
To: Economy and Jobs Policy Board

On: 22 March 2017

Report by: Director of Development and Housing Services

Heading: Big Issue Invest – Corporate Social Venturing Fund

1. Summary

- 1.1 This report provides an update to the May 2016 Economy and Jobs Policy Board report which outlined the Big Issue Invest Corporate Social Venturing Fund and the request for Renfrewshire Council to contribute towards this programme.
 - 1.2 The Board delegated authority to the Director of Development and Housing Services to enter into further discussions and negotiations with Big Issue Invest around a potential Renfrewshire Council investment of up to £50,000 to the Scotland Corporate Social Venturing Fund.
 - 1.3 This paper updates the board on progress and recommends approval of the finance towards the fund.
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2. Recommendations

- 2.1 It is recommended that the Board:
 - i. approve the allocation of £50,000 to the Big Issue Invest Corporate Social Venturing Fund for the sole use of loans to Renfrewshire companies;
 - ii. agree that the loan fund will be released once confirmation of necessary funding from all partners is achieved and an appropriate service level agreement is signed by Renfrewshire Council and Big Issue Invest; and
 - iii. note that further updates will be provided to Board.
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3. Background

- 3.1 Big Issue Invest is the social investment arm of The Big Issue. Founded in 2005, Big Issue Invest extends The Big Issue's mission to tackle poverty and create opportunity by financing the growth of sustainable social enterprises.
- 3.2 Renfrewshire Council has been invited by Big Issue Invest to become Scotland's first local authority partner in the launch of a new loan Fund for early stage social enterprises.
- 3.3 The Big Issue Invest Scotland Corporate Social Venturing Fund is raising investment finance from a range of Scottish public and private bodies and charitable trusts including BT, the University sector, The Life Changes Trust and possible match funding from The Scottish Government. The lead investment partner is Standard Life Investments and it will cover the revenue costs of the programme. Big Issue Invest planned to launch the Fund in June 2016 but financial commitments to support the programme have been slower than anticipated. At this stage is now expected to launch in Summer 2017.
- 3.4 The Fund builds on Big Issue Invest's track record in managing a number of grant and loan funds across the UK in recent years. The Fund differs from mainstream grant and loan funds in that the corporate partners will not only provide funding for successful applicants, but also business support through staff expertise and mentoring.
- 3.5 Renfrewshire Council has been asked to invest up to £50,000 in the Fund. This investment would be committed exclusively to Renfrewshire social enterprises. The Fund's investment decisions would be made by an Investment Panel drawn from the funding partners.

4. Progress and Further Actions

- 4.1 Following the Board in May a number of discussions and meetings took place with Big Issue Invest to clarify, in particular, the role of the Council as a funder of the Initiative and the conditions of funding for local companies.
- 4.2 The programme will launch this year on confirmation of funding from other key partners: Standard Life Investments, Edinburgh University, Virgin Money and Scottish Government and this is hoped to be in early summer.
- 4.3 Renfrewshire Council funding will be held for Social Enterprises based in Renfrewshire and Renfrewshire Social Enterprises will also get access to the wider pot of funding available.
- 4.4 Following Board approval work will commence on the Service Level agreement and funding will not be released until this is signed by both parties (Renfrewshire Council and Big Issue Invest). Further reports will be brought back to board once the programme is operational.

Implications of the Report

1. **Financial** – The £50k investment would be made from existing social economy budgets provided through Invest in Renfrewshire.
2. **HR & Organisational Development** – none
3. **Community Planning – Jobs and the Economy** – Support to local social enterprises will increase their capacity to deliver services, build their sustainability and achieve wider economic impact.
4. **Legal** – Support is required from Legal Services on the development of the Service Level Agreement.
5. **Property/Assets** - none
6. **Information Technology** – none
7. **Equality & Human Rights** -
The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report as it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – checks with procurement will be made to ensure compliance with regulations,
10. **Risk** – none
11. **Privacy Impact** - none

List of Background Papers

1. Economy and Jobs Policy Board, 25th May 2016, "Social Enterprise Progress Update"

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