# Impact Management Programme

## Impact for Growth strand: Grant application guidance notes

### Aims

The Impact Management Programme aims to build the capacity of charities and social enterprises to manage their impact – helping them increase their social impact and diversify their income.

The Impact for Growth strand of the programme is aimed at organisations who are actively seeking investment or contracts. The programme offers ventures training and grant funding to help them develop impact management systems that meet the needs of investors and/or commissioners.

The intended outcomes of the Impact for Growth strand of the Impact Management Programme are:

- All participating ventures develop their understanding of effective impact management, including how it supports investment and contracts.
- All ventures can scope and design projects that will improve their impact management practice and capacity.
- A number of participants secure grant funding to develop a project to improve their impact management systems, working with an approved provider.
- All grantees share their experience and learning with peer organisations.
- Grantees either successfully raise an investment/secure a contract, or if not, understand why they have been unable to.

Impact for Growth has a total of £1.8m of funding available and we expect grant awards to be around £50,000.

In the pilot round we received 31 applications and made 11 awards—a conversion rate of 35%.

We distributed almost £500,000 in our pilot round which means we have at least 26 further grants to award.

### Support offered

The programme offers grants for ambitious charities and social enterprises keen to develop their impact management, who have attended one of the programme's Impact Management training days. The grants are for charities and social enterprises to work with providers, and applications must be developed with a pre-approved supplier. The application should be viewed as a joint application, although the grant offer will be formally made to the charity or social enterprise.

Grants can be up to £50,000 in size and can be spent over a 12 month period.

Grants can be used to purchase specialist support from an approved Impact Management provider to help apply what has been learned during the Impact Management training.

Grants can be used for temporary additional internal capacity for the charity or social enterprise itself, as long as it is demonstrated that there is a clear plan/intention to cover this work post grant completion, and as long as the grant is not used to cover existing core costs.

Grants can be used to cover the costs of hardware and software purchase although this is not expected to be the primary purpose of grant and any costs requested of this nature will need to be fully justified. You may also use some of your grant towards other specialist provider costs to supplement the support offered by your approved provider; however we would expect this to a smaller element of any grant request.

There is no set criteria for how much of the budget should go to the provider—this depends on the nature of the project and the support that is required. In the pilot round on average the budget was split 56% to the venture, 26% to the approved provider and 18% to another/specialist provider.

## How to apply

The second (and final) round of the grant fund will be open to applications from Thursday 28 September 2017 until midday Monday 29 January 2018. We cannot consider any applications received after this time.

The decision making body for the Impact Management Programme is the Investment and Commissioning Panel (ICP). The ICP will meet three times to consider applications. The below table outlines the cut-off date for applications, the ICP meeting date and when you can expect a decision on your application.

| Cut off for applications | ICP meeting | Grant decision by |
|---|---|---|
| 25 October 2017 | 29 November 2017 | 8 December 2017 |
| 15 January 2018 | 21 February 2018 | 2 March 2018 |
| 29 January 2018 | 21 March 2018 | 30 March 2018 |

Applications need to be submitted by the charity or social enterprise applying by **midday** on the relevant cut-off date. However please note that your Impact Management provider will be asked to confirm that they support your application as submitted. Without this confirmation from your provider, we will not be able to accept your application.

## Eligibility

In order to be eligible to apply for a grant, applicants need to fulfil all of the following criteria:

- **Your organisation must operate in and deliver outcomes in England.**
  This is a condition of the programme funding - organisations operating in Wales, Scotland or Northern Ireland are not eligible. The Impact Management Programme can only support applications where the beneficiaries of the work are in England. If you deliver services and have beneficiaries elsewhere you can still apply, but the focus of this project must be England.
- **Your organisation must be a charity or social enterprise.**

Your organisation must either be a registered charity, or be a social enterprise. We consider a social enterprise a business that:
- Has a clear social and/or environmental mission set out in their governing documents
- Generates the majority of their income through trade
- Reinvests the majority of their profits
- Is autonomous of the state
- Is majority controlled in the interests of the social mission
- Is accountable and transparent

Further information about what constitutes a social enterprise can be found on the SEUK website here.

- **Your organisation must focus on achieving positive outcomes for individuals.**
  The principles of impact management apply best to organisations that work directly with individuals. Capacity-building, public advocacy, and those organisations working with a very broad audience/at a community level are not appropriate.

- **Your organisation must be actively seeking investment and contract opportunities.**
  This means that you need to have clear, identified goals in relation to raising investment or winning contracts. For investment, you should have defined amount that you are working towards raising as repayable finance. The Impact Management Programme cannot help you to raise finance that is not repayable (including grants). For contracts you do not have to identify a specific tender you wish to respond to, but you should have an awareness of the commissioning landscape in which you are operating and be able to describe the likely contracts you would hope to bid for at the end of any grant. It will not be enough to say that a grant would help you to increase revenue. We have a particular interest in supporting those seeking investments/contracts for the first time.

- **Your organisation must collect outcome data which indicates a positive impact and have a theory of change.**
  The programme is designed to support organisations that have already progressed with their impact journey and are looking to increase their impact management capabilities. Applicants must already have some impact data collection processes showing that you are having a positive impact and a relevant theory of change. While you may wish to make improvements as part of a grant, if you do not have these as a minimum you should not apply for a grant.

- **Your organisation must have impact focussed trustees, senior management and staff.**
  The Impact Management Programme is aimed at organisations who want to improve their existing processes and systems. Impact management requires change and so both the senior management team and board need a strong commitment for this change to be embedded within an organisation. Having impact focused staff at various levels indicates that you are in the right place for the type of support the fund wishes to provide.

- **Your organisation must be financially healthy and able to cover its core costs during the life of the grant.**
  This means that you need to be in a stable financial position (i.e. able to cover your costs through either income or reserves) and you are able to evidence that this will continue for the life of the grant. Applicants should be willing to contribute to costs of the project– particularly those with significant reserves to draw on.
- **Your organisation must be committed to learning and collaboration.**
  The Impact Management Programme is a learning programme and all involved should be willing to share outputs and learning to broaden the benefit to the sector. We actively support collaboration and partnership working and welcome joint applications from both ventures and providers.
- **Your organisation must not be seeking a grant for religious or political purpose.**
  We can fund faith/politically based organisations, but we cannot provide grants where the work would promote religion, belief or a particular political stance.
- **Your organisation must have attended an Impact Management training session.**
  Grants are only available to those who have attended a training session to implement what they have learned. If you have not attended a training session, you are not eligible to apply to the fund. Organisations who attended a training session in phase 1 of the programme are eligible to apply for a grant in this round of applications, along with those attending training during the second phase of the programme.

If you do not meet all of these criteria, you should not complete a grant application.

If you applied for a grant in the pilot phase of the programme and were unsuccessful, and you feel you can address the feedback provided, you are able to reapply in this second grant round. You will need to submit a new application to do this but you do not need to attend another training session.

## How your application will be assessed
Once we have checked that you have fully completed the application form and provided all supporting documents, your application will be assessed as follows:

1. We will confirm your organisation's eligibility for the fund, make sure the application's aims budget and timelines fit with the criteria and that any grant would not breach state aid rules; if so
2. Applications will be reviewed by Social Investment Business (SIB) staff and scored to ensure they meet a minimum quality level. If they don't we will provide you with feedback on why.
3. If your application meets the minimum quality level, it will be put to the ICP alongside a report written by SIB staff. This report will highlight strengths, weaknesses and any possible risks to your application that the ICP should consider when reviewing your application.
4. The ICP may request further information or clarification on your application before they can reach a decision. If this is the case, this will be communicated by the SIB team.

## If you are successful

If your application is considered by the ICP you will be informed of their decision no later than 1 week after the meeting at which your application is discussed. We will then issue you with a formal offer letter which you will need to return to us along with:

- An original bank statement less than 3 months old in the name of the organisation receiving the grant;
- One other document confirming your bank details. This can be any 1 of;
    - A paying in slip
    - A blank cheque (voided)
    - A letter from your bank confirming the account name, account number and sort code.
- A completed Key Persons Information Form. This will ask you to confirm your bank details, as well provide information on the people who are authorised signatories for this account as well as 2 Directors from your organisation.
- A completed State Aid declaration form (where relevant). Further information regarding State Aid is provided on page 11.

As well as this general documentation, if any specific pre-conditions are set we may require some additional information relating to these. If this applies to you, we will give you more information about what you need to provide in your grant offer letter.

## If you are not successful

If your application is not approved by the ICP, we will give you feedback explaining the reasons for this but you will not be able to re-apply.

## Grant monitoring

All successful applicants will be required to submit grant monitoring information throughout the life of the grant. Details will be provided in your grant offer letter.

## Peer support and learning

All Impact for Growth grantees will join our peer network, which has been set up to enable grantees to connect, learn from and with each other, share experiences and challenges—and to encourage collaboration and partnerships. It will also be used to draw wider learning from the funded projects to understand better what works in impact management. Read this blog for more information on what is involved.

### Relationship to other readiness programmes

The Impact for Growth strand of the Impact Management Programme is aimed at organisations actively seeking investments and/or contracts. If you have received a grant from another readiness programme (such as the Investment and Contract Readiness Fund, Impact Readiness Fund or Big Potential) you can apply for an Impact for Growth grant. However you will need to very clearly articulate why further support is required, and how this grant would build on the work previously funded.

## Specific application guidance

Following feedback from our pilot round, the application form for this second round of grant applications is in a word format. It should be compatible with all operating

systems and easy to use. However if you have any issues please contact us. When completing your application, please only amend the document to add the information requested and insert the information in the space provided. We have provided word limits for each of the questions so please ensure that you stick to these. We understand that you may want to write more and provide more detail than the word limit allows, but we need you to be concise in your answers. If you do not stick to the word limits your application may not be assessed.

To help you complete your application we have provided guidance for every question we ask in the grant application. We would advise you to refer to this guidance when completing your application and ensure you cover off everything that we ask you for.

## Venture eligibility checklist

Please complete the checklist and insert details of which Impact Management training session you attended; we will verify this against our own records of training attendees.

## Section 1 – KEY DETAILS

Please answer all of the questions in this section fully and accurately.

**1.1** This should be the name of the person from the charity or social enterprise that is applying for a grant, and who is leading on this application. This will be the person that we will come to with any queries or questions, who we will send any feedback to and (if successful) who we will address the grant offer letter to.

**1.8 – 1.12** We will use the legal name provided, legal status, company and charity numbers (if applicable) and date established to perform due diligence and checks to your governing documents. Please make sure that this information is entered accurately.

**1.10** If you are a company that is also a registered charity, please tick the type of company you are in the table and then provide your charity details in question 1.12.

**1.17** In this question we would like you tell us what you do and what your mission is as defined in your organisation's governing documents. Please use no more than 200 words in your answer to this question.

## Section 2 – PROJECT AND PROVIDER

**2.1** Here we would like you to summarise your project into a short paragraph. We want you to briefly describe what you want to work on with this grant as well as describe what the money will be spent on. In describing what the money will be spent on we want to know the areas of work that the grant will be spent on. So please do not just say that the grant will be used to pay for support from your provider or internal backfill, but instead say what outcomes the grant will pay for. Please use no more than 200 words in your answer to this question.

**2.2** You must be working with one of our approved impact management providers in order to apply for a grant. Details of our impact management providers and how to contact them can be found here http://accessimpact.org/providers/.

**2.5** If you are working with any specialist providers as part of your project, please detail them in the space provided. If you are not working with any specialist providers please leave this blank.

**2.9** We need to be confident that you and your provider are going to have a productive relationship, and understanding why you have chosen to work with a particular provider is a key part of this. Please detail the reasons for you choosing your provider, and why you think they will be able to meet the particular needs of your organisation. Please use no more than 200 words in your answer to this question.

## Section 3 – YOUR ORGANISATION

**3.1** In your description please give us a brief outline of organisational history and tell us what it is you do, what services you provide, and where you provide them. Your description of track record should focus on the key achievements and activities. It should help us quickly understand your organisation's main activities/role, a clear history of trading (including sales or contract numbers and values) and the results or outcomes of these activities (including both quantitative and qualitative descriptions). You should not repeat the information provided in your answer to question 1.17, but provide more detail about what you do, how you do it, and what you have actually achieved. Please use no more than 300 words in your answer to this question.

**3.2** Please include how many trustees/directors you have on your board as well has how many people make up your senior management team. You should detail the skills that both trustees/directors and the senior management team have in relation to your work/sector. We want to be confident that your executive team (both trustees/directors and your senior managers) are supportive of your impact management project and also your ambition to raise investment/win contracts, so please tell us what discussions you have had about this and how they will be involved going forward. Please use no more than 300 words in answering this question.

## Section 4 – YOUR IMPACT MANAGEMENT PROJECT

Based on what you learned at the Impact Management Training, we would like you to provide us with details of the gaps in your existing framework and how the different building blocks of impact management can be improved in your organisation.

In completing table **4.1** please tell us what you have in place for each of the building blocks. This means that in column 1 you should have information in each row. However we understand that you may not need to, or be able to, work on each building block as part of this project. So in column 2, please only provide information on what you will be working on as part of this project. If you are not working on a particular building block as part of this project, please state this in the relevant row.

What you put in this table will feed into your Actions and budget table (4.6) so please fill this in accurately. Please keep your answers succinct, as you will be able to elaborate in the next question.

**4.2** Referring to what you have put in the building blocks table, please explain to us what you need to do in order to fully embed your improved framework within your organisation. This is your opportunity to expand on what you have put in the table, so please refer to it but do not simply repeat what you have already written. What you put here will also need to feed into your actions and budget table. Please use no more than 400 words in answering this question.

**4.3** We want to support organisations that are committed to developing their impact management, and we want any grant we provide to enhance work that may already be underway. So please detail anything that you are already doing, and how this would continue without grant support. We do understand that some organisations may not be in this position, so if this is your situation please tell us why. Please be honest in your answers. If you are not already undertaking any work relating to the project it does not mean that you will not receive a grant, but we need to understand your commitment to improving your impact management. Please use no more than 200 words in answering this question.

**4.4** The Impact Management Programme is a learning programme and so it is important to us that organisations awarded grants are willing to share their experiences and learning internally and externally, and also develop relationships with other organisations supported by the programme. Please tell us how you will support this. Please use no more than 200 words in answering this question.

**4.5** We understand that undertaking your impact management project will be one of many things you will do over the coming months, and we want to be sure that you are aware of what may affect you being able to undertake the project as currently planned. Please be honest and specific with us. We want to know that you are aware of potential difficulties, and that you are being transparent with us. This will be viewed more positively than if you provide us with a generic response. Please use no more than 200 words in answering this question.

**4.6 Actions and budget table**
In addition to completing the grant application form, you will also need to complete the separate actions and budget table. This is an excel spreadsheet which you can download from the website in the same way that the application form is downloaded.

The actions and budget table relates to the information you have provided in section 4. Please take the work you need to do and turn this into clear actions for you, your approved provider and any specialist providers for each impact management building block. You then also need to provide a cost for each action, again broken down for you, your approved provider and any specialist providers.

An example for 1 quarter is given on the next page. The totals for the amount of grant to go to your approved provider, you and any specialist providers, as well as the total grant requested should match the amounts given in section 1 of the application form.

# Example Actions and budget table

| | | IMPACT MANAGEMENT BUILDING BLOCKS | | | | | | | | | | | | | | | Project learning | | | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Target Population | | | Outcomes | | | Programme Design | | | Performance Management | | | | | | | | | |
| | | Action | No of days | Budget | Action | No of days | Budget | Action | No of days | Budget | Action | No of days | Budget | Action | No of days | Budget | Action | No of days | Budget | Totals |
| Quarter 1 | Provider | Review of existing data | 4 | £2,000 | | | | Research elements of programme design | 6 | £3,000 | Dashboard KPIs reviewed | 3 | £1,500 | | | | | | | £0 |
| | | | | | | | | | | | | | | | | | | | | £0 |
| | | | | | | | | | | | | | | | | | | | | £0 |
| | VCSE | Staff Training | 10 | £1,500 | | | | | | | Staff training | 6.6 | £1,000 | Project Management | 10 | £1,500 | | | | £0 |
| | | | | | | | | | | | | | | | | | | | | £0 |
| | Specialist Provider | | | | | | | | | | | | | | | | | | | £0 |
| | | | | | | | | | | | | | | | | | | | | £0 |
| Totals | Provider | | 4 | £2,000 | | 0 | £0 | | 6 | £3,000 | | 3 | £1,500 | | 0 | £0 | | | | £6,500 |
| | VCSE | | 10 | £1,500 | | 0 | £0 | | 0 | £0 | | 6.6 | £1,000 | | 10 | £1,500 | | | | £4,000 |
| | Specialist | | 0 | £0 | | 0 | £0 | | 0 | £0 | | 0 | £0 | | 0 | £0 | | | | £0 |

## Section 5 – YOUR FINANCES

Please complete table **5.1** by providing details from your annual accounts of your historical financial performance.

- Y-2 will be the year before last (15/16).
- Y-1 will be last year (16/17).
- Y0 is the current year (17/18); in the 'current year management figures column' please put the latest figures you have for the current financial year, and in the 'projected full year figures' column put your forecast figures for the whole of the current year.
- Y1 is next year (18/19) so please put your forecast figures for that year.

**5.2** In particular we are interested in:

- where your earned income comes from.
- how much of your unrestricted funds is in the form of cash (as opposed to assets).
- if you have designated funds within your unrestricted funds please tell us how much these are and what they are for.
- Whether and how often you prepare management accounts, who prepares and reviews these, including how often they are reviewed by our directors/trustees.
- Have you received repayable investment in the past and if you have, what were the terms and purpose of this.

Please use no more than 250 words in answering this question.

**5.3** We want to make sure that all projects offer value for money. So please tell us how you will be contributing to the project alongside any grant amount awarded. We do understand that some organisations may only be able to make a limited contribution and if this is the case for you, please tell us why. Please use no more than 200 words in answering this question.

## Section 6 – MOVING FORWARD

**6.1** Our aim is to support organisations to grow, either by raising new investment or winning new contracts in the 12 months after completing their impact management work. In your answer, please detail what your aims are in terms of raising new investment or winning new contracts, and your timeframes for raising/winning these. For contracts, we would expect you to demonstrate an understanding of the commissioning landscape you operate in, and examples of the types of contracts you intend to bid for and hope to win. Please use no more than 300 words in answering this question.

**6.2** We want to be sure that organisations supported will continue their work on Impact Management. As such, please detail how you will ensure the work you start as a part of this grant will continue, and how it will become truly embedded within your organisation. Please use no more than 250 words in answering this question.

## Section 7 – State Aid

The Impact for Growth grants of the Impact Management Programme are subject to State Aid regulations. This means that we will need to assess every application and grant award to ensure that it complies with the current State Aid legislation. Please refer to the government website for detailed guidance on State Aid.

The questions in this section are designed to determine whether your organisation / proposal is exempt from State Aid and, if not, what size of grant could be made without breaching State Aid rules. Please answer them as fully as you possibly can because it is important that we do not breach state aid rules. If state aid rules are breached, you may have to repay any grant awarded.

**7.1** Statutory services are ones which the state is legally required to provide and has contracted out to your organisation to deliver on their behalf. Examples of statutory services include but are not limited to; schooling for under 16s; health and social care for wards of the state; statutory services for offenders during imprisonment. We need you to estimate the percentage of your income that comes from statutory sources. If you are unsure whether the services you provide are statutory, you should check this with the government body that commissions you.

**7.2** Please complete this table to include all funding (not earned income) received from a public body, including lottery funds, in the last three years. The date that you should use if the date at which you received an offer of funding. It is the point of offer that is relevant for us when assessing State Aid so please make sure you include all public funding offered and accepted between the dates shown.

## Section 8 – DECLARATIONS

Please ensure that you have read the declarations as if you are successful in your grant application they will become part of the legal grant agreement.

Please ensure that the venture declaration has the name of a senior member of staff (like the Chair, Chief Executive or a Director) and their electronic signature. There is guidance on creating an electronic signature available here.

Your provider declaration should also be signed electronically by your contact at your approved provider and they should provide a short comment on the project in answer to **8.1.** This could include why they want to work on the project, what they think it will achieve, how it fits with their skills and experience etc.

## Questions?

If you have any questions about completing your application please get in touch with the Social Investment Business team and we will be happy to help. You can call us on 020 3096 7900 and we are here Monday–Friday from 9am–5pm. You can also email us impactmanagement@sibgroup.org.uk.

More information about the Programme can be found on the website accessimpact.org.