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This case study presents NECTA.: a construction, landscaping and training social enterprise in the East Midlands, that holds large public sector contracts. The study outlines the added value that NECTA offers; the contracts that they hold and the opinions of senior staff as to why they have a successful relationship with the public sector.

1. NECTA and its added value

NECTA Ltd has successfully sold to the public sector through contracted work. It is currently almost ten years old and functions as a company limited by guarantee with a turnover in the region of £2 million and a staff of around 50.

The organisation's overarching aim is to create a more skilled and sustainable workforce through its activities. NECTA is based in Nottingham in an area of relative deprivation and works primarily in the most disadvantaged wards of the city. It also aims to regenerate the local community through creating social inclusion, equal opportunities and developing sustainable employment. NECTA also provides an alternative curriculum in construction and landscaping to 14 to 16 years olds who have been excluded, or are at risk of exclusion, from school.

However, the activities of the organisation bring added value because of the characteristics of the people that they employ. They offer training to vulnerable people such as ex-offenders, young people leaving care and the long-term unemployed. They hope to set them all on course to enter or re-enter employment elsewhere. Young trainees, in particular, benefit from a 'hands on' experience that cannot easily be provided in a college setting. Trainees are able to explore and understand the relevance of classroom-based topics in relation to this 'hands on' process thus enhancing or promoting learning with which they can identify:

"...what we're doing is taking those people whom nobody has been able to employ, making them employable and then moving them on, hopefully, so that they've got a progression route."

Howard Platts, Chief Executive

Senior staff within NECTA have a well-developed understanding of the added-value of the social enterprise's activities and easily describe the benefits that they bring to people that pass through their organisation:

"...what we can do is take people that are socially disadvantaged and mould them into the standards that the City Council are looking for...If we can give those people some self esteem hopefully it makes them better employees."

Howard Platts, Chief Executive

The training activities not only help people back into work but also help keep young vulnerable adults out of prison.

2. Public sector contracts

Previous bad experience of over-reliance on one large contract that fell through when government funding was withdrawn led NECTA to look towards developing a plurality of income streams with which to operate. Any surplus is then re-invested into the organisation. The imperative to make a profit in order to provide a sustainable service to its users/ clients and the community meant that the organisation had to reduce its reliance on funding. The organisation currently has contracts with the public sector to supply both services and training and is an approved contractor with local councils. It has previously also worked as a sub-contractor on NHS projects.

3. Opinions on success

The CEO of NECTA was able to build a more robust organisation partly because of his background in the private sector and has managed through hard work to build relationships with local authority officers at city and county level. It was also felt that the organisation's participation in a pilot scheme helped them to secure subsequent contracts because it offered an opportunity to prove themselves as reliable suppliers to the public sector. The organisation is currently looking to move forward through contracting rather than gain funding from the local authority and government agencies such as Jobcentre Plus and the LSC.

Howard Platts feels that for social enterprises to win public sector contracts, they need to understand current public sector targets and demonstrate to the right people, in the right departments, how the services and added value provided by social enterprises can help the public sector tick the right boxes. It is clear that the development of a procurement relationship between social enterprises and the public sector needs to be based on communication.

References and links to other guides

For further information on the BEST Procurement Programme and to access other guides, please visit the SEEM website www.seem.uk.net under BEST Procurement.

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