



power to  
**change**

business in  
community  
hands

# **Invitation to Tender for research:**

## **Marginalised community businesses and organisations – barriers and solutions to accessing funding and support**

Suzanne Perry, Impact and Learning Officer  
Edward Walden, Diversity, Equity and Inclusion Manager

May 2022

# 1. Introduction

## About Power to Change

Power to Change is the independent trust that supports community businesses in England.

Community businesses are locally rooted, community-led, trade for community benefit and make life better for local people. The sector owns assets worth £870m and comprises 11,300 community businesses across England who employ more than 37,000 people<sup>1</sup>.

From pubs to libraries; shops to bakeries; swimming pools to solar farms; community businesses are creating great products and services, providing employment and training and transforming lives. Power to Change received an original endowment from the National Lottery Community Fund in 2015. Our 2021-26 [strategy](#) sets out our new vision and mission, and an important tenet of our strategy is to ensure we are working towards a more diverse, equitable and inclusive community business sector.

[www.powertochange.org.uk](http://www.powertochange.org.uk) @peoplesbiz

# 2. Background to the research

## What do we want to know?

As we deliver our strategy, Power to Change wants to learn as much as possible about how the mechanics of marginalisation affect access to support and funding for applicants and grantees. This includes the ways in which our own and our peers' processes need to be improved, and how.

## Why do we want to look at this topic?

Community businesses support some of the most marginalised and underprivileged groups across a range of social issues, including financial deprivation, disability, people who experience racial inequality, and food poverty. However, preliminary data, research<sup>1,2,3</sup> and anecdotal experience from across the community business sector has highlighted to us that many of the processes that foundations implement in their grant-giving and support processes are not suitably inclusive for the wide range of groups we aspire to effectively support.

We know that we need to improve the way in which we support community businesses, and want to share insight about how best to do this with others.

---

1

[https://www.sibgroup.org.uk/sites/default/files/files/PTC\\_3812\\_Minoritised\\_Ethnicity\\_Report\\_FINAL\\_0.pdf](https://www.sibgroup.org.uk/sites/default/files/files/PTC_3812_Minoritised_Ethnicity_Report_FINAL_0.pdf)

<sup>2</sup> <https://baringfoundation.org.uk/wp-content/uploads/2015/07/Funding-for-BAME-VCOs-Report-July-2015-V4CE-II>.

<sup>3</sup> <https://socialeconomydatalab.org/resources/diversity-data-dashboard/>

For context around mistakes we have made in the past: Power to Change has used trading ratio – a metric that tells us how much of a community businesses’ income comes from trading versus grants - as an objective indicator of organisational health and financial security. However, in 2020 we identified, through our application data, that community businesses led by people from minoritised ethnicities, and to a lesser extent disabled people, tended to have lower trading ratios. This is likely to be because these [groups traditionally have found it more difficult to access funding](#) which would have helped increase their trading ratios. Therefore, by using trading ratio as an 'objective' metric, our funding compounded these groups’ exclusion and further excluded them.

Power to Change aspires to do better. We are committed to admitting to and addressing the historical faults in our processes, and by commissioning this research we both hope to learn more for ourselves and offer useful insight from which the sector as a whole can benefit.

Power to Change has taken steps to make our processes and work more inclusive. These include:

- commissioning research to gain a snapshot of the diversity of the community business sector more broadly and those led by and supporting minoritised ethnicities specifically;
- an enhanced approach to diversity data collection at application stage;
- listening to applicants and responding to feedback; e.g. shifting to plainer English application forms and guidance, providing webinars, adopting funding targets for marginalised groups
- partnering with sector organisations that focus on the experiences of marginalised groups;
- following best practice advice and guidance issued by [ACEVO](#) and [Charity So White](#);
- training staff on anti-racism;
- improving our recruitment practices;
- and diversifying our board of trustees.

These actions form part of a broad effort to align our organisation towards being Diverse, Equitable, and Inclusive (DEI).

These efforts to better understand the barriers marginalised groups face have been profoundly beneficial. However, a systemic approach with committed resources, and an external view, can help us, and the sector, consider aspects to these issues that we haven’t reached yet, and challenge us in a way only an external provider can.

## **What will we gain from this research?**

This research will give Power to Change a broader understanding of the mechanics of marginalisation and how it impacts community businesses led by and supporting people from marginalised groups’ ability to access funding and support, both ours and others. It will also afford us an external perspective, which we hope to be rooted in the experience of community business leaders, into the processes, decisions, and policies of funders, including ourselves, which compound this marginalisation or at least fail to address it.

## **Who are our audiences and how will we share the findings?**

The anticipated audiences for this research include:

- Power To Change and other infrastructure and support organisations in the community business/group space, who will utilise the findings to improve funding and support offers to better meet the needs of people from marginalised groups
- Community businesses/groups, who can use the outputs of the research to understand the barriers on the side of the infrastructure organisations that provide support and funding. The aim of this is to democratise knowledge and give community businesses/groups further power to navigate the funding and support systems.

## What definitions are we using?

The **marginalised groups** we are interested in are in line with the [DEI Data Standard](#) and are relevant to our grantee and applicant pool. However, we recognise that there are other marginalised groups which are not listed here:

- People from minoritised ethnicities
- Disabled people
- LGBTQIA+ people
- Younger people (35 and Under)
- Older people (60 and Over)
- People who are educationally or economically disadvantaged
- People with experience of long-term unemployment
- Women and girls
- Ex-Offenders
- People with refugee status or migrants

We consider a community business to be **led-by a marginalised group/community** if over 51% of the board and senior leadership team are from a particular marginalised group.

We consider a community business to be **supporting a marginalised group** if their services are specifically designed to benefit a particular marginalised group, or if a substantial portion of the people they support are from that marginalised group.

Although we fund and are interested in community businesses, we are aware that not all those we define as community businesses would define themselves as such. Further, some of the infrastructure organisations who work in this space (and whom we want to engage in this research) do not fund/support community businesses exclusively. Therefore we use **community business/organisation** throughout much of this ITT.

# 3. The research

## Research aims

The aims of this research are

- to capture and consolidate the key barriers faced by community businesses/organisations led by and supporting marginalised people accessing (demand side) and infrastructure organisations awarding (supply side) funding and support
- to understand the role of infrastructure organisations in implementing and finding solutions to these barriers

- provide recommendations for the sector to make positive changes towards equitable support and funding allocation.

## Research questions

What are the barriers to community businesses/organisations led by and supporting marginalised people (the demand side) to accessing the funding and support on offer?

What are the barriers to infrastructure organisations (the supply side) in awarding and enabling access to support and funding to community businesses/organisations led by and supporting marginalised people?

How can the barriers on both the supply and demand side be addressed by infrastructure organisations to enable more marginalised community businesses/organisations to access funding and support?

## Methodology and approach

We would like bidders to consider in their proposal and explore further if they were successful the most appropriate methods to answer our research questions. However, we expect this work to be carried out in two distinct but connected work packages:

1. Evidence review - estimated June – July 2022  
Look at existing data and research into the mechanics of marginalisation which disproportionately impact marginalised communities' ability to access funding in the community (business) sector
2. Qualitative action research – estimated July – January 2023  
This will be the main focus of the project. The aim will be to examine the policies, practices and processes of funders/infrastructure organisations which perpetuate or compound these disproportionate impacts.

## Quality and impact

It is crucial that this piece of work creates change. Please consider how you will influence this in your proposal.

Research quality is also important to us. We aim to continue to build a robust social and economic evidence base around community business, that will stand as a legacy of Power to Change. We invite bidders to consider how they can work with us to deliver high-quality research, and to make alternative proposals where they feel an amended budget or approach could deliver better quality.

Proposers should set out how they ensure their work adheres to ethics guidelines, and how they embed equality and diversity in their research.

# 4. Deliverables

## Reporting and dissemination

The following are the anticipated deliverables for this research:

**An accessible\* report (maximum 20 pages a4 equivalent)** detailing the essential findings from the research activities. A key focus of this report should be the recommendations for Power to Change and the wider support and infrastructure sector.

**A series of short co-authored blogs** about the key findings and recommendations gleaned from the research accessible\* to different audiences including community businesses in the first instance. These could be written with Power to Change colleagues and/or colleagues at other funding/infrastructure organisations.

The structure outputs should be agreed with us in advance of writing.

Where appropriate, reports should contain a methodology and executive summary. All sources must be clearly referenced using links in the text. A bibliography should be included as an appendix, along with other relevant information such as lists of consultees where/if appropriate.

Power to Change will supplement the cost of design outputs and will manage this as appropriate.

It is our intention to make all the anonymised underlying data from all of our commissioned research openly available via the Institute for Communities Studies website.

Please consider how you will sensitively but assertively communicate findings, taking into account the sensitive nature of this research, particularly for the infrastructure organisations involved.

\*By accessible we mean written in plain english, taking into account varying abilities and needs in terms of accessing information, providing sufficient information to be useful to the intended audiences whilst also being highly engaging.

# 5. Project management

## Timescales

Our timescales for commissioning and undertaking this research are as follows:

Suppliers invited to tender	9 <sup>th</sup> May
Suppliers deadline to submit clarifying questions on the ITT to Suzanne.perry@powertochange.org.uk	30 <sup>th</sup> May
Power to Change to publish answers to all ITT queries on our work with us webpage	6 <sup>th</sup> June
Suppliers respond	13 <sup>th</sup> June
Selection	Between 31 <sup>st</sup> and 21 <sup>st</sup> June
Supplier interviews (if needed)	21 <sup>st</sup> June between 13:30 and 16:30
Project inception	27 <sup>th</sup> June
Project completion	End of January 2023

## Budget and duration

We expect this research project to take an estimated nine months, although bidders are welcome to suggest alternative timeframes to those outlined above.

We have reserved an indicative budget of up to £40,000 inc. VAT for this work.

As part of your proposal, please provide detailed costings for the research/proposed research ideas, showing costs per phase and per individual member of the team. Please also address our emphasis on research quality and impact how this can be achieved within the available budget. If you feel the budget needs revising, please suggest how and why in your proposal – there may be scope to make changes.

## Project management

The day to day project management for this work will be with the Power to Change Impact and Learning Officer who will work closely with Edward Walden, DEI Manager. The project will be overseen by Nicola Fuschillo Director of People and Governance.

We expect the supplier to check in on a short call/meeting on a bi weekly basis. Progress will be assessed in this way and through reviewing draft deliverables.

## 6. How to apply

Please submit a proposal of no longer than 10 pages a4 at no smaller than 11pt font size outlining how you would deliver this research to [procurement@powertochange.org.uk](mailto:procurement@powertochange.org.uk) by 09:00 at the latest on 13<sup>th</sup> June.

Your proposal should cover the following:

- Understanding of this ITT
- Understanding of the critical importance of understanding the barriers on the supply and demand side to accessing funding and support for marginalised community businesses/groups
- Approach to doing this work
- Detailed timetable
- Price breakdown including team member's day rates
- Over view of the team, including individual profiles
- Track record with examples of projects completed relevant to the brief

Submit proposal along with completed standard questionnaire (Appendix A) which you can find at the bottom of our work with us webpage.

We are happy to receive single organisation or consortium proposals. We would particularly welcome bids from community businesses with research experience or consortiums involving community businesses, particularly those that include people with lived experience of some of the characteristics and communities outlined in this ITT.

A panel of Power to Change representatives will assess proposals against the following criteria:

<b>Evaluation criteria</b>	<b>Maximum Score</b>	<b>Weighting</b>	<b>Maximum weighted score</b>
Demonstrated interest in and understanding of marginalisation of specific groups	5	3	15
Demonstrated understanding of community businesses	5	2	10
Suitability of methodology and quality of research proposed	5	4	20
Capability to carry out proposed research including ability to reach and work with the right people at funding and infrastructure organisations	5	3	15
Relevant experience of team and of organisation	5	2	10
Strength of approach to communicating findings	5	4	20
Value for money	5	2	10
<b>Total</b>			<b>100</b>

## Quality Questions Scoring Methodology

0	Poor	No response or partial response and poor evidence provided in support of it. Does not give Power to Change confidence in the ability of the bidder to deliver the Contract.
1	Weak	Response is supported by a weak standard of evidence in several areas giving rise to concern about the ability of the bidder to deliver the Contract.
2	Satisfactory	Response is supported by a satisfactory standard of evidence in most areas but a few areas lacking detail/evidence giving rise to some concerns about the ability of the bidder to deliver the Contract.
3	Good	Response is comprehensive and supported by good standard of evidence. Gives Power to Change confidence in the ability of the bidder to deliver the contract. Meets Power to Change's requirements.
4	Very good	Response is comprehensive and supported by a high standard of evidence. Gives Power to Change a high level of confidence in the ability of the bidder to deliver the contract. Exceeds Power to Change's requirements in some respects.
5	Excellent	Response is very comprehensive and supported by a very high standard of evidence. Demonstrates strengths, no errors, weaknesses or omissions and exceeds expectations in some or all respects giving Power to Change a very high level of confidence in the ability of the bidder to deliver the contract.