In Pursuit of Readiness: Evaluation of the Investment and Contract Readiness Fund

Final Report

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INVESTMENT AND CONTRACT READINESS FUND EVALUATION

ICRF was funded by the Cabinet Office and managed by Social Investment Business (SIB).

155 ventures received £13.2m in grants to pay for investment and contract readiness support.

This support led to...

£154m in contracts

£233m unlocked

£79m in investments

The evaluation was undertaken by Ecorys UK on behalf of SIB and Cabinet Office

Every £1 spent on ICRF unlocked

£18

£2.8m

The average size of a contract or investment secured

A large number of ventures felt they would not have got the deals without the support they received

The majority of ventures felt their ICRF-funded support was leading to sustained changes that would enable them to continue to be investment and contract ready

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Summary

The Investment and Contract Readiness Fund (ICRF) ensured that promising social ventures were better equipped to compete for public service contracts and secure other forms of investment. ICRF spent £13.2m and supported 155 ventures, with an average grant of £85k. This report, commissioned by Social Investment Business (SIB) and the Cabinet Office and undertaken by Ecorys, uses evidence from ventures, providers and investors to assess the impact of ICRF and makes recommendations for similar funds in the future.

The Fund has pioneered an important model for improving the contract and investment readiness of social ventures. Half the ventures supported by ICRF (78 out of 155) successfully secured at least one contract or investment as a consequence of the support they received. The total value of the contracts and investments raised through ICRF support was £233m, meaning every £1 spent on ICRF unlocked £18 in contracts and investments. When only those who secured contracts and investments are included this increases to £32 unlocked for every £1 spent. Ventures supported by ICRF who were seeking contracts had more success: just over one in two contract bids were successful compared to just over one in three investments. Overall, ventures felt the fund had high added value in terms of helping them win contracts and investments.

Most ventures also felt their ICRF-funded support led to sustained changes that will enable them to continue to be investment and contract ready; around half of the ventures interviewed reported that these changes had already led to them securing further deals outside of the ICRF support. Ventures identified five main sustained changes: strengthened organisation: tangible outputs that could be directly applied to other contracts or investments; improved skills and knowledge; improved confidence; and widened networks.

ICRF has also generally strengthened the provider market. Small and medium sized providers reported that their involvement in ICRF had sharpened and improved their investment readiness support. The feedback on whether ventures could pay for this support themselves in the future was mixed, though most felt they would not be able to at present, mainly down to a lack of resources and reserves in which to fund the support. There was a strong appetite, though, for applying for a fund that asked ventures to contribute towards some of the costs. This feedback suggests it will be some time (if at all) before ventures are in a position to pay for their own provider support. This means funds like ICRF are likely to be needed for some time in the future.

The main lessons drawn from this evaluation for future funds are as follows:

- Investment and contract readiness support needs to be flexible and tailored to the needs of ventures. A venture's journey to becoming investment and contract ready is more nuanced than stakeholders originally envisaged and can be seen as a spectrum. Future funds need to be aware of this and consider where they want to position themselves on the spectrum.
- Financial contributions from ventures could increase venture buy-in and the numbers of ventures who can be supported.
- Funds need to consider the sustained and longer term impact of support when assessing applications. Support does not inevitably lead to sustained change, but rather is dependent on the type of support provided and the venture's appetite for sustained change themselves.
- Close scrutiny of the fund can strengthen its performance.
- Contract and investment readiness support need to be regarded differently in terms of how the applications are assessed, what the fund is wishing to support and what to expect in relation to a positive outcome or impact.

1.0 Introduction

This final report presents the findings of the ICRF evaluation, which was commissioned in April 2015 by the Cabinet Office and Social Investment Business (SIB) and undertaken by Ecorys UK. Big Society Capital also contributed funding to the report.

Investment and Contract Readiness Fund

ICRF was a grant fund that aimed to ensure that promising social ventures were better equipped to compete for public service contracts and secure repayable investment. It was delivered by the Social Investment Business from May 2012-March 2015 on behalf of the Cabinet Office. Originally set up to be a £10m fund, the fund grew to £13.2m based on additional contributions from the Cabinet Office and, at a later stage, the Mutuals Support Programme, the Department of Health and the Arts Council. The logic model in **Annex 1** summarises the aims of ICRF.

ICRF provided grants to promising social ventures seeking to raise at least £500k in repayable investment or secure a public service contract of £1m or more. Ventures received grants of between £50k and £150k, which could be used to purchase up to 20 months of 'contract readiness' support and/or specialised investment advice from a set of providers approved by an Investor Panel, composed of investors and chaired by Big Society Capital. Ventures and providers submitted joint applications to SIB and the Investor Panel. In May 2013 a repayable award was introduced for all new investment readiness applications over £100k.

The Cabinet Office works to support the growth and further take-up of the social investment market. In order to prepare social ventures for investment, Cabinet Office launched the Investment Readiness Programme in 2012, which included ICRF and the Social Incubator Fund. The Social Incubator Fund set up incubator programmes to support early stage and start-up social ventures. The Investment Readiness Programme sits within a wider set of initiatives to support the social investment market. These include setting up Big Society Capital and Access - the Foundation for Social Investment, the Social Investment Tax Relief, and the Centre for Social Impact Bonds.

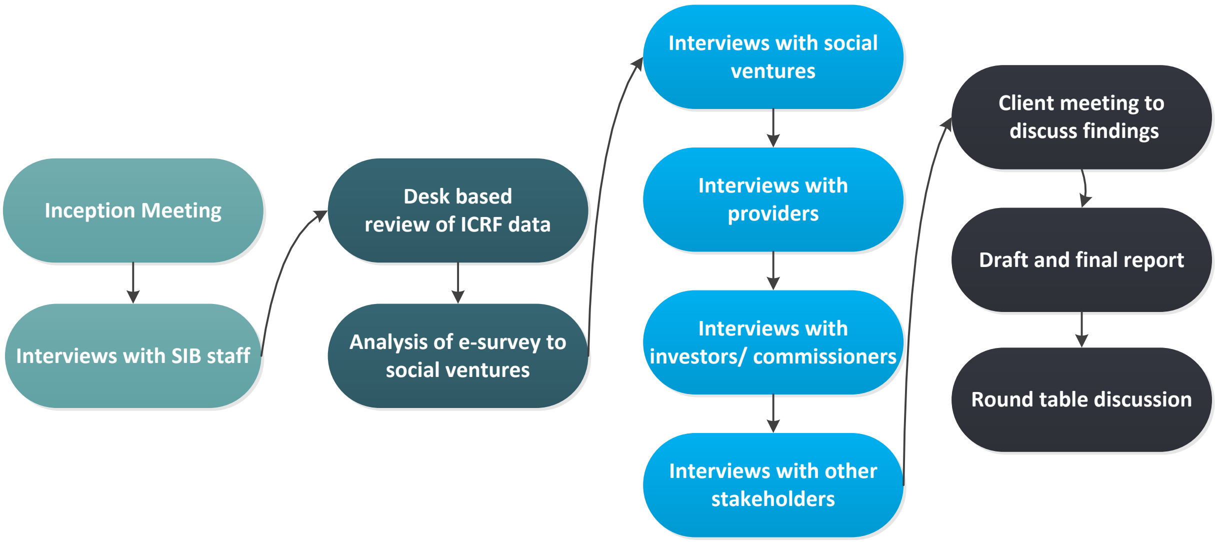
Cabinet Office also works to help social ventures deliver public sector contracts. It introduced the Social Value Act, which requires commissioners to consider how to improve the social value of a public service contract and has delivered a series of masterclasses both for social ventures and commissioners.

Evaluation aims and methodology

The aim of the final evaluation was to assess the overall impact of ICRF in supporting ventures to unlock investments and contracts and to highlight lessons learnt for similar funds in the future. The evaluation particularly focused on why attempts to secure investment and contract were successful, and the extent to which this can be attributed to the support funded by ICRF, rather than exploring why attempts were unsuccessful. **Annex 2** provides a more detailed overview of the areas for investigation.

Figure 1.1 summaries the evaluation method, which is further detailed in **Annex 3**.

Figure 1.1: Evaluation method



The following stakeholders were consulted as part of the evaluation process:

- 27 ventures who received ICRF funding;
- 4 ventures who did not receive ICRF funding;
- 9 providers;
- 9 investors/commissioners who had invested/commissioned the venture and/or sat on the Investor Panel; and
- 3 stakeholders linked to ICRF and the social investment market more broadly.

A Sampling Framework was developed (see **Annex 4**) to ensure the evaluation interviewed a representative sample of ventures and providers.

The desk-based review of ICRF data involved a set of sub-analysis, including exploring whether ventures' perspectives of quality and success in securing investments/contracts varied by:

- size of provider;
- grant value;
- type of support provided;
- whether the venture was receiving contract or investment readiness support; and
- venture sector.

The roundtable discussion involved presenting the findings to 16 providers, 2 investors and 4 stakeholders. The report was updated based on comments made at the roundtable.

The end of term evaluation builds on findings from a mid-term review of ICRF, undertaken in April 2014, which provided a preliminary assessment of the fund's design and strategy[1]. The final evaluation does not explore some aspects already reviewed within the mid-term review, such as the thematic call-outs.

[1] See: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/302336/ICRF_report_FINAL_090414.pdf

Activity of the ICRF

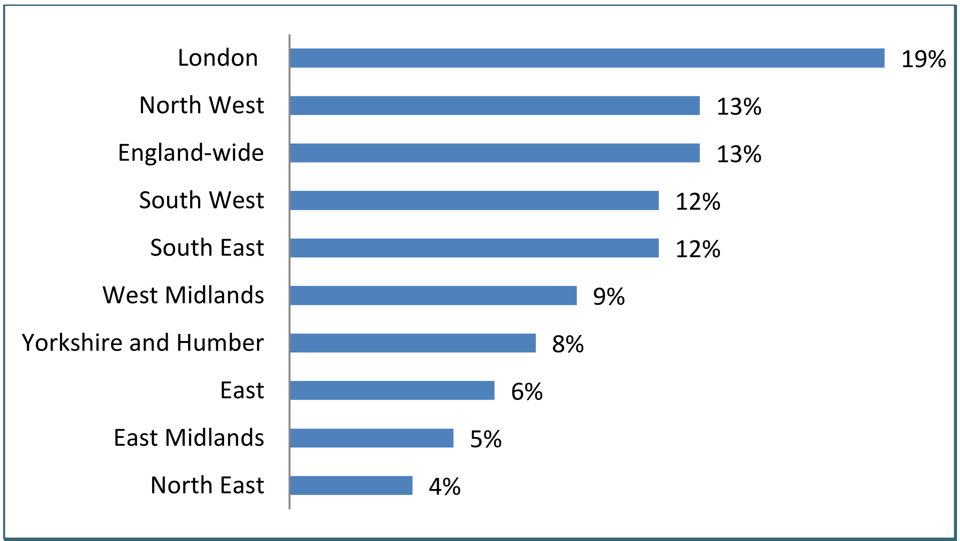
This section describes the types of ventures that received ICRF funding and the types of support they received.

Numbers and location of ventures who received ICRF grant

SIB received a total of 293 applications for support to ICRF with just over half (155) receiving grants[2]. 86 received a grant for contract readiness support and 79 received a grant for investment readiness support[3]. Of those for which information was available, just over half (86) were Companies Limited by Guarantee, just over a quarter (41) were Community Interest Companies and the remainder were Companies Limited by Shares (14) or Industrial Provident Societies (12).

SIB awarded grants to ventures from all regions in England, but there was a slight dominance of London-based ventures who received almost 1 in 5 of the grants (see **Figure 2.1**). This slight dominance is present even when the population differences between regions is accounted for.

Figure 2.1: Regional share of applications receiving grants



Source: SIB data. Location information not available for rejected or withdrawn ventures

Characteristics of providers supporting ventures

40 providers were approved to support ventures, who were varied in terms of their type and size. The size of the providers, in terms of annual turnover, varied significantly, from less than £100k to over £1bn. Most commonly providers were mid-sized, with an annual turnover of between £100k - £500k (accounting for around a third of providers). Over a third of providers on the approved list (15 out of 40) were not

[2] 119 (41%) were rejected. 19 withdrew their applications, including 2 that withdrew after having their grant approved.
[3] All breakdowns between investments and contracts total 165 rather than 155, as 10 ventures received both contract and investment readiness support.

successful in accessing a grant from ICRF. Out of the 25 that did, mid-size providers (those with an annual turnover of between £100k and £500k) were the most successful; the Investor Panel funded four of out of five (54 out of 66) of their applications.

The fact that over a third of providers did not have an application approved suggests there were a relatively large number of providers who were inactive. A lesson from ICRF for future similar funds is how to manage provider performance and ensure any list of providers remains current and active (see **Lesson Learnt 4: Close scrutiny of the fund can strengthen its performance**).

Value and type of awards

ICRF awarded £13.2m to ventures, with the average size of grant being £85k.In general ventures and providers felt that the grant size was the correct amount, though during the roundtable discussion there was some disagreement between providers and investors over how providers determined the costs of the support. It may be helpful if providers and investors discuss how support is costed further.

On average, an investment application received a higher grant value than a contract application (£90k average for an investment application against an £80k average for a contract application). This is most likely because the maximum grant for contract readiness support was capped at £75k after one year of the programme. The average value of the awards reduced over time from about £110k at the start of the programme to about £60k by the end of the programme.

The four most commonly requested types of support were:

- financial modelling (requested by 86% of ventures);
- impact measurement and social mission (72%);
- investment structuring (57%); and
- tendering and bid writing (57%).

Table 2.1 provides a summary of the types of support provided to two ventures.

Table 2.1: Examples of types of support provided

Contract readiness support: National Star Foundation

Background: The National Star Foundation is an independent specialist foundation (college) for individuals with complex disabilities. It currently has around 1,000 people enrolled in various programmes. The organisation wanted to develop their business strategy and move towards delivering a variety of public contracts, rather than relying largely on a single source of funding, and required support to develop their proposals.

Cogent and CAN both provided support to the National Star Foundation in the following ways:

- **Financial modelling:** Examining and improving their processes and structures to accommodate the business development that would occur through taking on more competitive contracts.
- **Tendering process:** Improving the processes of tendering/bid-writing and ensuring that proposals were embedded across the organisation.
- **Impact measuring and social mission:** This support was provided by CAN and took the form of a social impact report and a SROI. This was used to provide justification in their proposals and improve their systems to capture social impact data.

Experience of support: The National Star Foundation were very satisfied with the overall process and *"the quality was higher than we expected".* Using the two consultancies meant that they could get specialist support from both; Cogent were really strong on the business modelling and business development whereas CAN were specialists in measuring and capturing social impact and SROI.

Following the support National Star Foundation secured a range of contracts totalling £1.6m.

Investment readiness support: HCT Group

Background: HCT Group is a social enterprise in the transport industry. They deliver commercial transport contracts – from London red buses to Bristol Park and Ride services. They reinvest the profits from the commercial work into community transport services or projects with a high social impact in local communities. The HCT group borrowed £4 million in 2010 through social loans which mature in 2015. This meant that they needed to be refinanced and renegotiated. This is quite a technical task and HCT wanted to bring in external support to help with this. They selected ClearlySo as their provider as they had a pre-existing relationship with them.

Support: HCT Group applied for and received the following support:

- Arranging and introducing HCT to investors.
- Helping with the renegotiation stage, such as negotiating terms, payment levels and timescales.
- Preparing HCT for and rehearsing the pitch before HCT got in front of investors.
- Providing other ad-hoc and practical advice on the terms of the loan.

Experience of support: HCT group were very satisfied with the support. It was practical and hands-on (including a number of working meetings where there was a good debate about tactics when approaching investors). They felt the quality was high - mainly because Clearly So knew which investors to approach and also spoke the investors' 'language' and were able to sometimes 'translate' what investors wanted and what they were saying. The support was useful as 'an extra pair of hands' when things became more technical or when relationships with investors needed to be developed.

As a result of the support HCT were able to negotiate much better terms on the loan than they could have done on their own.

Extent to which ICRF encouraged ventures to bid for investments/contracts

Two thirds of ventures interviewed had run public sector contracts previously and a small number had secured investment. However, they required support from ICRF to help them bid for a specific investment or contract opportunity, mainly because they were looking to bid for larger contracts/secure larger investments or to diversify the markets they operated in. A large majority of ventures reported that, without ICRF, they would not have been able to afford external support. Around half of these would therefore not have bid for the opportunity – the other half would have bid for it but felt their chances of securing the contract/investment would have been low.

A small number of ventures reported they would have bought in some external support, either through taking out a loan, seeking funding from charitable trusts or accessing support from other charitable organisations. However, the ventures reported they would not have been able to access the same level of support as ICRF enabled them to.

The ventures were not necessarily new to accessing provider support, however. The large majority of ventures interviewed had accessed provider support previously, though for most of these this was small scale law/management/accountancy support rather than the more holistic support funded through ICRF.

Experiences of Support

This section describes the ventures' and providers' experiences of receiving and delivering the ICRF-funded support, including a review of the quality of the support.

How ventures selected providers

ICRF enabled ventures to select their own provider to work with, from a list of approved providers screened and maintained by SIB and the Investor Panel. Most stakeholders regarded this as a positive aspect of ICRF, particularly as this approach has not been adopted by other similar funds. Stakeholders reported that this approach gave ventures ownership of the type of support they received and more closely reflected the private market.

There was a careful and rigorous selection process between most ventures and providers alike when deciding to work together. Most ventures selected providers they had a pre-established relationship with. However, many did speak with multiple providers and made informed decisions, with some running mini-tendering processes.

There were only a few instances of providers directly approaching ventures about ICRF. This was mainly because demand was high, with one provider describing how they received 120 requests from ventures in the first six months of becoming an approved provider. Many providers adopted a rigorous screening process to decide which ventures to bid with, partly to manage demand but also to avoid working with ventures that were far from being investment and contract ready.

Experience of delivering support

The support was often broader than the providers and ventures were originally expecting. The evaluation has found that some of the support provided through the ICRF was seen as being more general capacity building support rather than explicit support on helping ventures with a specific opportunity linked to an investment or contract. This was because once ventures and providers started working together they both realised that the ventures needed more 'wrap-around support', such as strengthening governance arrangements and improving financial records so they could be understood by commissioners / investors. Whilst this can still be deemed as investment and contract readiness support, most ventures needed more than discrete pieces of technical support to become investment and contract ready.

This suggests that a venture's journey to becoming investment and contract ready is more nuanced than stakeholders originally envisaged. Investment and contract readiness needs to be seen as a spectrum rather than a binary state; future funds need to be aware of this and consider where they want to position themselves on the spectrum (see **Lesson learnt 1**).

Quality of support

Ventures were satisfied with the quality of the support they received from providers and the vast majority felt it met their needs. The majority of ventures responding to the Venture Survey rated each area of quality and value for money as either 'good' or 'excellent' (see **Table 3.1**). In the main, ventures described the providers as being very professional (in terms of communications, turnaround time of work and presentation of work), knowledgeable and really 'getting behind what the organisation is about'.

Table 3.1 Perceived quality of support and value for money

Areas	Number of providers rated as:				Average score
	1 = Poor	2 = Satisfactory	3 = Good	4 = Excellent	
Technical skills	0	6	15	34	3.5
Communication skills	0	6	15	34	3.5
Timeliness	1	2	17	35	3.6
Professionalism	0	2	11	42	3.7
Understanding of the sector	0	5	17	33	3.5
Understanding of your organisation	1	4	17	33	3.5
Value for money	2	9	16	26	3.3

Source: Venture Survey. Of the 57 ventures that responded to the survey, 55 rated their providers in these areas

However, three major investors commented that the quality of the business plans they saw were variable. One investor reported that the incentives for ICRF were misaligned – once the provider has received ICRF funding there is no incentive to provide high-quality support. Publishing provider's performance in supporting ventures to secure contracts and investments could create stronger incentives (see **Lesson Learnt 4: Close scrutiny of the fund can strengthen its performance**).

"The alignment of incentives is not quite right...Who gets the most out of ICRF? It's the providers." (Investor)

Another investor interviewed felt that, whilst the business model is often of good quality, the business plans created were not always tailored to the recipient organisation – instead there was a 'one size fits all' business plan that was not always fit for investors (e.g. it oversold the proposition or did not focus on the specific aspect that needed the investment). They felt providers and ventures needed to carefully consider the different audiences and tailor the business plan to suit.

"More often than not we have to get them to do the financials again because they're not credible...You need different business plans for different needs and they're not always tailored enough." (Investor)

The evaluation explored whether perceptions on the quality of the support varied based on a number of factors:

- size of provider;
- grant value;
- whether the venture was successful in securing a contract/investment;
- type of support provided;
- whether the venture was receiving contract or investment readiness support; and
- venture sector.

Although there were variations based on these factors, they were not significant enough to draw any meaningful conclusions. Future details on this analysis can be found in the accompanying 'ICRF Data Analysis' note.

Areas most useful

Ventures and providers alike thought the more technical quantitative aspects of financial modelling and forecasting were the most useful for ventures, as these were the main skills the ventures felt they lacked and were seen to be integral to their contract/investment success.

"It's a different level of financial analysis that's needed and the staff they've got in house are just not necessarily the right people to develop a more complex proposition." (Provider)

Ventures found it very useful that they could utilise the networks and relationships of providers to access potential investors, new contract opportunities and partnership brokering. They also valued having an external 'critical friend' / mentor who could 'hold a mirror' up to them and offer a different perspective.

Ventures also valued the fact that some of the funds could be used to back-fill positions in order to free-up senior people's time to work on the opportunities. Ventures argued that this was necessary as they are sometimes so thinly stretched it is not possible to undertake the 'day job' and focus on large contract and investment opportunities.

Perceived value for money

Overall the value for money was perceived to be good, with four out of five ventures responding to the question in the Venture Survey rating it as either good or excellent (42 out of 53; see Table 3.1). Quite a number of ventures reported that, at first, they felt the support was expensive, but at the end realised it was good value for money. This also suggests the scheme was effective in changing venture perceptions around the value of providers (see **Impact on ventures being able to pay for provider support themselves**).

"At first the provider support seems very expensive, but for level of expertise and complexity, it is well worth it, retrospectively." (Venture)

Areas for improvement

A large number of ventures fed back that they would have liked a greater proportion of the grant to cover more of their own costs. However, we would discourage against funds funding a larger amount of venture time as this is not conducive to the aim of moving towards a self-sustaining venture-provider market; a key aspect of business development is setting aside time to explore future opportunities.

Impact of Support

This section describes the ventures' successes in unlocking investments and contracts and provides an analysis of the extent to which this success can be attributed to the ICRF-funded support.[4]

Investments raised and contracts won

In total half the ventures (78 out of 155) were successful in securing at least one contract or investment opportunity. Accounting for the fact that some ventures secured both contracts and investment a total of 84 contracts and investments were secured.

The total value of these contracts and investments was £233m, with an average of £2.8m. In other words, every £1 spent on ICRF unlocked £18 in contracts and investments for ventures. When only those who secured contracts and investments are included this increases to £32 unlocked for every £1 spent.

Table 4.1 provides examples of ventures that secured investments and contracts.

Table 4.1 Examples of successful investments and contracts

Contract readiness support: FCMS

Background: FCMS is a social enterprise providing urgent health and wellbeing services (e.g. 111 service, emergency dentistry). They have been operating for 20 years. They were unsuccessful in tendering for a large contract and realised they needed to do more work to become 'contract' ready. They heard about ICRF from a similar venture and received a grant of £50k.

Support: FCMS received support from Eastside Primetimers Ltd. They firstly undertook a detailed needs analysis, going through the bid they lost and identifying the areas for improvement. Eastside Primetimes then helped them strengthen these areas for a future bid. This included two aspects:

- **Financial modelling:** Planning how they will grow the organisation if the contract is successful. Also looking at effective service financial models for replication.
- **HR support:** Working on TUPE processes and helping HR expand on their understanding for other areas of the bid.

Impact: FCMS were successful in securing an £8m bid. Whilst FCMS had a good track record in this area they felt that the ICRF-funded support made a *"phenomenal"* contribution on the financial modelling aspect of their bid, making it more robust and detailed.

"I think we would have stood a good chance with our expertise in quality of service delivery but without the financial support the bid would have been weaker in that area and potentially pulled it down." (FCMS)

[4] Figures quoted in this section are drawn from data provided by ventures and providers as a part of ICRF monitoring. In some instances these figures have been verified and updated. However, neither SIB nor Ecorys have audited ventures' accounts and therefore cannot guarantee the accuracy of this data.

Investment readiness support: The Big Life Group (BLG)

Background: BLG is a group of social enterprises and charities that span a range of sectors. They were hoping to bid for a number of nurseries for a new service provision but in order to do this they needed to raise substantial investment amounts. The received a grant of £106k from ICRF.

Support: BLG received support from Baxendale. The support consisted of two aspects:

- **Legal support:** This was to establish a legal framework for employee ownership.
- **Financial modelling:** As part of the business development support Baxendale produced financial projections which were used for both the investment bids and general business development.

Impact: BLG secured an investment of £500k from RBS. The support from Baxendale made a significant contribution to the successful bids. The most important aspect was the 'critical friend' support that Baxendale could provide; their external perspectives and expertise in investment support enabled BLG to strengthen their bid applications. Furthermore, the support has had a large impact on the capabilities of the organisation; these improved capabilities have helped them secure a further £5m in contracts.

"We use aspects of the support – such as the financial projections and financial modelling – for our current bids for both contracts and investments." (Big Life Group)

Breakdown between investment and contracts

Ventures seeking contracts had more success: just over one in two contract bids were successful (46 out of 86) compared to just over one in three investment bids (28 out of 79[5]).

In total £154m in contracts were secured, with an average of £2.9m. This meant that every £1 spent on contract readiness support unlocked £23.

In total £79m in investments were secured, with an average of £2.6m. This meant that every £1 spent on investment readiness support unlocked £11.

The success of contract opportunities relative to investment opportunities is perhaps surprising considering those seeking investment readiness support received a higher average grant and most stakeholders felt that the fund was geared more toward supporting investment over contract opportunities. Interviews with providers and (a small number of) unsuccessful ventures suggests a number of factors were at play:

- **Those requiring investment readiness support require more support:** One provider described how there is a crucial difference between contract and investment readiness support. They described contact-readiness support as a *"step-up"* – the venture needs support in explaining the value of their service and engaging with commissioners. In contrast, investment readiness support is more of a *"step-change"* – it requires far more of a fundamental change in the organisation, including having a strong commercial awareness and the ability to engage with investors. This takes longer and requires more support.

[5] Figures relate to the number of contracts and investments secured by those seeking contract and investment readiness respectively. For simplicity they do not include the number of ventures receiving contract readiness support that secured investments and vice versa.

- **Ventures accessing contract readiness support were bidding for multiple contracts:** In contrast, those accessing investment readiness support were generally seeking support for one investment opportunity. Those seeking contract opportunities therefore had a higher probability of being successful with at least one of their contracts than those seeking an investment.
- **Investment raising is relatively new and uncertain:** Social investment is a developing market; who investors are and precisely what they are willing to fund is evolving over time, which creates a level of uncertainty. Providers, ventures and investors themselves are learning more about what is and is not investible, and a small number of providers consulted felt that the success rate would increase over time as the market matured.
- **It takes longer to secure investment opportunities:** Whereas a contract normally has a tight timeframe, investment opportunities are usually more open-ended and subject to delays. Some of the ventures interviewed who had not secured an investment were confident they would eventually do so.
- **Investments were more speculative:** As discussed in the following section, some providers used ICRF to speculate on more risky investment opportunities. A higher level of failure should therefore be expected.

This suggests a further lesson learnt from ICRF (see **Lesson Learnt 5: Contract and investment readiness support need to be assessed in two different ways**).

The evaluation also explored how the investments and contracts won varied based on a number of factors:

- size of provider;
- grant value;
- perceptions on quality of support;
- type of support provided;
- whether the venture was receiving contract or investment readiness support; and
- venture sector.

Although there were variations based on these factors, they were not significant enough to draw any meaningful conclusions. Future details on this analysis can be found in the accompanying 'ICRF Data Analysis' note.

ICRF contribution to unlocking investments and contracts

Overall, ventures were positive about the added value the fund provided to their ability to win contracts and investment. Around one in three ventures interviewed reported they would not have secured the deals without the support they received. The remaining two thirds reported that the ICRF support did add value, though they already had USPs that the ICRF support did not contribute to (e.g. track record). One provider described how they took ventures from 'underdogs with a 33% chance of success' to 'fighters on a level playing field and a 50% chance of success'.

"Without ICRF and the ability to work in a long-term sustained way, I don't think we'd have achieved the same level of success." (Venture)

This is also supported through our consultations with ventures who applied to ICRF but who did not receive funding. Although only four such ventures were consulted, all four were unable to fund the provider support themselves and none were successful in securing the contract / investment.

Areas where ICRF support provided the most added value

Most ventures and investors said that the ICRF-funded support improved the quality of the quantitative aspect of bids, such as financial modelling, providing accounts of financial performance and structuring investments. Ventures reported that providers helped them make these aspects more robust and present them in a more articulate manner.

"It's as an area where we definitely had a weakness...[The provider] ensured we were robust." (Venture)

Another area of added value was around negotiation. For many ventures the support gave them the confidence to negotiate more strongly – either because they had a better understanding of the process or because they had more confidence in the accuracy of their business models. In some instances the provider directly supported the venture in the negotiation process. One venture described how, without the provider support, the loans would have been more expensive, shorter and with more restrictions; without the support they may have raised the same amount, but the terms would have been worse.

"It gave us that confidence to know our assumptions were correct, which would help when we got the contract and had the negotiations." (Venture)

Providers also helped ventures understand their markets by acting as a broker between the venture and the commissioner/investor, sometimes acting as a 'translator' between the two groups to ensure they fully understood each other.

"We were an honest broker in the middle...It's a lot easier for me to have a conversation off-line with an investor." (Provider)

"[The providers] know the different investors and can help tailor the bids." (Investor)

For some ventures the support sped up the timeframes of the deal, either because there was an 'extra pair of hands', it tightened their focus or because the support streamlined their processes. For some ventures this made them efficient and freed up time to pursue other bids.

"The whole process could have taken three or four years without the support from [the provider]." (Venture)

Sustained impact of support

The majority of ventures felt their ICRF-funded support was leading to sustained changes that would enable them to continue to be investment and contract ready. This was even the case for some ventures whose initial contract/investment was unsuccessful. Around half of the ventures interviewed reported that these changes had already led to future deals.

Ventures identified five main sustained changes:

- **Strengthened organisation:** For some ventures the support led to fundamental changes to the organisation, such as changing organisational structures or altering their bid-writing processes. For some ventures these changes were increasing their profitability.

"This process has been great for grounding us in reality and helping us to put credible tenders in place; now we have a revised and refined process as well as the confidence to continue with similar contract bids." (Venture)

A small number of ventures described how the support had led to a cultural shift further towards a social enterprise/business outlook. For example, one CEO of a venture described how *"the biggest impact from the support is that there has been a complete cultural shift in the organisation; we no longer feel like just a charity, but instead function like a social enterprise - we are now more of a competitive organisation in the third sector".*

- **Tangible outputs:** Such as new performance management procedures. These were being directly applied to other contracts or investments. For example, one provider supported a venture to develop a performance management database for a Social Impact Bond (SIB); they then used that same database for another SIB.

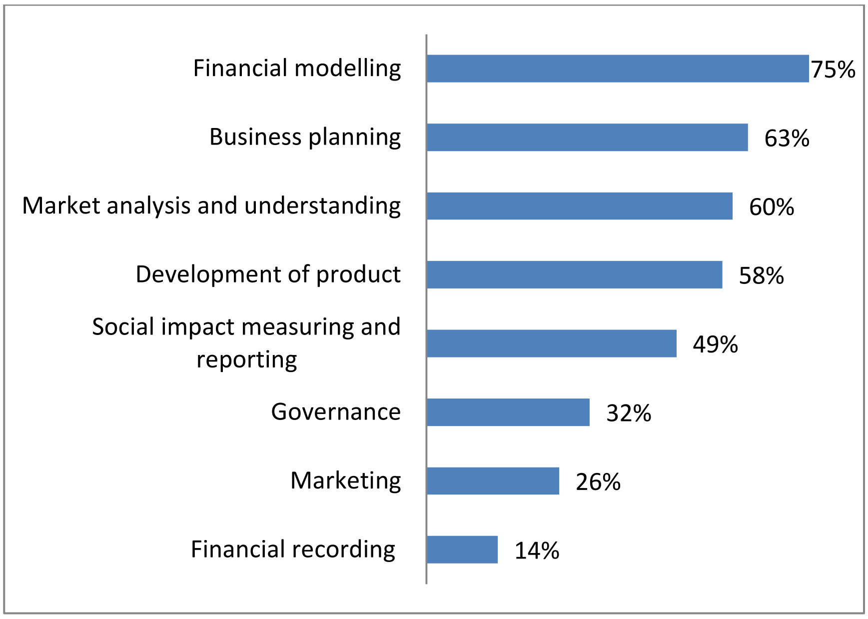
"We use aspects of the support - such as the financial projections and financial modelling - for our current bids for both contracts and investments." (Venture)

- **Improved skills and knowledge:** Ventures reported that they learnt the approaches to some of the more complex aspects of business models and the assumptions that were required. Whilst they did not have the skills to replicate this for more complex bids, they felt they could apply it to simpler bids. As **Figure 4.1** shows, the areas where ventures reported the greatest impact on their capabilities were:
  - financial modelling;
  - business planning; and
  - market analysis and understanding.
- **Improved confidence:** This was either in the venture's ability to do some of the contract/investment ready work themselves or in their ability to negotiate with commissioners/investors to get better deals.
- **Widened networks:** Ventures were able to utilise their new relationships with investors and commissioners to secure future contracts and investment.

Table 4.4 provides an example of where ICRF led to sustained impact.

However, the support did not lead to sustained change in all ventures. One provider gave an example where a venture submitted a business plan to them one year after the venture had received ICRF-funded support and it was no better than the business plan they submitted prior to receiving the support.

Figure 4.1 Percentage of ventures reporting improved capabilities



Source: Venture Survey. 57 ventures completed survey; not all ventures answered this question

Table 4.4: Example of venture achieving long-term benefits

SLIC Training International is a social enterprise that offers vocational training on a national basis. Through ICRF they received contract readiness support from Bidright to identify tendering opportunities, prepare them for large and more complex contracts and learn how to undertake SROI. As a result of this support they won several contracts valued at £980k.

The CEO of SLIC Training International felt that the organisation's capabilities have improved since accessing the fund, in terms of their skills, their credibility and the value of their services. As a consequence of these new skills they have been able to negotiate with their existing clients and have secured an additional £500k of contracts.

Factors that contribute to sustained change

One provider argued that the extent to which the support led to sustained impact was dependent on two factors:

- **Type of support provided:** If you want sustained impact you need to focus more on training and knowledge transfer, not just technical support.

- **Venture's appetite for sustained change themselves:** Whether they genuinely want to develop long-term investment/contract readiness and whether they have the right people leading the organisation to achieve this. Some providers felt whether a venture had paid for some of the support through their own funds played a key role in this regard as it ensured 'skin in the game'. Indeed, one provider said that where their support was most effective was when there was senior buy-in and the organisation had either contributed some funding or an in-kind contribution; conversely where the venture did not contribute any funding some Boards were less engaged because it was not their capital they were risking. In addition, one provider had experience of a similar fund where venture contributions were requested, and felt venture engagement was stronger in this fund (albeit for a different type of support). This suggests a further lesson learnt for future similar funds (see **Lesson leant 2: Financial contributions from ventures could increase the impact of funds**).

"We could have [supported ventures without a long-term strategic plan] over and over again and the sustained impact would be minimal." (Provider)

"*If they had more skin in the game, we would have had more impact."* (Provider)

The panel did not necessarily focus on judging whether the support was going to have a sustained impact, highlighting a lesson learnt for future similar funds (see **Lesson Learnt 3: Funds need to consider the sustained and longer term impact of support when assessing applications**).

Strengthening the provider market

ICRF seems to have strengthened the provider market, particularly those at the smaller end of the market. Small- and medium-sized providers reported that their involvement in ICRF had sharpened their investment readiness support, through the close scrutiny of the Investor Panel and by providing more opportunities to work in this area. It helped some with more private sector experience understand the needs of social ventures as well as increasing their track record and services in this area.

A small number of providers also reported that it enabled them to support ventures they would have deemed too risky to support before, thereby increasing the range of ventures able to access provider support. This is because ICRF 'de-risked' some support – for a few providers this enabled them to take risks with more riskier propositions by at least guaranteeing some level of income for the provider. For example, one provider supported three start-ups whilst another was able to over-invest in 'market-shaping projects'; they would not have done this without being funded by ICRF because it would have been too risky. This benefited the sector rather than the providers per se, because it meant ventures that were too risky to get support from providers got it.

However, for larger providers involved in ICRF the amount of support they delivered was generally too small in value (compared to their total value of services delivered) to make any significant difference to their capabilities. This is not to say that they did not value being involved in ICRF, but rather that they saw little in terms of this involvement strengthening their overall business.

Impact on ventures being able to pay for provider support themselves

The feedback on whether ventures could pay for this support themselves in the future was mixed, though most felt they would not be able to. Around a quarter of ventures interviewed would pay for their own provider support in the future, but would need to have a strong business case for doing so. A small number had already purchased support. Others hoped that the contracts they secured through ICRF-funded support would help them build up reserves that they could use to pay for similar support in the future. Another set of ventures hoped that the skills they had developed through the ICRF support meant they would only need to buy in a small amount of additional support in the future, which they could fund themselves.

Those ventures that reported they would pay for provider support themselves generally commented that they would pay for specific financial support, as this was the biggest gap in skills within their organisations. Based on the evidence from this evaluation this seems to be the correct area to be focusing on, given that ventures and investors alike reported that this was the area where ICRF-funded support added the most value.

However, around three quarters of those interviewed would access provider support in the future but were still not in a position to be able to pay for this themselves mainly down to the lack of resources and reserves in which to fund the support. There was a strong appetite, though, for applying for a fund that asked for a contribution from ventures, with over four fifths of those interviewed saying they would consider this.

This feedback suggests that ICRF has moved ventures closer to being able to pay for this support themselves, but that it will be some time before ventures will be in a position to pay for it fully. Therefore funds like ICRF will continue to be needed for some time.

Lessons Learnt for Future Funds

This section draws together the key lessons from ICRF. As ICRF has now ended we have focused on how these lessons could be applied to future funds.

Lesson learnt 1: Investment and contract readiness support needs to be flexible and tailored to the needs of ventures

There is no 'one size fits all' approach to investment and contract readiness. Whilst in the main ventures, providers and investors all reported that technical financial support added the most value, many ventures also needed broader 'wrap-around' or 'capacity-building' support. ICRF was flexible around what support it would fund and in allowing the support package to evolve over time. Future funds should mirror this approach.

What was also clear was that different ventures require a different combination of technical and capacity-building support depending on how far away they are from becoming contract and investment ready; ventures far away from becoming investment and contract ready require more broader capacity-building/wrap-around support; ventures closer to being investment and contract ready require more technical support. A venture's journey to becoming investment and contract ready is therefore more nuanced than stakeholders originally envisaged and should be seen as a 'spectrum' rather than a binary state.

Future funds need to be aware of this spectrum and consider where they want to position themselves along it. Multiple investment and contract readiness funds now exist[6] - especially so now Access – The Foundation for Social Investment has been set up. However, these funds do not operate in a vacuum. It is important that future funds consider what other support exists, how to signpost between different funds, and what gaps need to be filled. In consultation with some stakeholders we have mapped where the different investment and contract readiness funds are broadly placed across the spectrum (**see Figure 5.1**). This initial analysis suggests that most of the spectrum is catered for through the different funds, though some gaps do exist, especially now some funds have closed. However, this is only an initial analysis. We recommend funders of similar future funds undertake a more systematic mapping and focus on plugging any potential gaps.

[6] Though when ICRF was introduced only ICRF and the Social Incubator Fund existed.

Figure 5.1: Investment and contract readiness spectrum and how different funds align

Not investment and contract ready → **Investment and contract ready** → **Fully engaging with investors and commissioners and developing complex social investment (e.g. Social Impact Bonds [SIBs])**

Social Incubator Fund (Big Lottery Fund) (£10m) (closed for applications)

Supporting VCSEs with concepts to develop into a product or service.

Big Potential Breakthrough (Big Lottery Fund) (£10m) (operating now)

Funding support to VCSEs with a track record and investable product or service to help develop an *investment readiness* strategy and plan (not contract readiness).

Impact Readiness Fund (Social Investment Business) (£1.5m) (closed)

Grants and support to social ventures to understand and improve their social impact and demonstrate improvements to investors and commissioners

ICRF (Social Investment Business) (£13.2m) (closed)

Funding support to VCSEs who are almost investment and contract ready but need a bit of technical support to secure a specific investment or contract opportunity.

Commissioning Better Outcomes (CBO) Fund (Big Lottery Fund) (£3m) (closed for applications)

Funding support to commissioners and VCSEs to develop Payment by Results (PbR) contracts, particularly those that involve social investment (e.g. SIBs).

Capacity Building Support (Access) (size unknown) (not yet launched)

Grant-based programme of capacity building support to VCSEs looking to engage in social investment.

Gap?

Funding support to VCSEs with a track record and successful product or service to help develop a *contract readiness* strategy and plan.

Big Potential Advanced (Big Lottery Fund) (10m) (operating now)

Funding support to VCSEs who are almost ICR but need a bit of a technical support to secure a specific investment or contract opportunity.

Lesson leant 2: Financial contributions from ventures could increase the impact of funds

Whether funds require ventures to provide a financial contribution to partly pay for the cost of the support is a complex issue, though there are some ways it could be overcome.

Having consideration for ventures to partly contribute financially to the total cost of the support being provided may mean that ventures are more interested and careful about how the funds are spent, which could lead to a greater impact and more sustained change. Contributing part of the finance may also ensure that only organisations that are fully committed to the support will apply to the fund, and are likely to be more engaged when the support is delivered because their own resources are at stake (rather than someone else's). There is also a risk that if funds cover the full cost of support ventures will never commit their own funds to pay for the support, and therefore moving towards a venture-provider market that is not subsidised by funds will be unlikely.

However, asking ventures to part-fund the support they receive could exclude smaller ventures from applying who cannot afford it and who are arguably those that need the support the most.

Two possible ways to overcome this challenge are:

- **Providing an option for ventures to contribute to the cost of support but not making it a strict requirement:** Future funds should consider asking ventures to contribute to the total cost of the support where this is financially possible and where they are able to. This would be considered when appraising their bid but it should not be a deciding factor when coming to the final decision. This means smaller and cash poor ventures who cannot contribute to the cost would not be excluded. SIB is considering this approach for Big Potential Advanced and we agree that this could be a good way of encouraging venture contributions without excluding smaller organisations.
- **Setting up a retainer for when ICRF funds expire:** One provider set up retainers with all of the ventures, so that, if necessary, the venture could pay for additional support once the ICRF funds had been used – so the ICRF support would get the venture 'investment or contract ready', and the retainer would be used to provide further support beyond this stage (e.g. investor engagement). All ventures agreed to the retainer, and in some instances the retainer was used. Future funds could encourage providers to adopt this model further, as it could encourage ventures to consider contributing some of their own funds further down the line.

Whilst we recommend pursuing these two options, some providers at the roundtable warned that these recommendations may lead to unintended consequences, such as providers only working with ventures that can provide a financial contribution if they perceive that these ventures are more likely to receive funding. Ventures may also argue against these options, considering the evaluation found that many ventures felt that they should receive a larger, not smaller, proportion of the grant. The options therefore need to be carefully considered to ensure smaller ventures are not excluded.

Lesson learnt 3: Funds need to consider the sustained and longer term impact of support when assessing applications.

As mentioned in **Factors that contribute to sustained change** some of the funding did not lead to sustained change within the ventures. A lesson learnt from ICRF is that the support does not inevitably lead to sustained change, but rather is dependent on the type of support provided and the venture's appetite for sustained change themselves. If support is to be sustained bids applying for funding need to be assessed to check these aspects exist. Future funds therefore need to explicitly ask that applicants state what their impacts will be in terms of the amount of investment and grant raised, but also:

- the extent to which new skills and capacity are gained by the venture rather than the provider (i.e. the extent to which the support will leave the organisation with new skills and abilities compared to support simply being 'brought in' for the period of the grant); and
- the longer term plans for the venture in relation to becoming less grant dependant and more focussed on sustainability through contracts and investments, using the new skills and abilities gained via the ICRF type support.

We recognise that these elements of sustainability and impact are difficult to measure but the application needs to encourage ventures to clearly state their future plans around sustainability to ascertain whether they see raising investment and contracts as part of a wider and longer term approach or more 'one offs' linked only to the duration of the grant.

Lesson learnt 4: Close scrutiny of the fund can strengthen its performance

Overall ventures perceived the quality of the support to be high, though comments from some investors suggest that it could be improved. One way to improve it in future funds could be to apply closer scrutiny and monitoring post the grant being allocated (i.e. after the Panel has made its decision). There was limited finance available to pay for close scrutiny of ICRF post grant allocation. However, lessons for the future funds include the following:

- Close scrutiny of how the funds are being spent post grant allocation could increase the quality of support from providers.
- Close scrutiny of provider performance, and regular refreshments of the approved provider list, could remove providers who do not support ventures in submitting successful applications. Publishing providers' performance in supporting ventures who secured contracts and investments could create stronger incentives for providers to provide high quality support. There was a drive for transparency of provider performance in ICRF, though.
- Greater investment in evaluation and on-going sharing of learning would help understand issues linked to quality and levels of impact so that greater learning can be gained to contribute to the wider social investment agenda.

Lesson learnt 5: Contract and investment readiness support need to be assessed in two different ways

ICRF had one process and system to process both investment and contract readiness support. However, at times this process and system struggled to respond to the needs of both types of support; members of the Investor Panel reported that the experience of the panel members was geared more towards reviewing investments, and that they needed more contract expertise to review applications in this area. SIB did respond to this over time, and began to add specialists to the panel.

Furthermore, the feedback from ventures and providers as to why those seeking contract opportunities were more successful suggests that the two need different types of support. It seems that the assumptions underpinning ICRF – that there is a set of ventures almost contract and investment ready that need a discrete piece of technical support – may be more true for those seeking contracts than investments, and that actually those seeking investments require longer and more substantial support.

Both these aspects suggest that future funds need to regard and assess contract and investment readiness support differently to each other, though recognising that they are sometimes interlinked.

Conclusions and Recommendations

Conclusions

Overall, ICRF has been effective and has achieved is original goals. On the whole it enabled ventures to receive support from providers who would not have been able to receive it before; the quality of the support was variable, but in the main regarded by ventures to be high and good value for money; the value of contracts and investments that have been unlocked is high and both ventures and providers felt that the support added value to the deals. The fund also introduced some innovate design aspects that proved to be effective, such as allowing ventures to have choice over their providers and using a panel made up of investors to assess applications.

Perhaps the area where the fund has outperformed even its own expectations is in relation to the sustained impact of the fund. Whilst the headline figure of the value of contracts and investments unlocked is positive, for many of the ventures the value of the fund goes beyond this quantifiable figure and lies in the long-term shifts towards investment and contract readiness. Around half of the ventures interviewed reported that these changes had already led to them securing further deals outside of the ICRF support, and many were confident there would be further deals in the future. It is this long-term goal that future funds should focus on even more.

The fund also highlighted that there is no 'one size fits all' approach to investment and contract readiness, and instead the support needs to be flexible and tailored to the needs of individual ventures.

The fund had more relative success in unlocking contract opportunities than it did investment opportunities. Given that the rationale for establishing the fund was to increase the pipeline of investable deals this is perhaps surprising. It may suggest that the underlying logic of ICRF – that there is a set of ventures almost contract and investment ready who just need discrete pieces of technical support – is stronger for ventures seeking contracts than it is for investments, and that possibly the VCSE market is further from being investment ready than was envisaged. As one provider described, contract readiness is a 'step up' for ventures, whereas investment readiness is a complete 'step change'. If this is the case, it creates a stronger argument for broader capacity-building support for those seeking investment rather than discrete technical support.

Ventures are still some way off being able to fully pay for provider support themselves. In an era of restricted budgets some argue that this aim is a substantial way off. Designers of future similar funds need to consider how they can encourage ventures to fund some of the provider support themselves - including the option of ventures providing a financial contribution may be a solution.

Recommendations

Based on the points within this report we have the following recommendations:

For SIB:

- Re-contact ventures two years after the end of ICRF to measure what future deals have been secured as a result of ICRF-funded support. This will provide a fuller picture on the sustained impact of the fund.

For future similar funds

- Replicate the following aspects of ICRF:
    - Ability for ventures to choose their own providers from an approved list (though moving away from a set list in the longer term as ventures become experienced in procuring their own support).
    - Flexibility in how funds can be used, allowing ventures and providers to respond to changing needs as the support develops.
    - Panel of commissioners and investors to assess applications.
- Ask applicants to state what legacy they think they will get from the support.
- Carefully consider where the fund sits on the 'investment and contract readiness spectrum' and how it links with other funds.
- Increase signposting to other funds, where available, for ventures that are ineligible for the specific fund, possibly before ventures submit applications.
- Expand assessment panels to ensure they have a more mixed level of expertise, particularly in relation to assessing applications for contract readiness.
- Include an option for ventures to contribute to the cost of support, but not making it a strict requirement to ensure smaller, cash poor ventures can still access support.
- Carefully scrutinise applications, monitor how funds are spent and evaluate lessons learnt.

For providers:

- Tailor business plans to suit the needs of different audiences.

For wider stakeholders:

- Map the various investment and contract readiness funds available to identify possible gaps in the investment and contract readiness spectrum. Focus future funds on filling these gaps.
- Continue to pilot new approaches to explore how ventures' needs regarding investment and contract readiness can be met. These could be smaller funds that are later scaled-up if evaluation activity evidences their successes. However, designers of such funds need to consider and factor in that smaller funds often require proportionately larger management fees.

About the authors

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Ecorys UK is an international provider of research, consulting, programme management and communications services focussed on the development, delivery and evaluation of public policy.

Annex 1: ICRF Logic Model

Figure A1.1: ICRF Logic Model

Need → **Inputs** → **Outputs** → **Outcomes** → **Impact**

Need

- Social ventures often lack experience or expertise to successfully compete for or secure public service contracts or other forms of investment
- Social ventures cannot afford to pay for external support to improve their ability to secure contracts or raise investment
- The market of providers that can support VCSEs is not fully formed.

Inputs

- Grants between £50k - £150k to social ventures wishing to compete for a specific opportunity
- Grants used to purchase support from providers to develop the ventures' capacity.

Outputs

- Ventures bid for public sector contracts or other types of investment.

Outcomes

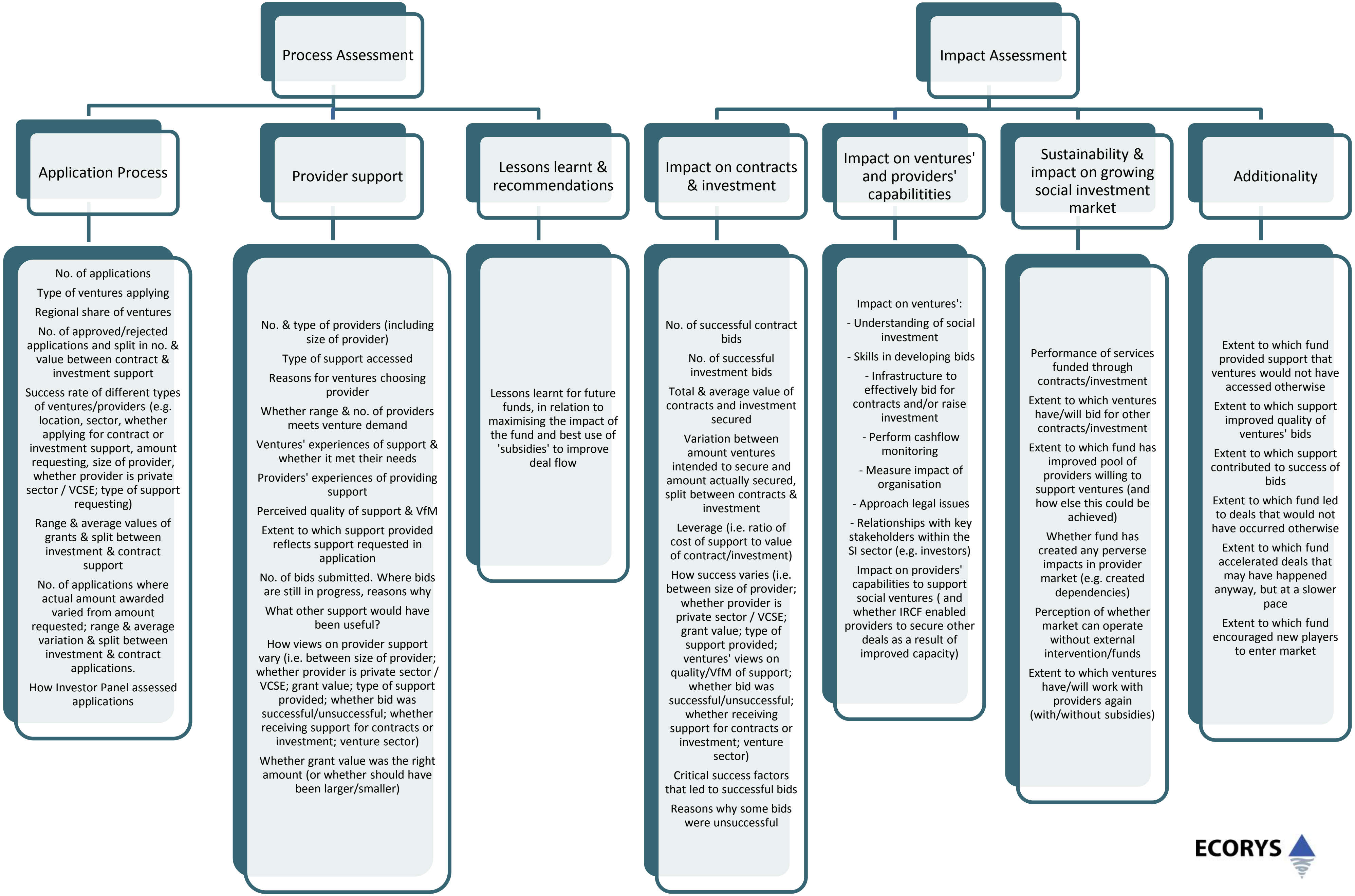
- Increase in the number of ventures securing public sector contracts or other types of investment, that would not have been secured without support from ICRF.
- Ventures have increased their capabilities (relationships, understanding, skills and infrastructure) that leave them better equipped to bid for future contracts and investment.
- Ventures begin to value paying for professional advice.

Impact

- Mature and self-sustaining social venture market, including a range of ventures equipped to bid for contracts and investment and willing to purchase support from providers, providers able to support ventures and investors willing to invest.

Annex 2: Areas for Investigation

Figure A2.1: Areas for Investigation



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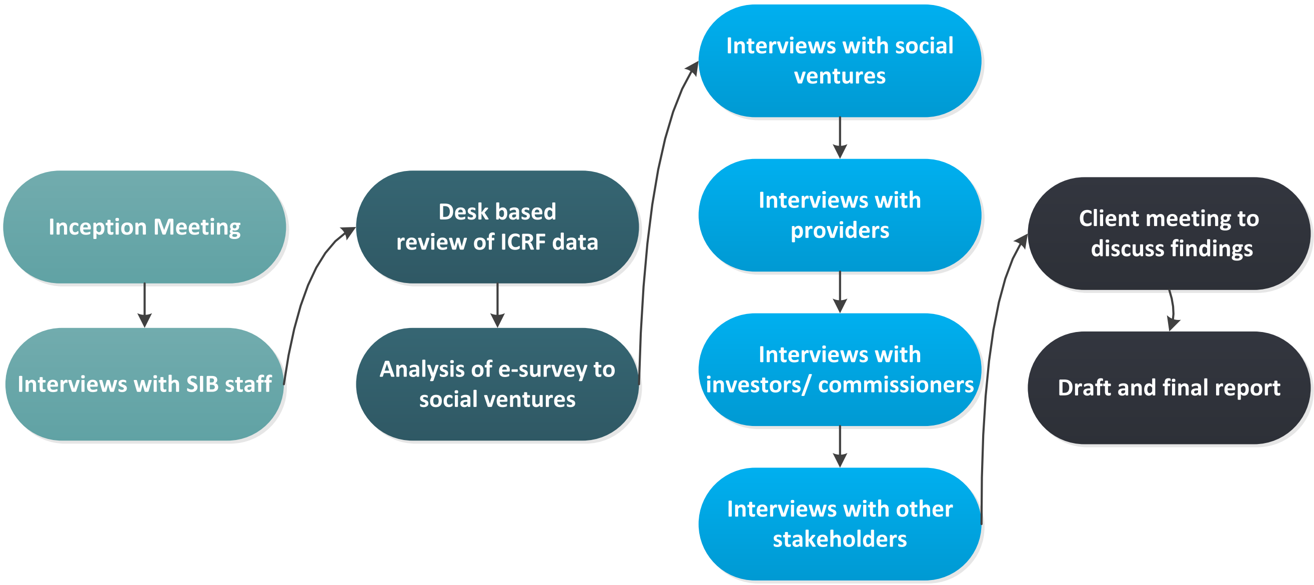
Annex 3: Evaluation Methodology

Evaluation Methodology

Figure A3.1 below summaries the evaluation method.

Figure A3.1: Evaluation method



The method is set out in further detail below.

Task 1: Inception Meeting

The study began with an inception meeting between SIB, Cabinet Office and the Project Director and Project Manager from Ecorys to discuss the overall aims, approach and outputs of the study

Task 1.2: Interviews with SIB staff

After the inception meeting we held consultations with all of the main SIB staff who have directly worked on the ICRF over its lifetime to understand their views on the main strengths and weaknesses of the fund.

Task 2: Quantitative Analysis of Programme Data

We undertook a desk-based review of all of the relevant data and information held by SIB on the ICRF as well as the results of the e-survey which SIB had sent out to all social ventures.

Task 2.1: Desk based review of data

Ecorys analysed the data attached to the ICRF portfolio to begin to assess the performance of the fund and also to partly update the work Boston Consulting Group undertook at the mid-term review.

Task 2.2: Analysis of e-survey to social ventures

Ecorys reviewed the findings of the e-survey which SIB sent out to all ventures in order to gain an understanding of the key themes, trends and patterns emerging from the survey.

Task 3: Qualitative Interviews with Key Stakeholders

We undertook a combination of face-to-face and tele-interviews with the different stakeholders involved directly and indirectly in the ICRF. This included consultations with:

- 27 ventures who received ICRF-funding;
- 4 ventures who did not receive ICRF-funding;
- 9 providers;
- 9 investors/commissioners who had invested/commissioned the venture and/or sat on the Investor Panel; and
- 3 stakeholders linked to ICRF and the social investment market more broadly.

For the ventures and providers this equates to almost 20% of the number involved in the fund.

We developed a Sampling Frame (see **Annex 4**) to ensure we interviewed a representative sample of ventures and providers. We selected ventures to ensure a representative mix of the following variables:

- Size (turnover)
- Location
- Sector
- Nature of outcomes being sought
- Whether contract / investment opportunity was successful
- Type of support received
- Views of the fund (as identified through their responses to the Venture Survey) in relation to:
  - Satisfaction with provider
  - Value for money
- Date funds received

We selected providers to ensure a representative mix of the following variables:

- Size (turnover)
- Number of ventures supported
- Support provided to ventures
- Time became approved provider

Task 4: Reporting and Dissemination

Interim Meeting

We held a meeting partway through the research in order to update SIB and Cabinet Office on the initial findings, and whether the research had raised any additional questions to explore in the outstanding consultations.

Task 4.1: Reporting

This included a Final Report.

Task 4.2: Roundtable

This involved presenting the findings to 16 providers, 2 investors and 4 stakeholders. The report was updated based on comments made at the roundtable.

Annex 4: Sampling Frame

Table A4.1 Sampling Frame for Venture Consultations

	Amount of ICRF funding they received			Location									
	<£75k	£75k - £100k	>£100k	London	England-wide	South East	South West	East	East Midlands	West Midlands	North West	North East	Yorkshire & Humber
% of Population	49%	28%	23%	19%	13%	12%	12%	6%	5%	9%	13%	4%	8%
Target % of Sample	50%	27%	23%	20%	13%	10%	10%	7%	7%	10%	13%	3%	7%
Actual sample	**50%**	**23%**	**27%**	**20%**	**13%**	**10%**	**10%**	**7%**	**7%**	**10%**	**13%**	**0%**	**7%**

Sector																				
Arts/ cultural	BME specific	Children/ young people	Community action	Community transport	Crime/ offending	Disability	Education/ training	Environmental	Gender specific	Health/ social care	Information/ guidance	Infrastructure	Medication/ counselling/ advocacy	Older people	Professional services	Regeneration	Rural	Sexuality specific	Sports leisure	Transport
13%	0%	50%	1%	0%	28%	33%	54%	14%	0%	54%	2%	3%	20%	33%	1%	3%	0%	0%	10%	1%
13%	0%	50%	0%	0%	30%	33%	53%	13%	0%	53%	3%	3%	20%	33%	0%	3%	0%	0%	10%	0%
13%	**0%**	**50%**	**0%**	**0%**	**33%**	**40%**	**63%**	**27%**	**0%**	**70%**	**0%**	**0%**	**23%**	**37%**	**3%**	**0%**	**0%**	**0%**	**20%**	**3%**

Nature of Outcome being sought		Successful investment?		Successful Contract?	
Contracts	Investment	Y	N	Y	N
52%	48%	16%	32%	20%	32%
53%	47%	33%	13%	33%	20%
57%	50%	33%	17%	37%	20%

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Figure A4.2 Sampling Frame for Provider Consultations

	Size: Turnover				Number of ventures supported				Support provided to ventures								
	Less than 25% of average	25 - 50% of average	50 - 75% of average	Over 75% of average	Less than 25% of average	25 - 50% of average	50 - 75% of average	Over 75% of average	Building a credible account of financial performance	Corporate finance advisory	Executive search and recruitment	Financial modelling	Governance	Impact measurement and social mission	Investment structuring	Legal	Tendering and bid writing
% of Population	92%	0%	0%	8%	8%	32%	16%	44%	30%	42%	15%	80%	41%	67%	52%	42%	53%
% of Sample	88%	0%	0%	13%	13%	38%	13%	38%	25%	38%	13%	75%	38%	63%	50%	38%	50%