

Powering Up

Final Evaluation Report

Power to Change

August 2024



TSIP

THE
SOCIAL
INNOVATION
PARTNERSHIP

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Introduction

Community businesses play a vital role in addressing social and economic needs within their places, often serving vulnerable populations, and contributing to the overall development of their communities. However, the Covid-19 pandemic and subsequent economic challenges presented significant obstacles for these businesses, including disruptions to operations, financial strains and heightened uncertainty.

In this context, **Power to Change** introduced **Powering Up in November 2021**, a programme offering targeted support to community businesses and their teams, enabling them to navigate challenges effectively and aiming to strengthen their capacity in a 12-month period. By providing access to specific technical expertise, professional development opportunities, and wellbeing support, the programme aimed to equip community businesses with the tools and resources needed to not only survive but thrive.

Each support package was tailored to address the unique circumstances and needs of each community business, ensuring that they received the most relevant and impactful assistance in order to meet their own individual objectives. The programme offered specialist support around two themes – digital transformation (**Digital Cohort**) and climate action and sustainability (**Climate Cohort**). These themes were chosen as focus areas to stimulate the supply side of the market and areas needing further research. The programme ended in summer 2024.

In total,

69 community businesses were supported.

249 tailored support packages were provided.

169 providers were brought in to deliver the support packages.

£570,200 was awarded as flexible grants.

£605,800 was awarded as technical support.

£204,000 was awarded as professional development and wellbeing support.

5 Community Business Connectors, **3** Digital Leads, **4** Climate Leads and **4** Digital Advisors worked closely with the community businesses.

In June 2022, **Renaisi-TSIP** was commissioned as the impact and learning partner of the Powering Up programme. Our objectives were to:

- 1. Impact:** Understand what change the programme has brought about and how.
- 2. Process:** Reflect on what elements of the programme are effective, why, for who, and in what condition.
- 3. Learning:** Facilitate the iterative capture of learning from the different stakeholders across the programme and disseminate it to the wider sector.

Purpose

The purpose of this final evaluation report is to present the findings of Renaisi-TSIP's evaluation, generated and iterated in close partnership with programme stakeholders. It provides an analysis of the impact of the programme to date, highlights key insights, and identifies emerging trends, challenges and learnings.

Over the past year, Power to Change has been reviewing its purpose and ambitions. After rigorous testing with their key audiences, Power to Change is shifting focus towards influencing and advocacy and is now using their experience and cross-sector relationships to push for more impactful change so that they can shape the conditions for community businesses to thrive.

The data utilised in our analysis originates from a variety of sources, primarily centred around interviews with key stakeholders involved in the programme. These stakeholders include community businesses (15 out of 69), Connectors¹, and Leads². Alongside interviews, we also incorporate observations and reflections as data sources. These observations entail accounts of programme activities, interactions and dynamics observed during Circle meetings³ and beyond. Observations add further context and depth to our understanding, complementing the insights gleaned from interviews and written reflections.

By triangulating data from multiple sources, we aimed to develop a comprehensive and nuanced understanding of the programme's impact, challenges, and opportunities, thereby informing our analysis and recommendations moving forward.

¹ Read more about the Connectors on [the Power to Change website](#).

² Read more about the Leads on the [Power to Change website](#).

³ Fortnightly meetings where Powering Up stakeholders collectively make key decisions about the programme, inspired by Sociocratic approaches.

Summary of key findings

<p>① Empowering community businesses</p>	<p>Shifting decision-making power from funders to community businesses means businesses received support tailored to their unique needs. This approach enabled more relevant and effective interventions.</p>
<p>② Flexibility and responsiveness</p>	<p>The programme’s design, emphasising iterative learning and adaptability, was crucial in responding to the evolving needs of community businesses.</p>
<p>③ Collaborative decision-making</p>	<p>The programme highlighted the importance of involving grantees (in this case, community businesses) in decision-making processes. This collaboration ensured that the support provided was not only relevant but also empowered community businesses to take ownership of their development, leading to sustained impact.</p>
<p>④ Relational approach paired with technical expertise</p>	<p>By fostering strong, trust-based relationships with the businesses, Connectors and Leads were able to provide tailored, context-specific support that went beyond just technical advice. This relational approach not only enhanced the relevance and impact of the assistance provided but also empowered community businesses to engage more fully with the programme and achieve meaningful outcomes.</p>
<p>⑤ Impact of flexible funding</p>	<p>The programme's flexible funding model, with three distinct funding streams, proved highly effective. This flexibility enabled businesses to address a wide range of challenges, ranging from technical improvements to staff development, and adapt to changing circumstances without being constrained by rigid funding guidelines.</p>

Process-level evaluation: The Powering Up model

Powering Up used a unique approach to funding that aimed to shift power away from the funder and towards the community businesses that they are ultimately serving, through the support of experts. To devolve power in this way, Power to Change co-created and co-delivered the programme with a few key stakeholders: Connectors, Leads, community businesses, and providers. Therefore, the Powering Up model distinguished itself from other support and capacity-building programmes by directly addressing the specific needs of community businesses rather than adhering to pre-determined assumptions or funding guidelines. This was achieved through a collaborative approach with experts in crucial areas, offering guidance and coaching without expecting previous knowledge from the businesses.

The Powering Up model was highly successful, with all interviewed businesses reporting a positive impact. The combination of grants and flexible support was particularly effective, allowing Connectors to spend sufficient time understanding the needs of the community businesses and collaboratively determining the best use of funds. Strong relationship-building efforts between connectors, providers and community businesses were key to the programme's success, supported by a dedicated team with diverse experiences and an experimental approach. Power to Change's trust and delegation of power enabled Connectors to respond promptly to the community business needs.

Despite its successes, the Powering Up model encountered significant challenges as reported by programme stakeholders, including Connectors and Leads, who shared their direct experiences and supported these accounts with evidence. They found it difficult to maintain momentum with some community businesses, particularly when these businesses lacked the time or were occasionally unreachable. They also highlighted several obstacles: capacity issues within community businesses, unclear guidance on fund utilization, and difficulties in tracking progress after regular meetings ended. The contracting process was described as labour-intensive, further complicated by the integration of spot-purchased services. Stakeholders also reported challenges related to the readiness of climate action providers, a perceived lack of Diversity, Equity, and Inclusion (DEI) resources, and diversity issues within the supply chain. The programme's discontinuation just as it was gaining momentum exacerbated these challenges, along with internal coordination issues and a reduction in team size, which impacted programme roles and made facilitating shared learning more difficult.

Who held the power?

Community businesses were at the centre of the Powering Up programme. The model was based on distributed power with all final says within the context and parameters of the programme to be held by community businesses. Businesses were included in the programme based on their need for digital or sustainability support, but otherwise came from various sectors and geographic locations across England. While they were not involved in designing the programme, they were given a high level of autonomy over the funding they received. For the community businesses to be able to have such a central role in the programme, flexible funding allowed them to either cover

the time they needed to engage with the programme, or to cover costs that funding usually does not cover.

Connectors were experts in the community business sector and had extensive experience running or advising community businesses in various capacities. All connectors either run their own community business or have done so in the past, giving them extensive experience. They had two roles within the programme:

- First, to design the programme and monitor progress during delivery. As experts in the sector, they understood the needs of community businesses and how a funding programme can support them. They were therefore involved from the beginning of the programme and throughout its delivery.
- Second, to work closely with the community businesses to understand their needs and wants, design support that could achieve their goals, and connect them with the providers that could do this successfully.

Leads, in the first cohort of community businesses supported through the programme, were experts in using digital technology in the community business sector, while the second cohort included Leads who were experts on environmental sustainability. They have also been involved from the beginning of the programme, including in its design and decision-making. During delivery, they worked with community businesses to help address specific digital or sustainability issues that they were facing. This involved identifying the problem, finding an effective solution within the budget, and finding a provider that would be able to deliver the product to a satisfactory standard.

Connectors and Leads worked with the community businesses to make sure that support had the greatest impact possible. Connectors also acted as coaches and mentors for the community businesses, answering questions they had and supporting leadership to run the businesses as well as possible.

The final important stakeholder type in the Powering Up programme was the **providers**. These were organisations that offered services that could benefit community businesses. To become a provider, organisations arrived through one of three routes:

- Applying to the Powering Up open framework⁴
- Through being approached by Connectors based on the needs of community businesses.
- Being known to community businesses on the programme.

These organisations were then included on a database of providers which Connectors and Leads could use to select a suitable organisation to complete work for a community business.

⁴ The open framework was later paused due to the internal changes at Power to Change.

How were decisions made?

To try and shift power away from Power to Change, as a traditional power-holder in funding relationships, Powering Up operated following key principles of sociocracy⁵. Fortnightly, Connectors, Leads, and Power to Change staff joined “Circle meetings”, to discuss challenges and make decisions about the programme. The meetings were run by an elected member of the group, which changed every week. Decisions were discussed and agreed upon amongst attendees, with other team members (such as Coaches and Leads) having equal weighting with Power to Change.

This approach enabled the programme to **evolve and adapt** over time. As the programme design had not previously been tested, the funding model and the ways in which the stakeholders worked together changed as the programme progressed. The Circle meetings enabled this change to happen and allowed stakeholders to shape the programme, ensuring it remained effective.

The method also created an environment that **encourages collaboration** instead of competition. By bringing the stakeholders together and opening the space to sharing challenges, the Connectors and Leads were able to draw from each other’s expertise to overcome challenges that they were facing. This strengthened the support offered to community businesses.

Internal changes at Power to Change, and their impact on Circle meetings

Partway through the programme, Power to Change went through internal changes. As a result, the programme timelines were shortened. This meant that delivery became the main priority, rather than reflections about programme design and how it could change in the future. This shift was reflected in the Circle meetings, which similarly focused on delivery rather than programme design. There was thus less scope for strategic decisions to be made at Circle meetings, which also meant that Connectors and Leads had less decision-making power after the first cycle of the Powering Up programme. Circle meetings were still important, as they facilitated open discussions, however the potential for power-sharing in relation to decision-making of these meetings could not be fully realised in the latter stages of the programme as it drew to an end.

How was funding allocated?

As the programme was designed by the Connectors and Leads with Power to Change, the approach to funding is unique. Instead of funding community businesses to partake in a specific programme or deliver specific activities, funding was allocated to each of the businesses in three pots: technical funding, professional development, and a flexible grant, as described below:

- 1. Technical funding:** used to progress towards digital or climate and sustainability goals.

⁵ Sociocracy is a governance system that draws on the use of consent rather than majority voting, creating a safe and productive environment within an organisation.

<https://www.journals.vu.lt/social-research/article/view/22942>

2. **Professional development funding:** used for any staff training or professional development for management.
3. **Flexible funding:** used to support the community business leaders and their teams to engage in the required support from the programme. This could be used to cover time, backfill a post, purchase essential equipment, or cover other expenditure that enabled growth of the community business.

Community businesses were then given autonomy over how each of these pots were spent, as long as a clear and logical rationale was provided that was aligned with the programme aims. Working closely with their Connector and Lead, they developed a plan for spending the funding. The Connectors' role was to guide the community business to solutions to their problems that would have the greatest impact. By co-producing the action plan with the community business, support was tailored to individual needs. The funding was also flexible to be allocated differently when circumstances required it.

What does the programme journey look like?

Community Businesses engaged in Powering Up through four key steps:



At the start of their journey, the **Connectors created a report on each community business**. This included information about what the community businesses stated they needed, and what Connectors analysed as their needs. This was a participatory and client-led report which was agreed and signed off by the community business.

These assessments were then shared among the Leads. Often, they did targeted research into the community business to understand what the specifics of the requirement were. The most suitable **support providers were then identified**. Support providers were identified by Leads, by community businesses, or collaboration between the two.

Working closely with Lead and the community business, the **Connector created a plan of action**. This highlighted what the funding was going to be used for and what specific challenges the funding would be used to overcome. Once this decision had been made, the Lead and Connector worked to find providers that would be able to effectively carry out the required work at a reasonable price. Once they had identified some organisations that would be able to provide the support needed, they took their list to the community business. The community business then had the final say on where the money was spent.

Once the provider had been identified, they were commissioned, and the work began.

Throughout the process the community business had **regular catch ups with the Connector** ensuring that everything was going according to plan, and that the community business had the

support they needed. The Connector also advised the community business on how to best make use of the funding and offered them the space to share their challenges.

How did Powering Up embed equitable practices into the programme?

Powering Up **embedded equitable practices throughout its programme by integrating Diversity, Equity, and Inclusion (DEI) principles into various operational elements.** One key strategy was the selection of diverse Connectors, chosen for their varied lived experiences and relevant skills, which ensured broader perspectives.

Creating a sociocratic environment facilitated inclusive team dynamics and decision-making, while the introduction of equity flags and adjusted scoring criteria helped mitigate biases. This approach shifted the focus from rigid metrics to a more holistic evaluation of commitment and effort. Selecting culturally appropriate support providers and using accessible, plain language in communications further reinforced inclusivity.

Moreover, DEI was embedded into the application process through intentional questions and assessments, promoting fairness and diversity. Analysing application data allowed for tracking diversity improvements, such as increased submissions from disability-led groups. Moreover, a double review system for rejected applications bolstered transparency and accountability.

The impact of these DEI practices was significant, with notable successes. The team's commitment fostered a sense of belonging, and culturally appropriate support left a positive legacy. Connectors enhanced the accessibility of their communications, and the programme met Power to Change's KPIs for DEI impacts. The recruitment of diverse grantees addressed previous gaps, supporting equity in practice. A dedicated DEI officer facilitated ongoing support and understanding within community businesses, creating a valuable knowledge base within Power to Change.

However, challenges persisted. Finding culturally appropriate providers in the climate/sustainability field was difficult, and resource limitations hindered the development of a shared DEI approach. The absence of DEI training and full engagement with community businesses led by minoritised individuals missed opportunities for deeper inclusivity. Navigating class and intersectionality proved complex, impacting effective support for community businesses led by minoritised individuals. Additionally, missed opportunities to engage both recruited and rejected community businesses affected programme inclusivity and learning. Potential areas for future growth include strengthening strategic connections between Powering Up and Power to Change, as well as exploring the intersectional impact of inequality.

How did the Powering Up approach to support influence the outcomes achieved?

Powering Up's approach was centred on an iterative design process to identify effective solutions for community businesses. The engagement of CBs was integral, involving them from application

guidance to project sign-off. Connectors played a pivotal role, leveraging their significant power to drive involvement based on the needs of CBs. Learning from early phases informed programme development, with a focus on reflection and continuous improvement. Regular internal communication, shared decision-making, and transparent documentation ensured the programme's effectiveness and adaptability.

This approach to providing support empowered CBs to define their outcomes and receive tailored support. Digital tools enhanced guidance and knowledge management, while specific briefs and budget frameworks ensured focused and effective interventions. Local providers known to CBs enhanced cultural understanding, and increased coaching support improved CB outcomes. Although sociocracy sometimes slowed decision-making, it fostered robust discussions and trust. Streamlining support plans saved time and reduced duplication and leads ensured suitable providers and efficient budget management. Collaborative and flexible approaches addressed diverse CB needs, resulting in tailored solutions and improved outcomes for CBs.

Powering Up: Impact and Learning

Reflections from community businesses provided valuable insight into the impact of the programme on various aspects of their operations, personal development and long-term sustainability from the beginning of the programme to date.

Overall, the programme delivery was set up in a way that effectively identified not only the core needs but also the challenges the community businesses faced. This created a tailored solution that is sustainable and aligned to organisational plans and resources in a flexible environment where community businesses could reach their goals.

These insights are based on interviews with participating community businesses, Connectors, Leads, and from reflections and observations from a range of meetings. All the community businesses interviewed by Renaisi-TSIP were able to report evidence of positive impact and changes that have already been introduced as a result of the support received during the programme. The below infographics aim to summarise the different technical solutions provided as part of the 243 tailored support packages.

Digital transformation support technical solutions



Environmental and sustainability support technical solutions



Professional development support solutions



Other strategic support



Impact on Community Businesses

Community businesses reported immediate, tangible improvements in their **operations**. The expertise of the Connectors and their networks contributed to finding the right providers and technical solutions for the community businesses, enhancing their operations. These advancements include website improvements, adoption of Xero for financial management as well as new ways of working.

As part of the digital cohort, community businesses improved their **technology infrastructure** and monitoring systems which resulted in significant time savings. Moreover, these advancements reduced the manual workload, improved resources management, and increased operational efficiency.

Some of the community businesses shared:

“There have been positive changes in our website and social media presence, thanks to the support provided by the programme.”

Community Business, Digital Cohort

“Our website is now more accessible and easier to navigate, making it simpler for users to find what they need.”

Community Business, Digital Cohort

“Our workflow has become more streamlined, allowing us to view client needs on demand rather than sifting through paperwork.”

Community Business, Digital Cohort

“There’s been a change in attitude towards cloud working; people are now more comfortable with the system and capture a lot more data than before.”

Community Business, Digital Cohort

Similarly, community businesses in the climate cohort provided evidence of positive impact. The Connectors and Leads supported them into adopting environmentally friendly initiatives like recycling bins to promote better waste segregation. As a result, community businesses enhanced their understanding of the waste management process. Moreover, community businesses engaged with local councils and external organisations to develop resources to increase the community awareness and involvement in sustainability initiatives.

“We have got different bins everywhere now for recycling.”

Community Business, Climate Cohort

“We introduced a strategy for sustainability strategy. And more than that, we’ve now got a physical plan of how to make our organisational facilities much more sustainable, which we can then take to funders and hopefully get funded, which is fantastic. So that’s quite a big outcome for us, and one that we probably wouldn’t have had without this funding.”

Community Business, Climate Cohort

Moreover, the offer of **flexible funding** was highly valued by community businesses. For businesses with paid staff, this flexible funding was often used to cover the costs of the time the staff spent engaging with the programme. This enabled organisations to use the funding to cover certain costs that would be difficult to justify in other funding programmes. One participant emphasised its importance, stating:

“Having non-restricted funding is really important; it allows us to focus on training without neglecting other areas.”

Community Business, Digital Cohort

Community businesses came to the programme with a variety of needs that they wished to address. Some of these businesses had a good grasp of what they needed while others identified issues during the diagnostic processes undertaken by Connectors and Leads. One community business implemented a new system for recording and analysing data they received from clients. They reflected:

“We can now record all interactions and have a better understanding of our work, ultimately leading to better service provision for our clients.”

Community Business, Digital Cohort

Impact on Community Businesses Leaders

Powering Up focused on either improving the digital proficiency of community businesses or meeting their sustainability goals. Programme stakeholders felt that this would only be possible amongst businesses that were viable, and with leaders able to drive their organisations. One of the funding streams was therefore targeted towards professional development and developing the skills and abilities of the leaders and staff of the business. Community businesses used this stream of funding on a variety of activities such as personal coaching for the leader, training courses for the staff, and away days for the whole team.

The role of the Connectors in relation to community businesses leaders' personal development was essential. The Connectors acted as mentors, meeting regularly and discussing any challenges the business was facing. As they had a lot of experience leading community businesses, they were able to provide expert advice and help the organisation through challenges, related and unrelated to Powering Up. Many of the community businesses reflected that this element of the programme was the most valuable as they were able to develop their own skills and understanding of what their community business needed.

“Talking to knowledgeable connectors has helped me discover new skills and learn more about databases and their usage.”

Community Business, Digital Cohort

In interviews, community business leaders reported that as result of this funding stream, they gained confidence and learned to delegate effectively. Moreover, they started focusing more on staff and personal well-being and celebrating their achievements. The programme, thus, encouraged leaders to consider their well-being alongside organisational demands, promoting a balanced approach to leadership.

“It's given me a lot more confidence as a leader to lead with confidence... It's allowed me to think about my own wellbeing and not just about developing and growing an organisation but thinking of me as my lead on where I need to be kind to myself...”

Community Business, Climate Cohort

In addition, business leaders had the opportunity to attend sector-level conventions and networking events. Through this programme, business leaders found a platform to voice their ideas and advocate for community changes they believed in. This included participating in discussions and panels where they could share insights and contribute to broader community initiatives, which would otherwise be financially inaccessible.

“The two events that we both went to were really informative...It's good to make those links as well. And then to get your voice heard”

Community Business, Digital Cohort

Long-term impact

Early feedback from participating businesses indicates a positive outlook on the sustainability of the programme's impact. Participants expressed confidence in the programme's influence on driving long-term improvements in their operations.

“This programme has given us a leap forward and the confidence to push on, leading to sustained improvements in how we operate.”

Community Business, Digital Cohort

Participants recognised the importance of the knowledge-sharing and capacity building facilitated by the programme. By sharing what they've learned with their teams, they anticipate building organisational capacity, which will support financial and operational sustainability. Therefore, the programme has a role not only in providing direct support but also in fostering a culture of learning and development within participating organisations.

“Sharing what I've learned with the team will build our capacity and benefit the entire organisation in the long run.”

Community Business, Digital Cohort

Nevertheless, some of the interviewees expressed a desire for ongoing support and follow-up from the programme. They see value in receiving additional advice and assistance to the sustainability of the impact. This suggests that while the programme has made significant strides in driving change, participants recognise the importance of ongoing support to maintain momentum and address evolving challenges, especially around securing funding.

“It would be beneficial to have follow-up support from the programme in the future, as it could provide valuable advice and ensure our continued progress.”

Community Business, Digital Cohort

The programme helped businesses to develop clear sustainability structures and multi-year plans, such as strategies for achieving net zero targets that will guide their long-term sustainability efforts.

“We have got the sustainability plan that's got year on year plan going forward... there are plans in place for about three years.”

Community Business, Climate Cohort

These reflections underscore the significant positive impact of the programme on their operations, service delivery, and capacity development. Moreover, they demonstrate the importance of ongoing support and flexibility to address long-term sustainability and growth.

Lessons for others supporting community businesses

- **Comprehensive support:** For certain community businesses, the combination of funding, access to expertise and support, and access to a network of providers and peers felt like the right support package for reaching their goals. Future grant programming aimed at supporting community businesses should consider how to provide a comprehensive package to support grantee needs.
- **Supporting leaders:** Community businesses can only thrive if their leaders are able to drive the organisation forward. Funders and commissioners that wish to promote community businesses' growth and sustainability should invest in supporting business leaders and building their capabilities.
- **Long-term impact:** while many community businesses felt that Powering Up would have a lasting impact, they also wanted ongoing support and follow-up from the programme. Business sustainability is an ongoing journey that needs continuous effort over time. Funders and commissioners should consider approaches to supporting ongoing and longer-term business sustainability. This would enable businesses to continue successfully operating, and to support them in addressing emergent challenges.

Which community businesses benefited most from the Powering Up model?

A key emergent finding of our evaluation is that the Powering Up model benefitted some community businesses more than others. We therefore sought to examine the factors contributing to a community business making best use of the programme.⁶ Our analysis reveals several key insights and considerations:

- Community businesses that were unsure what their exact needs were but knew that they could improve engaged very well with the programme. These community businesses sought out guidance and mentorship and often reflected that this was the most important element of Powering Up. Their **openness to explore and learn** made them ideal for the model.
- Community businesses that knew what area they were struggling in, but were not sure how to solve this problem, also engaged well. Connectors and Leads were often able to find solutions to these challenges. At the same time, openness remained an important factor, as the programme was sometimes better equipped to support some challenges over others. Having the flexibility to make this shift enabled community businesses to realise the full potential of the model.
- Community businesses that required **leadership training and support** benefited significantly from Powering Up. Not only was a funding stream dedicated to this, but also Connectors provided expert guidance during their regular catch-ups. When community business leaders were open to mentoring, they were able to benefit significantly from the programme.
- Meaningful engagement with community businesses hinges on their **commitment to the process and openness to change**. This underscores the importance of community

businesses actively participating and investing effort into the programme to maximise its impact.

On the other hand, other community businesses tended to not fully benefit from this model:

- Connectors and Leads struggled to engage with some community businesses. Having to work around the schedules of voluntary staff was very difficult who would **often not have the capacity to fully engage in the programme**. As time was dedicated to working with and improving the leadership of the community businesses, changes in management also hindered the ability of a community business to engage effectively.
- Experienced community businesses, accustomed to more rigid funding approaches from mainstream funders, may have **struggled to open up about the challenges they were facing**. Being open with what you are struggling with is an important aspect of engaging with the Powering Up model.
- Some community businesses came into the fund with a **set expectation** and idea of what support they would receive and **what the solutions to their issues were**. If these community businesses were unwilling to engage with the advice of the Connectors, they would struggle to make the most of the funding and Connectors and Leads would struggle to engage with them.

This analysis demonstrates the importance of **tailoring** support to meet the varied needs of community businesses, actively engaging with them to assess their readiness, aligning expectations and providing guidance to maximise the impact of the programme.

Lessons for others supporting community businesses

- **Readiness assessment:** Funders and commissioners wanting to deliver similar programmes to Powering Up should incorporate a readiness assessment at programme inception. Assessing community businesses' readiness for support before allocating resources could help ensure that the assistance provided aligns with their current capabilities and needs.
- **Clear expectations:** Sharing clear expectations about the programme and its requirements at the outset can allow the most suitable community businesses to engage in the programme. Funders and commissioners willing to deliver similar programmes to Powering Up should clearly communicate that the programme will work best for leaders that are open to learning and improving their organisation and are comfortable working flexibly and collaboratively.

What type of support worked best for community businesses?

Businesses reported that the support they received from the Connectors was the most impactful. The way the fund was set up meant that, outside of the three pots of funding, community businesses were able to ask any questions they had, receive excellent advice and direction, and

work through problems with their Connectors. Many community business leaders reflected that the support from Connectors and Leads was far more important than the funding they received.

Flexible funding not only provided community businesses with the means to address immediate needs but also allowed them to fully leverage the benefits of other support strands within the programme, including tailored support and guidance. By removing financial constraints and rigid restrictions, flexible funding empowered community businesses to access personalised assistance with their specific challenges.

“Important to have this funding. Always have things that are needed but not covered by other grants e.g. intercom system and is really useful to be able to get this sorted because it makes everything work better.”

Community Business, Digital Cohort

“I think having the different streams, or having different pots of money allocated is really good.”

Community Business, Climate Cohort

Flexible funding also enabled community businesses to adapt and respond to evolving needs, providing them with ongoing support throughout their journey. Whether it was through one-on-one consultations, workshops, mentorship programs or peer learning networks, community businesses could access a wide range of resources and expertise tailored to their specific requirements.

The combination of the three funding strands in the support package provided holistic assistance to the businesses which was enhanced by the expert support they received from the Connectors and Leads. More specifically, Connectors possess intimate knowledge of the local community, its dynamics, challenges and opportunities. This understanding allowed them to tailor support to the specific needs and circumstances of community businesses, ensuring that interventions were relevant, effective, and sustainable. Connectors also leveraged their extensive networks of providers. These networks provided community businesses with access to resources, expertise, and opportunities that may otherwise have been inaccessible, facilitating collaboration, partnership development, and knowledge exchange.

Lessons for others supporting community businesses

- **The value of expertise:** community businesses praised the support they received from experts on the programme. Funders and commissioners should consider involving sector or subject matter experts into the design of their funding programmes; this can help make best use of the funding and provide valuable advice to participants.
- **Flexible funding:** while it was challenging to adapt to flexible funding for a small number of community businesses, it helped most use the funding in the most useful way possible. Funders and commissioners should consider providing funding more flexibly to better meet the needs of those they aim to support. This can allow for adaptations when those needs change or become better understood.

What is the impact of devolving power?

As discussed, Powering Up devolved power away from Power to Change and towards community businesses. This led to better outcomes for community businesses in the following ways:

Facilitating better decision-making. Sociocratic, consent-based decision making takes more time but ultimately leads to better decisions. This was especially true in Powering Up as those making the decisions were community businesses experts.

The approach focused on relationship-building. Rather than setting targets for community businesses to reach, the programme was person-centred and made sure that stakeholders involved worked together. This led to co-production of activities giving community businesses a significant say in what would happen in the programme.

The programme learnt from mistakes and adapted. The way the programme was set up made it very flexible and able to change. Fortnightly Circle meetings gave space for the Connectors and Leads to reflect on what was working and what was not. As decisions were also made in this space, when things were not working the group were able to quickly react and make sure that any challenges were overcome swiftly.

The willingness of the programme team to learn ensured that dialogue was always open. Connectors and Leads were able to share challenges and shortfalls in their knowledge openly at the Circle meetings and learn from the others in the room. Community businesses would therefore receive collective support from Connectors and Leads. This openness was passed on to the community businesses as Connectors sought to create an open and safe environment so that they could assist them as much as possible.

Community businesses were empowered. Powering Up never imposed actions on community businesses. Instead, consent was at the forefront of the model of funding and all decisions about community businesses were made with them.

Powering Up: The legacy

Maintaining the momentum that the programme generated is a key priority for the programme team and stakeholders. By focusing on this legacy and publicising our findings, we ensure that the successes and challenges encountered continue to inform and inspire future initiatives.

Collaborative recommendations

These recommendations were developed through a collaborative process whereby the Renaisi-TSIP team presented insights from our evaluation, facilitating a group of Connectors and Leads to reflect and provide input. These reflections are supplemented by our own recommendations, drawn directly from the analysis presented in this report.

Recommendations for Funders

Funders are entities or individuals that provide grants, donations, or subsidies to community businesses without expecting a financial return. These can include government bodies, philanthropic organisations, foundations, and sometimes individual donors. The primary role of funders is to support social, economic, or environmental objectives within the community. They focus on creating positive social impact, supporting local initiatives, fostering community development, and addressing specific social issues.

Open funding models

The emphasis on open funding models means a shift towards transparency and collaboration in funding practices. This approach aligns with the principles of inclusivity and accessibility, ensuring that a broader range of organisations can benefit from funded projects. Diverse teams are essential to bringing varied perspectives and solutions, which can lead to more effective and equitable outcomes. Our evaluation found that Powering Up programme's flexible funding approach allowed community businesses to allocate resources based on their unique needs. The evidence shows that this model empowered businesses by devolving decision-making power, leading to more relevant and effective interventions.

Sustainable, long-term support

Moving away from one-off project-based funding to sustainable, long-term support allows for deeper, more impactful change. Flexible timelines that are responsive to grantees' needs enable organisations to fully develop and implement their objectives without the pressure of unrealistic or arbitrary deadlines. Through our evaluation, we found that community businesses benefited significantly from the flexibility in timelines, which allowed them to develop and implement their objectives without the pressure of unrealistic deadlines. This approach facilitated the achievement of long-term goals, such as implementing sustainability strategies and improving operational efficiency. Examples include community businesses developing multi-year plans for sustainability, which were supported by the programme's adaptable timelines.

Diversity and inclusion among support providers

Our evaluation highlighted the challenge of limited diversity among support providers and a lack of diversity within the supply chain. While this issue is systemic and cannot be addressed by

one organisation alone, concerted focus on DEI could help address this gap, ensuring that support services are culturally competent and effectively meet the needs of the diverse communities served. Evidence from the programme shows that diverse teams contributed to more inclusive and effective support.

Streamlined procurement and decentralised decision-making

Our evaluation found that community businesses faced challenges in navigating contracting processes. Community businesses found that the procurement process was labour-intensive and complicated by the integration of spot-purchased services. We recommend revisiting these processes with a focus on simplification and decentralising decision-making. In summary, decentralized decision-making in this context is about giving community businesses more control over their decisions, reducing complexity in processes like procurement, and allowing them to act more swiftly and effectively. This approach not only simplifies processes but also fosters a greater sense of empowerment and ownership among those directly involved. Decentralised decision-making, as demonstrated in the Powering Up model, enabled more responsive and effective support.

Recommendations for Investors

Investors are individuals or entities that provide capital to community businesses with the expectation of a financial return. They might be social impact investors, community development financial institutions, private equity, or even individual investors. The primary objective of investors is to achieve a return on their investment, which could be financial, social, or a combination of both. Social impact investors, for example, seek both a financial return and measurable social or environmental benefits.

Awareness and influence

Working to build community businesses' awareness of investment opportunities could attract more capital to this sector. By influencing investment decisions, investors can steer more resources towards socially impactful projects. Our evaluation surfaced that community businesses often struggle with accessing the necessary resources and networks to attract investment. By raising awareness and influencing investment decisions, investors can direct more capital toward socially impactful projects, which aligns with the programme's goals of fostering sustainable growth and community resilience.

For example, the flexible funding and tailored support offered by the Powering Up programme allowed community businesses to better position themselves for potential investments by addressing their specific needs and challenges. This approach not only helped businesses to develop their operations but also made them more attractive to investors by demonstrating their potential for long-term sustainability and impact. Investors, by working to increase awareness, can continue this momentum by helping community businesses understand how to access and leverage investment opportunities effectively.

Asset-Based Community Development (ABCD)

Incorporating an [Asset-Based Community Development](#) in investment strategy that ensures investments driven by members of the communities they are intended to serve, leveraging the

strengths and assets of communities. Empowering communities to set the pace and shape outcomes in investment areas leads to more relevant and sustainable impacts. Our evaluation finds that the Powering Up programme's emphasis on community empowerment and locally driven solutions meant that they successfully devolved decision-making power to community businesses, allowing them to tailor support to their specific needs and contexts.

Investors who adopt an ABCD approach ensure that their investments are aligned with the priorities of the communities they intend to serve, leading to more relevant and sustainable impacts. The Powering Up programme demonstrated that when community businesses are empowered to set the pace and shape outcomes, the support provided is more effective and better meets the real needs of the community. By integrating ABCD into their investment strategies, investors can contribute to creating long-term, impactful change that resonates with community members' goals and aspirations.

Recommendations for Local Government

For the purposes of this report, when we refer to local government, we mean municipal authorities (such as county councils, district councils, unitary authorities, metropolitan boroughs, and London boroughs) that play a crucial role in creating an enabling environment for the establishment, growth, and sustainability of community businesses. They achieve this by providing support, funding, guidance, policy frameworks, and partnerships that help community-led enterprises thrive within their localities.

Defining social value

For local governments, having a clear and holistic definition of social value is crucial to ensuring that funding and policy decisions truly align with broader community benefits. The Powering Up programme highlighted that community businesses are uniquely positioned to deliver social value by tailoring their support to meet the specific needs of their communities, resulting in more relevant and impactful outcomes.

However, our evaluation found that while Local Authorities often ask community businesses to demonstrate social value in their funding applications, there is often a lack of a comprehensive or clear definition of what constitutes social value. This can lead to inconsistencies and missed opportunities in recognizing the true impact of these enterprises.

To address this, Local Authorities should work closely with community businesses to collaboratively define social value in a way that reflects the unique contributions these businesses make to their communities. This process should involve direct consultation with community businesses, ensuring their perspectives are incorporated. By doing so, LAs can develop more meaningful and effective policy and funding frameworks that genuinely support the social and economic goals of the community.

Flexible startup funding

Local Authorities play a critical role in the development of community businesses, particularly through the provision of startup funding. This is distinct from traditional funders, as LAs often have the flexibility to offer financial support tailored to the unique needs and challenges of early-stage community businesses. Offering flexible startup funding is particularly important for early-

stage community businesses that may not fit into traditional funding models. The Powering Up report provides evidence of the effectiveness of flexible funding, which allowed community businesses to allocate resources according to their specific needs and circumstances.

For example, the flexible funding provided through the Powering Up programme enabled community businesses to cover essential costs that would typically be excluded from more traditional funding structures, such as backfilling posts or purchasing necessary equipment. Local governments can adopt a similar approach by offering flexible startup funding that accommodates the unique challenges and needs of early-stage community businesses, providing them with the financial support necessary to establish and grow.

Engagement and capacity building

Engaging with community businesses in programme design ensures that their needs and perspectives are considered. Tailored capacity-building support for early-stage community businesses helps them develop the skills and resources they need to succeed. The collaborative approach of the Powering Up programme, where community businesses worked closely with Connectors and Leads to co-create support plans, resulted in tailored solutions that directly addressed their challenges. Local governments can replicate this model by engaging community businesses early in the programme design process and offering capacity-building support that is specifically tailored to the unique needs of early-stage businesses. This engagement ensures that the programmes are not only responsive but also empower community businesses to succeed.

Incentives for social impact

Exploring incentives for businesses that create social impact encourages more businesses to contribute to social good. This can be an effective tool for promoting social value creation within the local economy. Our report provides examples of how community businesses contributed to significant social and environmental outcomes, including implementing sustainability initiatives and improving community engagement.

By offering incentives for creating social impact, local governments can encourage more businesses to adopt practices that benefit the broader community. This could involve recognizing and rewarding businesses that achieve measurable social outcomes, thereby fostering a culture of social responsibility and community-focused business practices. The success stories from the Powering Up programme, where community businesses implemented impactful projects with the support of flexible and responsive funding, demonstrate the potential of such incentives to drive positive change.

Recommendations for Power to Change and wider stakeholders

Advocacy for national recognition

Advocating for national government recognition and sustained funding for community businesses is essential for ensuring the longevity and impact of programmes like Powering Up. Advocacy efforts should focus on demonstrating the unique value that community businesses bring to local economies and social cohesion, as well as the specific challenges they face, such as access to resources, funding, and technical support.

Visibility and understanding

Increasing visibility and understanding of community businesses among policymakers, potential funders, and the general public is crucial. Through impactful storytelling and comprehensive feedback, Power to Change can raise awareness of the contributions and challenges faced by these enterprises. This can involve public campaigns, media engagement, and reporting targeted at these specific groups. By highlighting the achievements of community businesses, Power to Change can encourage greater support and resources from policymakers, attract funding from donors, and build public recognition of the importance of these enterprises. This increased visibility can ultimately lead to more resources, partnerships, and sustained support for community businesses.

Leveraging established relationships

Utilising established relationships to foster future initiatives can help build on existing trust and collaboration. This could include expanding partnerships with community businesses, funders, and other stakeholders to implement innovative projects that enhance Diversity, Equity, and Inclusion (DEI) efforts. By capitalizing on the networks and relationships developed during the Powering Up programme, Power to Change can create a stronger, more interconnected ecosystem for community businesses.

Facilitating Learning for Community Businesses

As the programme concludes, it's crucial that the knowledge, experiences, and best practices developed become a resource that empowers other community businesses to thrive. This section provides actionable ideas on how to disseminate these learnings in a way that is accessible, engaging, and practical, ensuring that the benefits of the programme are extended to a broader audience.

Centralised directory and wiki page

Creating a centralised directory, linked to an easily navigable wiki page, ensures that community businesses have quick access to a list of experts, resources, funding opportunities, and case studies. The directory should be regularly updated and categorised by specific needs such as digital transformation, climate action and social enterprise management.

Facilitated gatherings

Organising regular gatherings, such as workshops, webinars, and conferences, creates a space for community businesses to share experiences, discuss challenges, and brainstorm solutions. Incorporating these gatherings into funding programmes could ensure that they are well-supported and more impactful, as participants are more likely to engage when these opportunities are directly tied to the resources and goals of the programme. These events could be themed around specific issues like digitalisation, sustainability, or community engagement, featuring expert panels, peer learning sessions, and networking opportunities, which are most effective when aligned with the programme's objectives and funding cycles.

Practical tools and service recipes

Service recipes could include step-by-step guides for implementing specific projects, such as launching a digital marketing campaign or setting up a community recycling initiative. These tools should be designed to be user-friendly, with clear instructions, examples, and potential pitfalls to avoid.

Resource templates

Resource templates could include financial planning tools, project management frameworks, stakeholder engagement strategies, and sustainability checklists. These templates should be adaptable to various community business needs and contexts, catering to different stages of business development.

Conclusion

In conclusion, the Powering Up programme represents a pioneering approach to supporting community businesses, marked by its emphasis on devolving power and tailoring support to meet the diverse needs of participating organisations. Through a unique funding model and collaborative decision-making processes, the programme has demonstrated its ability to drive tangible improvements in community businesses' operations, digital proficiency, and leadership capacity.

Moreover, the programme's emphasis on devolving power from the funder to community businesses and experts resulted in responsive and adaptive support structures. By involving community businesses in decision-making processes and tailoring support to their specific needs, Powering Up has created an inclusive and effective funding model. This shift in power dynamics has empowered community businesses to take ownership of their own development and drive meaningful change within their organisations.

Crucially, the success of the Powering Up programme is contingent upon the willingness of community businesses to embrace change and engage actively with the support provided. Community businesses that are open and receptive to new ideas and approaches are better positioned to leverage the resources and expertise offered by the programme.

We are Renaisi-TSIP

We're passionate about creating the conditions for strong, inclusive communities to thrive.

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