotland economy, some £2bn in Gross Value Added (output).

5.4   The 2017 Census provides rich contextual data on the profile of the sector, with most remaining fairly small in the scale of their operations, with the majority (57%) reporting an annual income of less than £100,000. Social enterprises operate in a number of different forms, with the majority (71%) being incorporated as private companies and three-quarters also operating as a charity.

5.5   Whilst most social enterprises in Scotland remain concentrated within the Central Belt, more than a third (34%) are located within rural areas, compared to just 18% of the Scottish population. What the 2017 Census tells us is that rural areas have also seen a higher rate of social enterprise growth between 2015 and 2017 than urban areas. The prevalence of social enterprises in rural areas may reflect the fact that they are often working to fill gaps in services / goods where there is more limited market provision. The private sector is often more reluctant to offer services in rural areas where a lack of population density can impact upon profitability.

5.6   The vast majority (80%) of social enterprises offer services rather than goods. Reflecting the tendency towards smaller scale operations, 26% of social enterprises serve one particular community or neighbourhood, and 60% work within the boundaries of one local authority area. At the same time, a number of social

enterprises are starting to operate, or think about operating, on a large scale: 10% operate Scotland-wide and 7% now operate internationally.

5.7   As noted, social enterprises make a significant contribution to the Scottish economy, and there were more than 81,000 FTE employees in the sector in 2017. Seventy percent of social enterprise income comes from the Housing, and Health and Social Care sectors. This represents an area of financial strength as just 16% of social enterprises operate in these sectors.

5.8   Although many social enterprises are diversifying, social enterprises are increasingly moving into public sector markets, here these contracts remain an important source of business: 20% of social enterprises had bid for public contracts over the previous year. Whilst recognising the important role of social enterprises to deliver public services, given the financial pressures continuing to face the public sector, further diversification is important to prevent over reliance on one source / one public sector contract alone.

5.9   Constraints on public sector budgets is one reason the economic outlook for social enterprises identified in the Census was not entirely positive. Half the social enterprises reported being negatively affected by the economy in the previous year. This is borne out in the figures: between 2015 and 2017 spending by social enterprises increased by 14% but income only grew by 5%, meaning that surplus income reduced by 5% to £287 million over this period. In all, 41% of social enterprises in Scotland also reported a loss in 2017.

5.10   The challenges for the social enterprise sector mean that supporting the sector, and supporting the sector to grow and become more sustainable and resilient, is more important than ever. The Census specifically asked about social enterprise support needs over the next 12 months. The top 10 support needs were identified as:

Measuring social impact	44%
Researching new opportunities	40%
Collaborating with others to succeed	39%
Developing the workforce	39%
Developing the market strategy	39%
Developing new products and services	35%
Improving business practices	33%
Developing digital capabilities	33%
Attracting new and young talent	33%
Preparing a business plan for growth	32%

5.11   Some of these (workforce development, measuring social impact, attracting new and young talent) do not directly involve business support and so are not part of the current or likely future support offer, although intervention should seek to address these needs. However, the majority are clear business support functions: market strategy; new products and services; business practices; and business plans,

and are core features of Just Enterprise, and demonstrate the ongoing demand for the service.

5.12   What is also clear from the top 10 support needs is that scoping new opportunities is important; many need help to identify new market opportunities. The role of digital is also recognised, with many social enterprises recognising they need to develop their digital capability.

5.13   Other support needs were identified, again a number of which are part of the current Just Enterprise offer, including Leadership and Tendering:

Planning for business change and succession	30%
Developing leadership capabilities	28%
Tendering for public sector contracts	23%
Learning new business skills	22%
Finding property solutions	19%
Finding a business mentor	19%
Improving environmental sustainability	14%
Managing Intellectual property	12%
Starting up a new business venture	10%
Attracting repayable / loan finance	8%
Recovering from business difficulties	8%
Doing business in international markets	6%

5.14   As revealing, are the areas in which social enterprises are not seeking support. The Census identifies that, over the last 12 months, three-quarters of social enterprises had applied for grant funding, and just 9% for a loan, and so in this context it is clear why just 8% are seeking support to attract repayable or loan finance over the coming year. Uncertainty of the ability to meet loan repayments is the largest obstacle, again reinforcing the need for more diverse income streams for social enterprises, underpinned by a sound business plan.

The Social Enterprise Strategy and 2017-2020 Action Plan

5.15   The Scottish Government has emphasised its continuing support for social enterprises and has described social enterprise as being part of 'the national identity' with reference to a Scottish history of social enterprises dating back to Robert Owen, who is credited with establishing the cooperative movement in New Lanark in the 19th Century.[42] The Scottish Government has provided sustained investment in the sector for the past 10 years.[43] The importance of the social enterprise sector in Scotland is also reflected in the availability of Masters courses focused on social enterprises at Stirling and Glasgow Caledonian Universities.
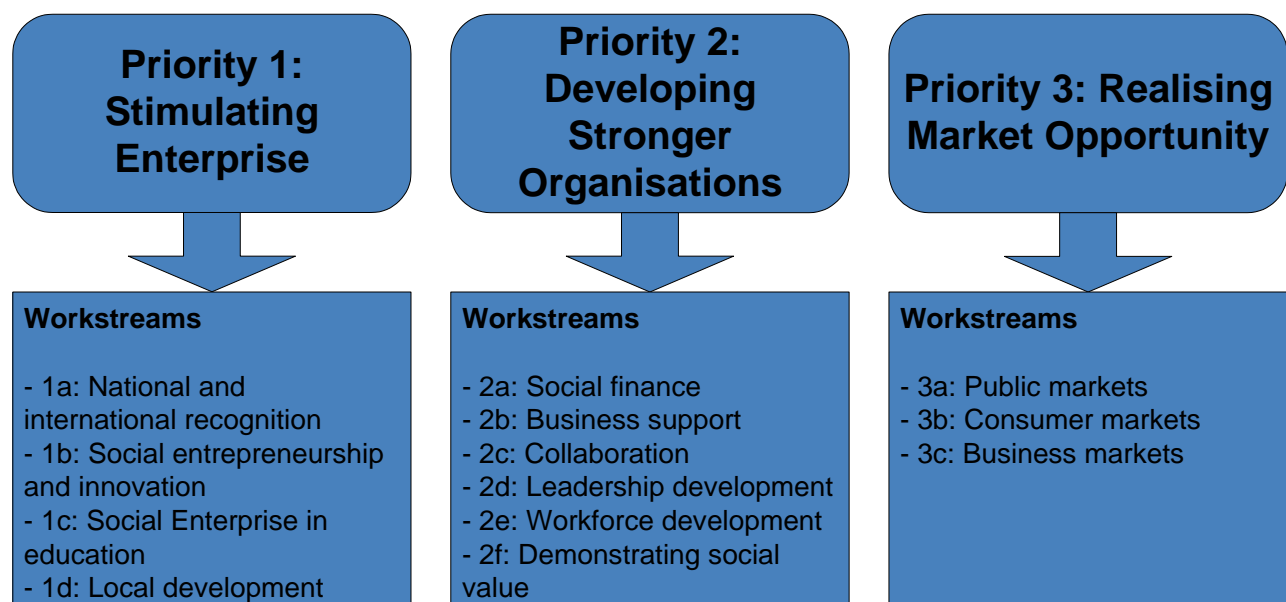
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[42] http://www.gov.scot/Resource/0051/00511500.pdf

[43] http://www.gov.scot/Publications/2017/06/2154/4

5.16   The Scottish Government's economic strategy[44], which is organised around the four I's of Investment, Innovation, Inclusive Growth and Internationalisation, also sets the broader context to social enterprise support. In particular, social enterprises can help to promote Inclusive Growth as they seek to contribute economically in terms of employment and gross value added but they also prioritise making a social contribution and tackling inequalities. The Census indicates that social enterprises, for example, have a much narrower pay differential within their organisations than commercial businesses.

5.17   This means that social enterprises are particularly well placed to offer growth that is inclusive as they can help to promote a fairer distribution of wealth and opportunities across society. As will be discussed further in the next section, the Scottish Government is also looking to develop the potential of social enterprises to contribute to further internationalisation of the Scottish economy.[45] The Census identification of support needs shows that only 6% of social enterprises are seeking support to do business in international markets: and so raising the aspiration (and ability) for social enterprises to trade internationally is a policy imperative.

5.18   Scotland's Social Enterprise Strategy 2016 - 2026 was published in December 2016 and sets out the Scottish Government's long-term framework for developing social enterprises. The framework is organised around the following three priorities: stimulating social enterprise, developing stronger organisations and realising market opportunity.

Figure 5.1: Priorities and corresponding workstreams from Scotland's Social Enterprise Strategy 2016 - 2026

Priority 1: Stimulating Enterprise	Priority 2: Developing Stronger Organisations	Priority 3: Realising Market Opportunity
Workstreams - 1a: National and international recognition - 1b: Social entrepreneurship and innovation - 1c: Social Enterprise in education - 1d: Local development	**Workstreams** - 2a: Social finance - 2b: Business support - 2c: Collaboration - 2d: Leadership development - 2e: Workforce development - 2f: Demonstrating social value	**Workstreams** - 3a: Public markets - 3b: Consumer markets - 3c: Business markets

5.19   The 'Stimulating Social Enterprise Priority' focuses on engaging more people with the social enterprise sector and encouraging the development of new

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[44] http://www.gov.scot/Publications/2015/03/5984

[45] http://www.gov.scot/Resource/0051/00511500.pdf

social enterprises. The priority includes workstreams around local development, social entrepreneurship and innovation, social enterprise in education and national recognition. The local development workstream involves encouraging the development of social enterprises in the local community, with a particular focus on offering the necessary support to areas experiencing deprivation.

5.20   The 'Developing Stronger Organisations Priority' focuses on workstreams that can help social enterprises to further build their capacity and ambitions. This includes working to increase the finance available to social enterprises and also increasing the ability of social entrepreneurs to access this finance. Of particular note for this review, there are also commitments around developing social enterprise business support. This includes the continued provision of specialist support but also a focus on aligning this appropriately with mainstream business support as the Scottish Government is looking to work with mainstream business support services to develop the social enterprise advisor network and increase their knowledge of and work with social enterprises.

5.21   Within the Priority Two workstream there is also a view to increasing the internationalisation support available for social enterprises. Other workstreams within this priority include working to develop social enterprise leadership, which includes commitments to extend and develop available training and learning opportunities; and workforce development, which includes working to ensure that social enterprise is a recognised and promoted destination within careers guidance for young people.

5.22   The 'Realising Market Opportunity Priority' encompasses three workstreams: public markets, consumer markets and business markets. The public markets workstream focuses on increasing social enterprise delivery of public contracts and involves working with public bodies to improve their engagement with the social enterprise sector and making changes to procurement and commissioning practices. The consumer markets workstream focuses on increasing consumer engagement with social enterprise goods and services. Finally, the business markets workstream focuses on increasing the participation of social enterprises in business to business trade.[46]

5.23   Following the publication of the Social Enterprise Strategy, 'Building a Sustainable Social Enterprise Sector in Scotland: Action Plan 2017 – 2020' was released in April 2017. This plan sets out the first steps that will be taken to put the strategy into practice with future action plans planned to be published in 2020 and 2023.

5.24   Key actions around the 'Developing Stronger Organisations Priority' include plans relating to business support that are of particular interest to this review. These include plans to introduce changed support for social enterprise Start-up, Growth and Recovery, designed to complement mainstream provision.

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[46] http://www.gov.scot/Resource/0051/00511500.pdf

5.25   In tandem, the Scottish Government also plans to increase the number of social enterprises gaining support from mainstream business support providers such as Scottish Enterprise, Highlands and Islands Enterprise (HIE) and Business Gateway. This mainstream business support is to include increasing the digital capacity of social enterprises and promoting access to digital support initiatives including the Digital Growth Fund and Digital Boost Programme. Relatedly, under the social finance workstream, there are also plans to work with the Scottish Investment Bank to improve social enterprise access to traditional forms of SME finance.

The Enterprise and Skills Review

5.26   The Enterprise and Skills Review is also of direct relevance, with the review focusing on business support services which includes examining social enterprise business support, and in particular how it will be aligned with mainstream business support. The Phase 2 report, published in June 2017, makes reference to the Action Plan and sets out the inclusion of social enterprise support within HIE, Scottish Enterprise and Business Gateway remits, and commits to increasing the number of social enterprises engaging with support from these organisations.

5.27   The Enterprise and Skills Review report also refers to growing the network of social enterprise business advisers with representations from HIE, Scottish Enterprise, Business Gateway, Scottish Development International and Just Enterprise.[47] The new multi-agency approach for the South of Scotland is an opportunity to promote greater integration between business support for mainstream businesses and social enterprises (see Chapter 6).

International Best Practice and Lessons

5.28   Scotland's important place within the social enterprise sector internationally is consistently recognised. Scotland held the first Social Enterprise World Forum (SEWF) in 2008 and the SEWF will return to Edinburgh for the tenth anniversary in 2018. Not only does the Scottish Government recognise Scotland's international reputation within the social enterprise sector for being a 'world leader'[48], other countries have also recognised Scotland as a leader within the social enterprise sector. For example, in New Zealand, a country which is seeing significant social enterprise development, leading figures have referred to Scotland as an important example to look to in the development of their own social enterprise sector.[49]

5.29   Whilst Scotland is considered to be an international leader in the development and support of the social enterprise sector, it is still useful to look to examples of how other countries have developed their social enterprise sector,

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[47] http://www.gov.scot/Publications/2017/06/2154/4

[48] https://news.gov.scot/news/social-enterprises-on-world-stage

[49] http://www.stuff.co.nz/business/industries/88920668/social-enterprise-is-fast-becoming-the-new-charity-in-new-zealand

particularly as the Scottish Government seeks further internationalisation of social enterprise.

5.30   As Scotland looks to increase social enterprise delivery of public contracts, particularly in the Early Learning and Childcare, Health and Social Care, Criminal Justice and Employability sectors, Italian social cooperatives are an important example. Developed during the 1970s at a time of low economic productivity and high unemployment in Italy, they have grown and evolved to form a crucial element of the delivery of social services in partnership with municipalities.[50] Social cooperatives in Italy are distinguished by their social goals: their objective is the general benefit of the community and the social integration of citizens, particularly those disadvantaged.[51]

5.31   Italian business support for the social enterprise sector has tended to take the form of local consortia, comprised of members made up of social cooperatives in the area. These consortia then offer specialised cooperative business support and sharing of administrative functions to members. In particular, these groups can help to manage contracts from public sector organisations. This example may be an important one for Scotland as we seek to develop social enterprises within local communities and increase participation in public sector contracts.[52]

5.32   In terms of the Scottish Government's aims to develop the work of Scottish Universities in promoting social enterprise, Canada and Hong Kong offer important examples of Higher Education Institutions supporting social enterprises. In Canada, Simon Fraser University and the University of Waterloo have incubation spaces to help social enterprises in their very early development stages. These spaces have offered help to students developing their own social enterprises and wider community organisations. Ryerson University and Carleton University also advance social enterprise as a possible career destination to students and run workshops and events to raise awareness of social enterprises.[53]

5.33   Looking more specifically at business support for the Third Sector, in Canada there has been an effort to follow the example of Scotland. The Social Enterprise Council of Canada organised a visit from representatives of the social enterprise sector in Scotland in order to facilitate learning and share experiences of how to develop and support the social enterprise sector.[54]

5.34   At the province level, which offers greater similarity to Scotland in terms of size, population and level of devolution, Common Good Solutions (CGS) offers a programme of business support to social enterprises in Nova Scotia. CGS has

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[50] Social Enterprise London (2002) Social cooperatives in Italy: Lessons for the UK.

[51] European Commission (2013) Social economy and social entrepreneurship: Social Europe Guide Volume 4, p.35

[52] http://www.dinf.ne.jp/doc/english/resource/employment/Social_Firms_in_Europe.html#ORGANIZATIONAL

[53] https://www.britishcouncil.org/sites/default/files/canada_-_social_enterprise_in_a_global_context_-_final_report.pdf

[54] http://secouncil.ca/index.php/2016/04/05/scottish-social-enterprise-experience-brought-to-canada/

developed through a provincial strategy as part of the Social Enterprise Network of Nova Scotia[55], which is now being supported by the Nova Scotian Government to support the establishment and expansion of social enterprises in the area.[56] In particular the example of CGS could offer important learning on supporting social enterprises in the initial start-up phase as this is an area of particular focus, with the organisation describing itself as 'part consultancy, part educator, part social impact incubator'.

5.35   In Hong Kong, universities have been a key source of support for social enterprises and have run development programmes such as The Hong Kong Social Enterprise Challenge. This involved students pitching business ideas and receiving training and mentorship to help develop them as a new generation of social entrepreneurs.[57]

5.36   As well as providing its own advisory and support services to social enterprises, the Hong Kong Government has also provided incentives and established programmes to encourage the private sector and other local organisations to provide support to social enterprise. Outside of the Government, the Hong Kong Social Entrepreneurship Forum also provides specialised business support.[58]

5.37   New Zealand has seen a rise in prominence of social enterprises with the Government publicly stating their support for social enterprises and announcing funding to expand the Akina Foundation, a social enterprise support organisation, in 2014.[59] The growth of the social enterprise sector in New Zealand is reflected in the fact that the 2017 SEWF was held in Christchurch, an area that has seen an important development of social enterprises in helping to rebuild the city since a devastating series of earthquakes in 2010 and 2011.

5.38   The programme of events at the 2017 SEWF reflected the international nature of a number of the Scottish Government's development goals for the social enterprise sector in Scotland. For example, in line with the goals set out by the Scottish Government, sessions at the 2017 SEWF included discussions around social enterprise involvement in the private business supply chain, developing a customer base and public contract delivery along with how social enterprises can develop their leadership and finance options, and opportunities for empowering communities and working in the education sector.[60] The 2018 SEWF will be held in Edinburgh in September 2018[61].

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[55] http://commongoodsolutions.ca/what-we-do/

[56] https://ccednet-rcdec.ca/en/new-in-ced/2017/04/17/government-nova-scotia-partners-social-enterprise

[57] https://www.britishcouncil.org/sites/default/files/hong_kong_-_social_enterprise_in_a_global_context_-_final_report.pdf

[58] http://www.bauhinia.org/assets/document/doc163eng.pdf

[59] http://akina.org.nz/about/our-story/

[60] https://www.sewf2017.org/images/programme/FINAL-Programme-Overview-for-Website-PDF.pdf

[61] http://sewfonline.com/

5.39　　　In close proximity to New Zealand, Social Traders and Social Ventures Australia (SVA) have been key to the development of the social enterprise sector in Australia.[62] As with Just Enterprise, these organisations have been funded in their work through government contracts. In terms of business support, SVA is the principal specialist business strategy consultancy firm for social enterprises in Australia. It provides specialist advice and consultancy around collaboration and development as well as wider training.[63] The role of SVA in promoting collaboration may be of particular interest as it fits with workstreams within priorities of the Scottish Government's Social Enterprise Strategy.

5.40　　　 In Germany, the development of the social enterprise sector has focused around Social Firms which provide employment to disabled and disadvantaged people. Government support is provided to companies where between 25% and 50% of employees are disabled people. This support comprises funding for creating new jobs for disabled people, funding for the salaries of disabled people and Government funding for business support services.[64]

5.41　　　These business support services have been delivered by Fachberatung Für Arbeits-Und Firmenprojekte (FAF) over the past twenty years. The business consulting services include the delivery of guidance and training material in relation to the foundation of growth of social firms, the formation of business concepts and plans for social firms and guidance and support for social firms that have come in to difficulties.[65]

5.42　　　Closer to home, in other parts of the UK business support for social enterprise varies significantly by local authority area. Whilst in 2001, the UK Social Enterprise Strategy identified the no longer existing Regional Development Agencies and Business Links as having a role in the delivery of social enterprise support, there is no longer a national programme or strategy of support in England and Wales.[66] This has meant that support is delivered locally either privately or through cooperative development agencies or local authority support. One such example is iSE in Birmingham, a social enterprise support organisation funded by European Structural Investment Funds which offers advice, training and room hire to social enterprises.[67]

Summary and Conclusions

5.43　　　The Social Enterprise Strategy for 2016 - 2026 and the Action Plan for 2017 - 2020 are clear about policy objectives and interventions that should be taken forward, and these lay the foundations for sound future support decisions. Clearly new evidence continues to emerge which requires the refinement of the direction

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[62] http://www.socialtraders.com.au/

[63] http://www.socialventures.com.au/

[64] http://www.dinf.ne.jp/doc/english/resource/employment/Social_Firms_in_Europe.html#ORGANIZATIONAL
[65] http://www.faf-gmbh.de/www/start/index.php?page=leistungen

[66] Department of Trade and Industry (2001) Social Enterprise: A strategy for Success.

[67] http://www.i-se.co.uk/our_services/

and actions: the 2017 Social Enterprise Census and reviews like this one here are two examples of such evidence.

5.44   What is clear from the latest Census is that the types of support made available through Just Enterprise continue to be in demand. Core parts of the Just Enterprise service, around business planning, product development and market strategy, remain important and fundamental to social enterprise Start-up, Resilience and Growth.

5.45   What is also clear as new evidence is collected is that there are new areas of support required. Building digital capabilities is a case in point, not historically a large part of the Just Enterprise offer, yet one in which there is growing demand. The way in which support is accessed is also changing, and there is increasing demand for digital methods of communication. Scotland remains at the forefront of enterprise support to social enterprises, yet as the international comparator work show us, the support in Scotland must continue to evolve and innovate, in order to meet ever changing market demands.

6   Conclusions and Future Considerations

6.1   This chapter presents the review conclusions, and suggested considerations going forward.

Overall Conclusion

6.2   In answer to the fundamental review question, and in broadest terms, yes, Just Enterprise has indeed successfully delivered specialised Business Support, Start-up Support and Leadership Support services in line with contract objectives. This is evidenced by: the strong contract delivery performance across all of the three main service areas; all three service areas being valued by beneficiaries who participated in the review, with a wide range of associated impacts achieved; and strong volumes of delivery.

6.3   From a standing start and a pre-existing situation of fragmented support across Scotland, Just Enterprise has become a national service with a Scotland-wide offer. This is a considerable achievement. In broad terms, pan-Scotland coverage has been achieved, along with a general level of consistency in the service offering. A single entry point to the service has been created, and the demand-led service is fulfilling an identified need i.e. providing business support to social enterprises and Enterprising Third Sector organisations.

Contract Performance

6.4   Between 2011 / 12 and 2016 / 2017, the Just Enterprise service has provided 6,697 instances of support to some 4,927 organisations and 9,922 instances of support to individuals. This is a considerable volume of activity. For contract expenditure of £5.9m, the service has reached all 32 local authority areas in Scotland, with support brigaded under each of its three main areas of support: Start-up, Business Support and Leadership.

6.5   Following the initial three year contract period there have been a series of contract extensions, and the service has evolved and matured over each successive phase. New service offerings have been added to meet identified demand, including Procurement, Pre-investment Support, Business Recovery and specialised support to Supported Business. These have complemented the core one-to-one and one-to-many workshop services.

6.6   The Just Enterprise service has been modelled on the Business Gateway service, the principal large-scale business support service for mainstream businesses. This segmented market approach has been largely successful. This has allowed service developments in the Start-up and Leadership parts of the service, and refinements to the transition from one support to the other, including Start-up Lift-up which helps bridge the gap between Start-up and Business Support through Just Enterprise.

Just Enterprise Recipient Experience and Benefits

6.7   Beneficiaries of all parts of the service, who participated in the research, have had a positive experience of Just Enterprise, reflected in strong service satisfaction levels, especially in relation to the level of expertise, service quality, method of engagement and the appropriateness of timing of support, where at least four in five rated these elements good or very good.

6.8   Strong satisfaction levels in the service, translate into a wide range of benefits for service recipients. These are economic and social impacts of benefits accruing for local communities, as well as benefits for social enterprise organisations and individuals. Economically, increasing and safeguarding turnover and creating and safeguarding jobs were important impacts.

6.9   Further, more than four in five who participated reported an increased confidence to trade, for example, as a result of Just Enterprise support, with organisations more confident, with improved morale, and with greater aspirations to grow. Just Enterprise is equipping service recipients with the skills and confidence to develop and grow.

6.10   Again, these benefits arise in all parts of the service, strongest in those participating in Leadership programmes. Improved strategic and business planning is the business benefit most frequently cited, positive given this is a core part of the Just Enterprise service, but also increased sustainability and more efficient business practice. These are benefits already derived by service recipients.

6.11   Although not explicit objectives of Just Enterprise, wider benefits included expanded networks through new relationships with Third Sector organisations and a clear organisation purpose. These are unexpected, or unintended consequences, of the service.

Fit with the Business Support Landscape

6.12   The Just Enterprise service is largely recognised as the place to go for business support for social enterprises, with the service fulfilling a need for this type of support.

6.13   That said, the Just Enterprise service is not as visible, and its offer not as well known, as perhaps it should be, given that the service has been established since 2011. Not all of those outside the consortium are clear on the Just Enterprise offer, particularly its details. This is clearly a two-way responsibility, however the consortium could – and should – do more to work with external partners on communicating its offer, and impact.

6.14   Perhaps as a result of weak visibility, and also potentially further demand, there is some evidence that local Third Sector Intermediary organisations are starting to provide business support to social enterprises. This starts to be a duplication of effort, and to introduce confusion to the marketplace.

6.15   The Just Enterprise service largely operates in parallel to mainstream business support and the mainstream business sector. Although modelled on the Business Gateway approach, interaction with Business Gateway appears patchy. In some geographic areas understanding of the respective Just Enterprise and Business Gateway offers by advisers is strong, in other areas less so. Additional support to social enterprises is provided in some Business Gateway areas, in others there is very little.

6.16   Overall, Business Gateway referrals into Just Enterprise are low, at 8%, and there would appear to be a considerable opportunity for the two to work more closely together. This has been recognised with the introduction of Knowledge Exchange sessions, also involving enterprise agency staff, however this has only recently been introduced.

6.17   Given that many of the issues facing social enterprises are similar to mainstream businesses (sound business planning, selling products and services, investor readiness), greater alignment would seem appropriate.   Whilst there is also a strong recognition of the differentness of the social enterprise sector from mainstream business, there remains a long-term aspiration for greater levels of integration.

Appropriateness of the Just Enterprise offer

6.18   If the Just Enterprise service did not exist, something like it would need to be established to meet sector demand, and the evidence from the Social Enterprise Census 2017 is that there is ongoing demand for the type of services that it offers. Feedback and impacts from participants of this review to all three parts of the service, Start-up, Business Support and Leadership, are positive.

6.19   There are elements to the offer that have either served their purpose, or that are underplayed, as the sector (and service) evolves and matures. There is no longer the same focus required on Supported Businesses, where all those meeting the original definition have received intensive support, and particularly now that the wider definition of Supported Businesses includes more social enterprises. Other elements of the service can usefully be strengthened or mainstreamed (see things to consider going forward, below).

Management and Delivery

6.20   The Just Enterprise service has been delivered by a consortium through successive contracts. The consortium approach has generally worked well, and this has enabled national coverage to be achieved.

6.21   The successive contracts have been focused on delivering substantial volumes of activity, and these activity volumes have also been achieved. There has been strong contract management via the consortium lead, CEiS to enable this. Processes for receiving enquiries and allocating cases to partners have been established, and these have worked, and improved over time.

6.22   However, whilst strong management has been demonstrated, there is always a challenge to balance this with partnership working. This has not always maximised knowledge-sharing within the consortium.

6.23   There has been considerable innovation and evolution from within the contract to respond to demand and increase the service offer, and the skills gained by the consortium from delivering Just Enterprise are considerable. However, it may be possible to achieve greater levels of flexibility within the service, whilst retaining a core and consistent offer, and to plan better for future demand. Along with some process refinements, these are some of the considerations discussed below.

Considerations Going Forward

6.24   There are a number of considerations for the service going forward.

The Continuation of a National Service

6.25   The review concludes that there have been considerable benefits of introducing a national service of business support to the sector. The service has been taken up in all parts of Scotland, with demand from both urban and rural areas. The social enterprise sector continues to grow and to make an increasing contribution to the inclusive wealth creation in Scotland, and so the continuation of nation-wide business support is appropriate. This requires sufficient investment to ensure that all of Scotland is covered, and where a national service is actively supported by local and regional partners.

Continuation of the Business Gateway style approach

6.26   Further, the review concludes that the duration of support, and the relevance of support is good, and that the short, sharp and focused interventions have helped to generate the good impacts described. The combination of one-to-many (Workshops) and one-to-one support has also helped generate the volumes of activity achieved. A single entry point is also appropriate, and so this Business Gateway model approach has worked well. However, the approach would have to continue to recognise that beneficiaries attending Leadership Services attend longer, multi-day programmes, and short sharp interventions are not the most appropriate approach in this context.

That there is programme of Just Enterprise partner engagement as part of brand promotion and awareness-raising

6.27   The Business Support to Third Sector Organisations contract has been delivered by a consortium. As described, Just Enterprise itself is not an entity, but rather a brand, the title under which the service operates. Given that Just Enterprise is demand-led, and reliant on referrals into (and out of) the service, then there is a very real need for the brand to be strong and recognised.

6.28   The Just Enterprise brand is a good one, which benefits from having been in place for some time. However, although Just Enterprise has met application targets, both partners and service recipients need to be aware of the brand, and specifically what the offer is, and who and what is eligible (including Third Sector

Intermediaries). It is therefore worth considering a programme of partner engagement, under the Just Enterprise banner, to increase service visibility and partner understanding. This will also help to reduce the potential for duplication and overlap. The findings in this report can help communicate some of the positive impact messages.

Closer Integration with Mainstream Business Support

6.29   The Knowledge Exchange information sessions between Just Enterprise and mainstream business support organisations are a welcome recent addition, and this is the type of shared understanding across agencies which will ultimately benefit service recipients, and it would be beneficial if these were continued, across Scotland. The aspiration for greater integration of social enterprise business support with mainstream business support should remain an aspiration, so that the available expertise that exists is maximised. Some Business Gateways provide support to social enterprises as part of their non-core, or discretionary funds. Closer working with mainstream business support agencies would increase the range of support that could be available to the social enterprise sector.

6.30   Although the evidence does not indicate large numbers of high growth social enterprises, or those wishing to scale up substantially, these should have their support needs met. This is one way in which greater integration with mainstream business support can be achieved, through increased access to enterprise agency products and services, post Just Enterprise support, for those with growth potential and aspirations. There can also be greater integration with Co-operative Development Scotland (CDS) / Community Shares Scotland (CSS), where the relationship can be strengthened.

That a South of Scotland Approach is piloted

6.31   The Enterprise and Skills Review paves the way for greater multi-agency working across business support and skills development, and for the creation of a South of Scotland entity where enterprise and skills support come together, for example through a shared Board. There is an opportunity to pilot social enterprise support in the South of Scotland that is more joined up between Just Enterprise and other support agencies, notably Business Gateway and Scottish Enterprise, including enhanced access to information, services and products.

6.32   There is more to be done to work through what this more joined-up approach may look like; however, this review (and the Social Enterprise Census 2017) show a clear demand for workforce development (i.e. staff and skills development within social enterprises). Therefore, there may also be the potential to align skills development support to social enterprises, within a South of Scotland pilot.

That the Just Enterprise offer is refreshed

6.33   The review concludes the Just Enterprise offer is in general terms sound, and has met, and continues to meet, demand for business support. Within this generality, the review discusses some specific refreshes that may be appropriate. These include:

- The potential to mainstream the Business Recovery offer - often the Business Recovery element of the service is called in too late, when the social enterprise is in a precarious position. Improving sustainability remains a key area of support required; the early identification of organisations in difficulty may be helpful, perhaps in the form of an annual / bi-annual health check. This would also help advisers stay close to the client base, although this should not be formulaic and / or lead to pre-determined solutions.

- That consideration is given to the nature of the Pre-investment offer – the current offer extends to a handful of businesses, and based around investor readiness to take-up finance. The Social Enterprise Census shows how little loan and repayable finance is used, based around a reluctance to take on debt. This is a missed opportunity to support finance for growth for social enterprises; a stronger 'investor-readiness' offer to the sector is required, linked to more robust / detailed business planning capable of helping organisations access finance.

- That the specific Supported Business element is no longer offered – this element of the service was introduced at a specific point in time, and all those falling under the previous definition have received support. The definition has since been relaxed, and now involves most social enterprises, so a specific offer is no longer required.

- That there is clarity over the Procurement Support offer – whilst the consortium is clear about the offer under Just Enterprise, and whilst there is a good working relationship with the newly introduced Partnership for Procurement partners, there remains a risk of confusion for social enterprises and the duplication of support. There will need to be clear lines of demarcation between the two (and indeed the Supplier Development Programme).

- An enhanced marketing and digital offer – both the demand for marketing support, and digital capability, are flagged in the Social Enterprise Census 2017, and there is evidence from this review that social enterprises do not always consider Just Enterprise when they need this form of support. If we again use Business Gateway as a model, then this is an area of considerable intervention and support to businesses over the last five years; and Just Enterprise could usefully include something similar from on-line and non-traditional selling routes, to digital marketing and using social media. Although this does not necessarily need to be specific to social enterprise and enterprising Third Sector organisations, it is clear that the sector is not currently accessing Business Gateway provision in this sphere to any great extent and so social enterprise specific support here may be beneficial, or that integration with and routes into the available Business Gateway support are improved.

- The potential for mentoring and aftercare – there may be some merit in some form of mentoring for new social enterprises, and perhaps some aftercare, that continues to help growth and development. This would need to be carefully scoped and clearly defined, and this type of support exists for account managed social enterprises. There is some evidence that Start-ups need a little more handholding, even allowing for the introduction of Lift-up.

- Continuation of equalities support – the targets for work with equalities organisations helps to formalise support for this part of the sector, which has additional capacity building support requirements, and these should be retained.

The Issue of Early Stage Support and Development

6.34   Communicating and reinforcing the message that the business support offer available under Just Enterprise is for those who are capable of trading, and who are enterprise-ready, will have the advantage of more clearly marking the distinction between Just Enterprise and capacity building / pre-enterprise support. Just Enterprise, with the exception of some specific provision for Black and Minority Ethnic organisations via CEMVO, does not support capacity building.

6.35   That said, there appears to be the need for greater levels of enterprise capacity building, however this is delivered. This is a key role for Third Sector Interfaces / SENs and other Third Sector Intermediaries. Enhancing this activity will increase the demand for Just Enterprise support, and improve the quality of application.

Service Skills Development and Training

6.36   The consortium has built considerable skills and capacity over time, and this should not be ignored. However, this has largely been a result of the continuation of the service, and the ability of partners to build adviser skills through delivering the service. A more planned and systematic approach to skills development amongst advisers may be appropriate.

6.37   This approach could take many forms, however it could usefully involve a consortium adviser skills audit, mapped against likely future demand (see below), with any skills gaps filled. Ongoing continuous skills refresh and training could form part of any future contract activity. There may also need to be an increase in the number of advisers, to meet need. There could also be common training and accreditation covering Just Enterprise advisers and social enterprise specialists within Business Gateway.

Planning for Demand

6.38   The Just Enterprise service is rightly demand-led, and the service has demonstrated the ability to respond to this demand. Nonetheless, this creates a reactive situation, and there may be instances where a more forward-looking and proactive approach can be adopted.

6.39   This is about putting in place a mechanism for horizon scanning, or however else this 'looking ahead' activity is best phrased. Member organisations have a role here, identifying legislative or other factors that may lead to an increase in demand in any given sector (e.g. Early Years). The Just Enterprise service can then better ensure it is capable of meeting this demand, for example by utilising external expertise, or developing in-house skills.

Refinements to Delivery Processes

6.40   Service delivery is largely effective, as demonstrated through the considerable service volumes. There are some modifications that may be helpful. These include:

- A greater recognition of the additional travel time to support social enterprises in rural areas – the travel time in rural areas can and often does reduce the adviser time with social enterprises, which currently comes out of the time allocation. A travel time allowance in rural areas should be built into the support budgets.

- A more open approach to data and information-sharing – Data Protection Act compliance should not be compromised, however there needs to be a better data-sharing and open communication, sometimes between delivery partners and between the consortium and external partners. Again, agencies need to be working together as much as possible, for the benefit of service beneficiaries / recipients.

- The potential for more online service delivery – this should not be overplayed, since this should not be a replacement for the valued one-to-one support. However, at very little cost, online resources can be assembled, and increasingly service beneficiaries are more proficient and amenable to these types of service delivery.

Service Flexibility

6.41   The Just Enterprise service has been flexible over the course of the successive contracts in responding to demand, and some of this has been generated from within the constraints of the contract. In seeking to be more flexible still – and more forward looking – it may be appropriate to introduce an element of discretionary funding as part of the service.

6.42   A discretionary element could not be open-ended; however it may allow consortium partners to make the case for, and put in place the support for, specific additional service elements that respond to local demand, or demand around a theme. The Business Gateway service has a core offer, and a discretionary element to allow response to local economies and local contexts. Something similar may work for Just Enterprise.

Appendix A: Research Method

This appendix sets out the review methodology used by the study team.

Study Method

Desk review of policy context and programme documentation

The review began with a comprehensive literature review to broaden the study team's understanding of the policy context surrounding and driving Just Enterprise. In particular this involved the sourcing and reviewing of Scottish Government policy documents (including social enterprise strategies and action plans and broader reviews of business support), the Social Enterprise in Scotland Census and literature around business support for social enterprises and enterprising Third Sector organisations internationally.

As well as reviewing literature covering broad themes around the social enterprise sector and business support, the study team undertook an extensive review of Just Enterprise specific programme documentation. This included quarterly and annual reports, case studies, impact reports, budgets and contractual documents.

In addition to programme documentation, the study team were provided with monitoring information relating to support recipients from years one to six of the contract. This information was used to analyse the number of recipients and instances of support over the whole contract, over the first and second contract and according to the type of support accessed. It was also used to build a profile of recipients based on their location, sector and size of organisation. This analysis offered understanding of which areas and sectors Just Enterprise is best reaching and was used to compare the types of organisations receiving Just Enterprise support against the broader population of social enterprises and enterprising Third Sector organisations across Scotland.

Stakeholder consultations

In order to gain an in-depth view of the strategic fit of Just Enterprise with both Government policy and the broader development of the sector, consultations were carried out with 17 key stakeholders from organisations with expertise in business support, enterprise and social entrepreneurship. Organisations represented are given at Appendix B, and included Business Gateway, Highland and Islands Enterprise, Scottish Enterprise, Social Enterprise Scotland and the Scottish Government.

As well as consultations with wider stakeholders, a further 20 consultations were carried out with consortium delivery partners. Consultees included advisors and delivery staff and this strand of the research provided important information around support delivery and the effectiveness of the consortium approach. Again, a list of consortium partner organisations consulted is given at Appendix B.

Research with service beneficiaries / recipients

Fieldwork with service beneficiaries was a key strand of the research as it provided vital information around the impacts, benefits and effectiveness of Just Enterprise support. The core themes of this research included further building a profile of beneficiaries, recipients' experiences of support throughout the process (from application to aftercare), the benefits and impacts of support on recipients and their organisations (including economic impacts) and recipients' future support needs.

Research with service users took several forms. Some 456 recipients[68] took part in the research: 231 completed an online survey which was distributed to all those for whom contact details were held in the first instance, 200 were surveyed via telephone (prioritising the early contract period and geographic areas, sector and type of support under-represented in the online survey responses) and 25 took part in either a telephone or face to face consultation. Seven Start-up recipients and seven Business Support recipients who had already taken part in the online survey also participated in online discussion forums.

The discussion forum was carried out through participants commenting on questions with further discussion prompted by participants responding to each other's comments. A consultant also took part in the forum, adding in comments to stimulate further discussion. This allowed for further probing into the strengths, weaknesses and impacts of the support.

The online and telephone surveys provided the necessary quantitative and qualitative data to allow for robust analysis, whilst the telephone consultations added more depth to the qualitative data and helped to build the study team's understanding of the impacts and benefits of support from the perspectives of those that participated in the research. Although the survey data (both online and telephone) is not a random sample / representative of all recipients / beneficiaries of Just Enterprise support over the full contract periods, the findings provide depth to the findings of the other aspects of the research (review of policy and Just Enterprise programme documentation and key stakeholder consultations).

Research with non-service beneficiaries

Research was also carried out with individuals who had applied for support but had not participated. This was done through 50 telephone interviews. Research with non-service beneficiaries was undertaken in order to understand any barriers there might be to participation in Just Enterprise support. The research also helped to capture the wider population of social enterprises and enterprising Third Sector organisations through engaging with organisations other than those that had participated in Just Enterprise support.

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[68] Some of these 25 also completed an online or telephone survey

Appendix B: Research Participants

Consortium Partner Organisations who participated in the review were:

Consortium Partners
CEiS: 4 participants
CEIS/Ready for Business: 1 participant
CEMVO Scotland: 2 participants
Community Enterprise Ltd: 1 participants
Firstport: 3 participants
Forth Sector Development: 1 participant
HISEZ: 5 participants
InspirAlba: 1 participant
Social Enterprise Academy: 2 participants

Stakeholders (by organisation) who participated in the review were:

Stakeholders
ACOSVO
Business Gateway
Entrepreneurship Team Leader
Scottish Government: 4 participants
Highlands and Islands Enterprise: 2 participants
Scottish Community Alliance
Scottish Enterprise: 1 participants
Scottish Investment Bank
SCVO
Senscot
Social Enterprise Scotland
Social Firms Scotland/Ready for Business
Supplier Development Programme

How to access background or source data

The data collected for this publication:

☐ may be made available on request, subject to consideration of legal and ethical factors. Please contact <email address> for further information.

☐ cannot be made available by Scottish Government for further analysis as Scottish Government is not the data controller.