



SOCIAL VALUE REPORT 2023

A LOOK INTO THE SOCIAL VALUE GENERATED BY
LAUNCH IT TOTTENHAM GREEN ENTERPRISE CENTRE

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INTRODUCTION



Twenty-three years ago, Launch It opened its doors to its first cohort of hopeful entrepreneurs. Since then, our commitment to empowering young people to embrace entrepreneurship as a sustainable path to a brighter future has only grown stronger.

Launch It Tottenham Green Enterprise Centre (TGEC), our main office and second largest site, is a testament to this promise. Over the past 10 years, it has been home to a handful of successful businesses proudly grown by driven young entrepreneurs in the area. It is a safe, nurturing hub for innovators, leaders and creatives where ideas and dreams are celebrated; where they can develop important skills to be a business owner, elevate their life ambitions and belong in a community.

We recently commissioned **InspireChilli** to conduct a research into the social value generated by Launch It TGEC to understand, measure and value the impact of our work on society. These insights would be essential as we seek to improve our engagement with young people and the local communities they are a part of.

The research was based on **qualitative interviews with beneficiaries and stakeholders** from the centre, together with **analysis of available performance data** generated from Launch It for the year 2021-2022.

In order to best determine the social value generated by Launch It TGEC, **interviews interrogated the validity of Launch It's overall Theory of Change**, on which impact is predicated, while performance data was assessed against external benchmarks to calculate social value figures.

HIGHLIGHTS

Launch It Tottenham Green Enterprise Centre offers an accessible, affordable space with quality support for young people to start or grow a business that is likely to impact positively on its community and provide a viable source of income for its owner.

Below are some key findings generated from the report:

THE STRONGEST ELEMENTS OF THE LAUNCH IT OFFER

- Safe, youth-friendly, affordable office space to incubate businesses
- A designated enterprise manager offering accessible, personalised support
- Connection with a mentor to accelerate the development of core business skills

THE STRONGEST IMPACT ON YOUNG PEOPLE

- Increased aspirations and confidence among young people to run their own businesses and be role models for others
- Development of soft skills essential to business success
- Ability to run sustainable businesses that generate positive social impact in their local community

AREAS PRODUCING GREATEST SOCIAL VALUE

- Numbers moving into self-employment who were long term unemployed and/or homeless prior to the programme
- Number of new businesses created and existing businesses sustained or grown
- Number of people employed from the local community by businesses

ADDITIONAL VALUES CREATED

- Role models of successful young business leaders from traditionally underrepresented groups
- Businesses that have a social purpose to impact on their communities
- Additional investment in local areas through external funding from programmes such as **Next Generation** and the **Opportunity Fund**



LAUNCH IT THEORY OF CHANGE

SITUATION



YOUNG PEOPLE

Aspiring entrepreneurs in the UK aged 18-30 from underrepresented groups or disadvantaged areas struggle to access employment & opportunities to make entrepreneurship a viable career path.



LOCAL COMMUNITY

Residents from areas of high deprivation facing the challenges of rising social inequalities. Higher prices, wage stagnation and flatlining productivity have put pressure on households with low-income families.



ACTIVITIES



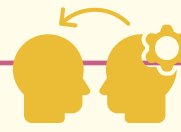
AFFORDABLE WORKSPACES

Enterprise centres offering shop/office units also known as "incubators" to start or grow a business at subsidized rates



PERSONAL & BUSINESS SKILLS DEVELOPMENT

Various training programmes, workshops & events to enhance confidence, funding support & overall entrepreneurial know-how



MENTORSHIP OPPORTUNITIES

Enterprise centre managers & mentors from various industries providing 1:1 support & workshops



COMMUNITY SUPPORT & NETWORKING

Like-minded, enterprising individuals to help grow their network as well as signposting opportunities

←----- 2-YEAR PROGRAMME -----→

COMMERCIAL WORKSPACES

Shop/office units for private local businesses and/or for young people to continue operations after completing the 2-year programme



OUTCOMES

YOUNG PEOPLE

- Improved business & soft skills as well as ability to start or grow a business
- Empowered to evaluate entrepreneurship as career choice
- Reduced unemployment
- Increased business growth resulting to likelihood of earning an income
- Expanded support & business network
- Increased aspirations & confidence to run their own business

LOCAL COMMUNITY

- Increased local employment
- Increased provision of services in local area
- Overall positive social impact



ACHIEVEMENTS IN CHANGE AREAS



This section explores the impact of Launch It's Theory of Change which is categorised in the following key areas:

- Skills development & confidence building
- Expanded business & support network
- Business & financial growth
- Local area support & impact
- Value of the Launch It organisation

ACHIEVEMENTS IN CHANGE AREAS

SKILLS DEVELOPMENT & CONFIDENCE BUILDING

90%

increase in aspirations & confidence
to run their own business

Impact on aspiration is a key outcome from Launch It's work, with further social impact achieved through role models of successful young entrepreneurs able to influence others in their community.

This is particularly important given the numbers of young people worked with who come from underrepresented groups among business owners, including both women and those from minoritised communities



81%

increase in confidence levels; the
highest impact achieved among
recorded skill areas

80%

increase in
soft skills such as
communication,
problem solving,
time management &
motivation

The provision of mentors forms an important part of the Launch It offer to impact on soft skill areas. This proved to be a key element in determining satisfaction levels in the Next Generation programme.

”

*Launch It made it possible
for me to feel I could
create my own business.*

90%

felt supported to
evaluate
entrepreneurship as
a career choice

The initial meeting with the enterprise manager was recognised as a positive experience, with ongoing support to develop confidence as a business owner. **The quality of enterprise managers are key to the centre's success** as with the provision of workspace.

ACHIEVEMENTS IN CHANGE AREAS

SKILLS
DEVELOPMENT &
CONFIDENCE
BUILDING

90%

felt there was consistent support from the enterprise manager and access to mentoring opportunities

The Launch It enterprise manager was seen as a great encourager, someone who was always accessible, well connected and knowledgeable, with a solution focused approach to challenges. The **relational approach is highly effective** to support young people's business journey.

External mentors were also highly praised, well-matched to fit business owner needs.



90%

said they had access to business skills training & events

Some training events such as for legal skills were highly praised. Feedback also queried the strength of cultural representation and awareness levels among external trainers.

With **only 60% feeling they had progressed business skills overall** suggests that the programme can be reviewed and improved.

80%

said they got support to create a viable business plan while 20% reported to already have one

60%

improvement in business skills such as digital, marketing, sales & finance

Some feedback suggested that training in these areas was not always at a consistent level of quality or appropriateness, but where it was good, such as on the law and digital skills, it was hugely appreciated

On further enhancing young people's ability to develop entrepreneurship, Launch It may benefit from producing a **clear definition of what being "entrepreneur ready" entails** and offer validation back to beneficiaries when they achieve the identified threshold of entrepreneurship to help their self-awareness as entrepreneurs and assist in overcoming any impostor syndrome.



ACHIEVEMENTS IN CHANGE AREAS

EXPANDED BUSINESS & SUPPORT NETWORK

70%

said they got the support they need for business growth

The remaining 30% shared they were not yet ready to access the support. However, everyone felt that they could approach the enterprise manager for support at any time.

This area also connects with comments on signposting to external assistance and space for businesses to scale their success.



Feedback suggested that more help with accessing funding would be appreciated.

While the enterprise manager remains an accessible source for information, **more formal signposting to external resources would prove helpful.**

50%

said they had access to signposting to external funding, support & assistance

40%

said they had access to physical and virtual peer support group

While this may reflect some of the disruption from the pandemic, the low score connects with comments about the lack of facilitation for greater peer-to-peer networking.

Business owners reported that they did not know who else was in the centre; that they **wanted greater opportunities to connect, learn and give back**; that Launch It needed to be more purposeful in efforts to communicate between and connect young people.

ACHIEVEMENTS IN CHANGE AREAS

BUSINESS & FINANCIAL GROWTH



100%

recognised the subsidised rental space benefit even if people had not taken up the offer

The workspace is seen as a "**safe place for young people**", an "essential support for start up", "**a home that is accessible and stable**" and "made it possible to feel they could create a business".

Beyond the success of the incubation space, feedback suggested a **strong interest in seeing Launch It expand its partnership network or delivery offer** in order to help scale new businesses through the provision of more commercial space options for business owners to move on to.

ON REDUCING UNEMPLOYMENT & INCREASING NUMBER OF YOUNG PEOPLE RUNNING BUSINESSES

Data provided from Upshot and examples from interviews suggest that **around 20-30% enter the Launch It programme who are unemployed or in precarious employment.**

The ability to transition registered or long term unemployed into jobs as business owners produces significant social value. Further work may be required to reach more beneficiaries from this group through additional outreach and marketing activity as part of an increased emphasis on promoting the Launch It offer.

Only **half of those interviewed appeared to have set up a business during their time with Launch It.** An equal number had already introduced their business in some form, although often on a less established footing such as a sole trader an unregistered company, which they were then able to progress during their time with Launch It. **Data for the period 2021-22 showed that 77% had set up a new business,** suggesting that this rate is prone to fluctuation.

70%

agreed they managed to improve business growth resulting in likelihood of their business providing them with an income

Improved business growth was typically linked with the ability of business owners to employ additional staff capacity – often in a part time capacity. The majority of those who agreed that they had **improved business growth were also likely to reference securing a more stable employment income** through the business, with half of these moving from unemployed or in between jobs to a secure source of income.

Additional evidence provided by Launch It on sample rates of client business turnover showed an average of 36.5% increase over 2 years.

ACHIEVEMENTS IN CHANGE AREAS

LOCAL AREA SUPPORT & IMPACT

60%

said their business was able to help increase local employment

Additional evidence suggests that established businesses that move on from the core offer end up generating an **average of 40 paid positions per business**.

Local employment was often stimulated through the offer of part time work, with full-time jobs created in less than 20% of interviewees. **Where a business had not employed staff, the aspiration was to do so in the future**, with a common interest in offering employment within the local community.

Given the impact on businesses creating local employment, the theory of change could be strengthened by noting a percentage target for how many businesses will go on to employ others.

ON INCREASING PROVISION OF SERVICES IN THE LOCAL AREA

Data from the 2021-2022 period showed that the majority of businesses supported by Launch It offered services in the areas of beauty and technology. Interviewees delivered an **impressive range of local services, with examples such as a legal consultancy, the Kana Educational Foundation, the HR Sports Academy, and the House of Fashion**, all offering key services for their targeted communities.

From supplying low cost legal support to small businesses to offering positive role models to 3,500 young people each year in Haringey, **Launch It's beneficiaries appear to have a strong community footprint**.



80%

agreed that their business has a positive social impact

This is a significant outcome which supports Launch It's growing confidence to promote business creation as something linked with social purpose.

Some businesses such as HR Sports Academy and House of Akunna Fashion are **generating significant social impact with a monetised value** in hundreds of thousands of pounds. There is a lost opportunity here in that the business owners do not understand how to measure their impact, and Launch It does not track this more formally.

While not all the social impact generated would be directly attributed to Launch It, a significant proportion is clearly dependent on the foundations established with it as well as the ongoing relational support and, in some cases, provision of office space.

ACHIEVEMENTS IN CHANGE AREAS

VALUE OF THE
LAUNCH IT
ORGANISATION

ON INCREASING THE RECOGNITION OF LAUNCH IT AS A VEHICLE FOR CHANGE

Launch It is recognised as a **key delivery partner** in the local authority's strategy to improve employment opportunities for communities experiencing disadvantage. Involvement in five organisations and other enterprise support agencies Opportunity Fund and Next Generation has increased Launch It's reputation as **an organisation delivering impactful enterprise development opportunities** for young people.

Feedback suggests that the Launch It brand could be better promoted through a more active marketing and communications approach. This will help in building recognition amongst stakeholders including local and regional government, trusts and foundations, corporates, referral organisations and other enterprise support agencies.

ON INCREASING PROGRAMME AWARENESS AMONG YOUNG PEOPLE

While beneficiaries confirmed that Launch It had a positive reputation among young people, there was consistent feedback that more needed to be done to promote the Launch It Offer more widely and to "shout louder".

Given the number of positive role models among Launch It beneficiaries, a more formalised ambassadorial approach could be developed from its alumni.

OTHER AREAS TO EXPLORE IN THE FUTURE

- Embedding reflective practices which ensure that ongoing service improvement is informed by the views and experiences of the young people supported
- Expanding reach to more young people

There were a couple of instances in interviews suggesting that Launch It could do more to listen to and act on feedback from its beneficiaries. Processes to capture this may need to be more formalised through a listening strategy.

Challenges to generate Upshot data reports suggest that reflective practice based on performance returns is not fully embedded in current practice.





REFLECTIONS ON THE THEORY OF CHANGE

OVERALL, THE LAUNCH IT THEORY OF CHANGE APPEARS TO CLOSELY MATCH THE EXPERIENCES OF BENEFICIARIES.

The change logic model could be further strengthened by clarifying that not all beneficiaries will start new businesses and, in particular, to signpost the positive social impact generated from businesses incubated through Launch It's support.

Neither Launch It or its beneficiaries appear to fully understand the social impact that is achieved. Additional work to strengthen this might include adding "**understanding social impact**" as an element of the core training offer for businesses, and introducing post programme support that could also help Launch It to track impact generated.

DELIVERY AREAS IN THE THEORY OF CHANGE THAT REQUIRE ADDITIONAL DEVELOPMENT:

- Creating more purposeful peer support opportunities
- Better signposting to external resources and progression pathways
- More visible communications and marketing to "shout louder" about Launch It's work to stakeholder



TOTAL SOCIAL VALUE

The total social value generated in financial returns over 2021-2022 is **£2,021,034.50**.
The total social return generated, £ per £, from expenditure over the same period is **£6.75 : £1**.

CALCULATING SOCIAL VALUE FROM LAUNCH IT'S OFFERS

Calculations have looked at returns based on social value computations from the following:

- **TOMs (Themes, Outcomes & Measures) 2022** framework for social value measurement
- **Gross Value Added (GVA) data for business and job creation** from the CBI (2022) and Centre for Business and Economics Research (2019)
- **Quantitative performance data** information provided for the years 2021 and 2022 from Launch It's Upshot database.

Calculations do not take into account financial savings from discounted rent, which was not accessible for scrutiny. Given that the actual expenditure on the centre is mostly covered by income generated from rents, **the returns represent excellent value for money** for the organisation.

SUMMARY OF CALCULATIONS

£4,446 The provision of training sessions delivered & business advice offered from volunteer mentors.

£102,405 Moving long term unemployed & those experiencing homelessness into work as business owners.

£87,184 The number of local people hired by businesses supported by Launch It.

£1,461,600 The GVA of new businesses created based on deadweight of 30% from expected business closure rates & using the lower UK average business GVA rate to take into account the smaller size of businesses established.

£365,400 The GVA of existing businesses sustained based on the same deadweight of 30% & the lower UK average business GVA rate.





TOTAL SOCIAL VALUE: IN CONCLUSION



The social value, in terms of a £ per £ figure, is **more than double than that produced from the Next Generation programme delivered by Launch It and Enterprise Nation over 2022** in London. This reflects the high value produced from the quality of the Enterprise Centre and its programme of support to invest in the development of impactful local businesses.

The **true social value returns from the centre are likely to be higher, given the evidence that the majority of businesses created through Launch It generate positive returns** as businesses with social impact in their communities, some at demonstrably higher levels than the average GVA figures used in the social value calculations. This is worth further investigation in any future research on impact.

High numbers from disadvantaged backgrounds benefiting from the Launch It programme – 36% from disadvantaged postcodes, and 36% either single parents or from a single parent family over 2021-2022 – mean that **the programme has a powerful impact on the creation of positive role models**. Additional evidence from Launch It suggests that more established businesses go on to create paid positions at an average rate of 40 per business, many of which are filled by people from the local community.



Interested in finding out more about the Social Value Report or supporting Launch It?



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