

The logo for E3M, with 'E' and 'M' in blue and '3' in orange.

Local Alchemy: Unlocking Social Value and Investment through Collaboration

How an innovative process catalysed understanding and relationships between local authorities and social enterprises.

£12m unlocked - could your area be next?

E3M's Local Alchemy events in Oldham, Rotherham and Gainsborough demonstrated the power of collaboration between social enterprises, commissioners and investors.

This series of events developed by a team of social enterprise and investment experts gave participants permission to "think differently," catalysing:

- understanding of social enterprises and new models to deliver social good,
- relationships which will be the foundation for ongoing social development,
- and action in the form of new partnerships and projects.

Over £12m of social investment was unlocked directly as a result of the programme, with projects and communities in all three locations benefitting.

A full evaluation report is available on the E3M website. This document describes the key outcomes of Alchemy in Gainsborough, Rotherham and Oldham.

What is Local Alchemy?

Alchemy facilitates new approaches to tackle place-based challenges. It was predicated on the belief that a partnership-based approach between commissioners, public benefit organisations and funders would yield long term social benefits, creating sustainable models for development.

Alchemy catalyses knowledge, relationships and action for social good.

Why is Local Alchemy needed?

Public services have suffered a double blow of increased demand and declining resources, fuelling a negative spiral for many communities. Effective allocation of resources, collaboration, long term approaches and the creation of sustainable models have never been more important. However, increased pressure can often lead to ever greater insularity and risk aversion, when what is needed is real change, not just in what is delivered but how it is delivered.

The E3M's Alchemy events were designed to help stakeholders take a step back, learn and be inspired by examples of social enterprise innovation from around the country and start to build the relationships and approaches needed to tackle the challenges facing their communities at scale.

The E3M initiative was developed and is managed by Social Business International. It is supported by partners to provide expertise and share knowledge about the key ingredients for successful social enterprise growth.

At the heart of E3M is the Social Enterprise Leaders Club, which brings together a group of the UK's most dynamic and innovative social enterprise leaders. They operate across the UK in a diverse range of public service areas, including: health and care, leisure, culture, transport, children and young people, housing and telecommunications.

E3M's Bold Commissioners Club is an innovation network of senior leaders in public bodies, who are pushing the boundaries of commissioning practice, and want to share learning and develop thought leadership together. The Club has a special focus on innovation and achieving maximum public benefit in the way commissioning is undertaken. Club members include senior commissioners from across the public sector, including local government, health, police, criminal justice, transport and other parts of Government.

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I got some really useful learning about the potential of collaboration with social enterprises and the different approaches and outcomes that can be achieved - I found the examples really helpful, some good examples across the range of scale too. They really brought to life what is possible and the difference it made to people and the local community.

A local authority Alchemy participant

How does Local Alchemy work?

E3M conducts extensive preparation and workshops in partnership with a local commissioning sponsor to help articulate the challenges and opportunities and ensure effective engagement.

An Alchemy event brings commissioners, social enterprise leaders (both local and national) and funders together. Participants are exposed to examples of innovative practices, then - through a facilitated process - develop interventions together which they present.

After each event E3M provides a full report to the sponsoring organisation including business model canvasses and specific recommendations; a case study of the event and a film summarising the immediate impact and participants' reactions. This material is designed to support adoption of the suggested interventions.

Local Alchemy's impacts for Gainsborough, Rotherham and Oldham

Feedback from participants showed a marked shift in the understanding of opportunities presented by social enterprises and social investment as well as deeper insights into effective partnership working which maximises social value. Tangible actions include:

- The Gainsborough Investment Network (GIN) secured £5m in grant and loan funding through the Local Access Programme, a place-based blended capital initiative. Gainsborough Alchemy facilitated partnership development, collaboration, co-design and the identification of specific initiatives which could be enabled through this programme.
- A social-investment-backed housing special purpose vehicle will proceed in Gainsborough.
- Oldham's Northern Roots project was approved by the Council at Cabinet in January 2019, informed by the work developed at Alchemy, and is progressing, with £700K of Council revenue funding over 2 years.
- Rotherham Rise was able to purchase its own building and secure its future thanks to social investment secured from attendance at Rotherham Alchemy.
- Another South Yorkshire based organisation, and social enterprise P3, each secured c. £3m in social investment because of relationships begun at Alchemy.
- 89% of participants from local authorities reported an increased interest in working with social enterprises and in social investment while 75% of social enterprises reported the events addressed barriers to securing contracts with local authorities.

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Alchemy was instrumental in helping us develop a comparative narrative that we translated into the Access bid.

Eve Fawcett-Moralee,
West Lindsey District Council

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Northern Roots would not be progressing in the way it is without Alchemy. It helped in framing the ambition for Northern Roots; this model is only viable if it is about social enterprise.

Dr. Carolyn Wilkins, Chief Executive,
Oldham Council

Local Alchemy in your locality?

Alchemy demonstrates the impact when social enterprises, commissioners and investors collaborate.

Around £12m of social investment has been unlocked by Alchemy events in Oldham, Rotherham and Gainsborough.

The programme gives participants permission to “think differently” and creates a safety net to act differently.

Alchemy catalyses mutual understanding between social enterprises, commissioners and investors, and develops new relationships.

These are the foundations without which action cannot happen.

To discuss the potential which Alchemy could unlock in your locality, please contact Jonathan Bland at E3M:

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E3M is grateful to The Connect Fund for supporting some of the costs of running Alchemy events in Oldham, Rotherham and Gainsborough. A detailed evaluation report is available on the E3M website.

www.connectfund.org.uk

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