netWorked Youth Research for Empowerment in the Digital society

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WYRED Association Business Plan

WP8_D8.4

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1.   Introduction to the WYRED Association

The WYRED project (netWorked Youth Research for Empowerment in the Digital society) (García-Peñalvo, 2016b, 2017; García-Peñalvo & Kearney, 2016) aims to provide a framework for research in which children and young people can express and explore their perspectives and interests in relation to digital society, but also a platform (Durán-Escudero, García-Peñalvo, & Therón-Sánchez, 2017; García-Peñalvo, 2016a; García-Peñalvo & Durán-Escudero, 2017; García-Peñalvo, García-Holgado, Vázquez-Ingelmo, & Seoane-Pardo, 2018) from which they can communicate their perspectives to other stakeholders effectively through innovative engagement processes.

A society which has always been digital for them, but which often doesn't listen to their voices, to their concerns or their solutions. WYRED aims at sharing children's' and young peoples' critical perspectives and insights with stakeholders to inform and influence policy and decision-making in relation to the needs of the youngest in (digital) society. WYRED is an ambitious project which sets up a safe space for children and young people as well as for those who should and can listen to them and it is for this reason that WYRED needs to continue beyond the project's duration. The aim of Task 8.5: WYRED Association set up (M18) is to bring the different activity across the partnership, and beyond it, under the umbrella of an association. This is a central objective of WP 8, the valorisation work package. The main objectives of the WYRED Association are closely interconnected and can be outlined as following:

1) to establish a framework for WYRED's sustainability. In order to ensure the continuity of its platform and activity, it is paramount to carefully plan its sustainability when a different model for the funding and management of the activity will be required. Setting up the WYRED Association envisages carrying out a feasibility study so as to assess, amongst others, both the positive and negative aspects of how WYRED works, its needs and its value.

2) to shift ownership to its users. At present the consortium members guarantee the implementation of WYRED's activity as outlined in the project proposal. After this "start-up" period, when the two cycles have been completed and various stakeholders (children and young people, influencers and different relevant actors) are engaged and/or

interested in the platform's space, WYRED's democratic participation model should steer its management. There will be a need to organise this ownership under the Association's statute, which can be lead initially by the consortium partners, with the aim to let WYRED be shaped by those who use it;

3) to be open to all. WYRED is founded on concepts of diversity and equality and through its activities, it is becoming a safe active democratic participatory model and a recognised voice for children and youth, as well as an influencing model for policy and decision makers. These concepts will help foster access to the WYRED Association for a broad constituency;

4) to be a reference point in both its activities (EMPOWERMENT) and the flow of knowledge it generates (INSIGHT). The WYRED Association will continue to explore the attitudes and understandings and perceptions of children and young people in European society in relation to digital society, both in terms of the activities it promotes and the flow of information and knowledge about the subject area that it curates, which could become of interest for those influencing policy. The WYRED Association will inherit and become the owner of all project outcomes generated by the partners in the consortium.
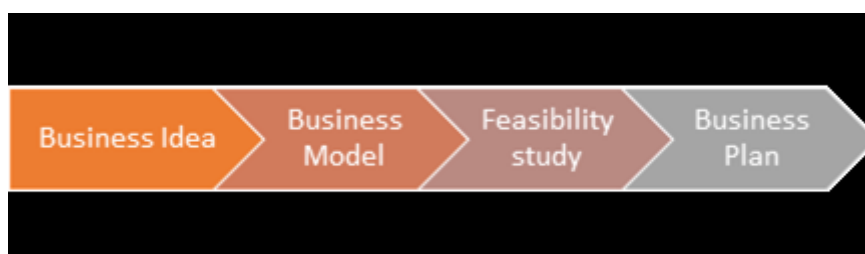
Where we are today, M17

The set-up of WYRED's Association was due once the first cycle had finished when a clear idea of the way the platform and the activities function had time to emerge as the WYRED Association depends very much on the degree to which participants and other stakeholders find the process and the outputs useful and interesting. The first cycle is coming to an end right now (M17), following a delay, which was caused primarily due to the late activation of the platform. As the main function of the platform is to articulate and support interaction between the participants and the presentation of the outputs of the different phases of the research cycle, its delay has had a knock on effect regarding some of WYRED's core activities, such as starting the social dialogues, generating the research questions, implementing the first research cycle, children and young people being able to share and comment on each other's research findings (facilitated by a repository for the artefacts) or share recommendations with influences and other stakeholders.

These are all teething problems which were also addressed in the Technical Review Report. The consortium has adjusted to these difficulties, but it is inevitable that some activities have either concluded with a delay or are not yet complete such as the first cycle. Monitoring the way these activities have run, the interest and participation from participants as well as examining what is being shared on the platform are all important factors to consider in preparation of how best to structure the WYRED Association. Given this situation, it is therefore difficult and unwise for the Consortium to fully define a possible structure of an Association in M17. This document is therefore a first version of the Wyred Association Business Plan which the Consortium will discuss prior to the Project Meeting due in Bath, UK in M19. A definite version of WP8_D8.4 will be expected between M19 and M20.

2.   WYRED Association Business Plan: necessary steps

In order to develop a Business Plan to set up the WYRED Association, as with any business plan, there are necessary steps to take beforehand, which can be summarised in the following graphic:

Due to the reasons outlined in the introduction, this document will consequently explore the possibility of three business ideas which will be shared, discussed and voted on by the consortium between M17 and M19, which will lead to the development of a business model with its own feasibility study and subsequent business plan in M20.

Business Idea

The business idea for the set-up of the WYRED Association will be guided by two main questions, despite the different nature of potential business models. The first question is: What is the objective of the WYRED Association? The second: What needs to be done to achieve this objective?

The objective of the WYRED Association is clearly outlined in the proposal and has been further unpacked in the introduction above. It aims at ensuring that WYRED's legacy continues and is sustainable but also strives towards (youth) member-led ownership and becoming a multistakeholder reference point for understanding and exploring children and young people's issues in European digital society.

What needs to be done to achieve these objectives is partly outlined in the project's proposal and partly needs to be structured considering the way WYRED's platform and activities have functioned so far. In the proposal drafting phase, the consortium agreed that the WYRED Association will be democratically run and open to all, will become the owner of all project outcomes generated by the partners in the consortium. This includes the intellectual property rights associated with the association itself. The exceptions to this are the case of academic papers which are explicitly owned by their authors or publishers and the outputs and artefacts that are created by the children and young people participating in WYRED. These artefacts will belong to their young creators, and they will be encouraged to use open Creative Commons licenses and the possibility of ceding the rights to the WYRED Association will be proposed as an option. During the final year of the project funding period elections will be held among members of the Association to choose the steering group for the first year of activity post project, to ensure involvement at management level of external actors and thus guarantee wider sustainability. The Association will also coordinate the curation of the outputs of the WYRED cycle ensuring that they are appropriately licenced (to the Association or their creators) and archived on the website so that they become a valuable resource for the Association. It was envisaged that at the end of WYRED's funding period, the WYRED Association will be made up of 50 organisations and 300 individuals.

Financial support to set up the WYRED Association should be an integral part of partners' resources and financial considerations will need to be made as the set up of WYRED's Association may incur unexpected and/or additional costs.

The WYRED Association will be founded on the following set of six principles which will be shared and agreed upon by the consortium.

- to define WYRED's Association value proposition in terms of empowerment for children and young people and insights to the influencers, policy makers and other stakeholders;

- to identify a market segment. At present this is twofold as WYRED aims to engage both children and young people as well as influencers, decision makers and other stakeholders;

- to define the structure of the value chain. This is closely connected to the value proposition as the chain leads to empowered children and young people and informed stakeholders, but the key issue here is the value the partners currently add, facilitating the work, and how this is done after funding ends;

- to identify the revenue generation mechanisms (funding, donations, business activity). The value generated for the children and young people and the value generated for the stakeholders are of different natures and this will have to be assed well. There are financial issues to explore such as how to cover indirect costs;

- to describe WYRED's Association position within the value network. The consortium will explore what other key actors, projects, social enterprises are working on similar issues, in similar or complementary ways so as to become a needed and wanted part of this value network;

- to identify our competitive strategy. The consortium will examine whether there a real need for what WYRED offers that is not already available by others. It will also assess whether the need is sufficient enough to sustain an Association?

These principles will be further discussed by the consortium once the first cycle is complete, based on an evaluation of its process and outcomes especially in relation to children and young people and to influencers and decision makers.

Below are possible operating models which form the basis of business ideas for WYRED's legacy and sustainability. It is perhaps misleading to refer only to the word "Association" when the status of WYRED's legacy may take on a different form. All of the operating models suggested are country specific and regulated by the laws and practices of the country where they are set up. For this reason, the outline below aims at providing indications without entering into the individual country specifics. These details will be considered and discussed further by the consortium in order to submit the final Business Plan. All the operating models, do however share the same key characteristics of how the WYRED Association should be, namely: open, transparent, democratic and promoting diversity and equity.

Operating Model 1: Setting up an Association

What is an association?

An (unincorporated) association is usually an organisation made up of two or more people who together share a particular purpose. It does not have a formal structure like a company and requires a set of agreed rules for the management and operation of the joint activity. These rules do not have to be written as a constitution or registered officially although having a comprehensive document is better, not only to have (record of) a shared vision, mission and strategy, but also to protect those who make decisions from action by those who do not. It is usually used by groups, voluntary organisations, societies.

What organisational/legal framework does it have?

An association is not a "legal entity" in law in some countries. It has no legal rights and is not separate from its members. It follows that individual members are legally responsible for the acts and omissions of the entire organisation. If the association acts through individuals or committees or any other delegated authority, then in most cases, those individuals are responsible to the person they deal with, for what they do in the name of the organisation. However, the position may be more complicated and will depend on the application of the law of contract and implied authority.

It is possible for an association to have trading or business objectives or carry on commercial activities. Any contract which purports to be made by the association must in fact be made by one or more of its members because it itself is not a legal entity. In most cases, that means the managing committee is responsible, or the individual who set up the contract. If an association has money, it will probably have a bank account. That will have been set up in law as an account in the name of two to four individuals. The bank will look to those people as individuals to run the account. Technically, they are trustees for their members.

Why would it work for WYRED?

1. An association has greater freedom of operation than a company or a partnership.
2. There is no requirement to submit annual returns.
3. Can be made up of individuals or committees.

Why wouldn't it work for WYRED?

1. Risk of association's failure if individuals avoid legal responsibility (no legal accountability) or cause damage to its activities, reputation, etc.
2. An association would not be able to apply for future funding or enter into contracts in its own name.
3. Members carry risk personally.

Operating Model 2: Setting up a NGO

What is a NGO?

A Non-Governmental Organisation is usually non-profit, it can be national or international, independent of governments and international governmental organizations (though often funded by governments) and usually active in humanitarian, educational, health care, public policy, social, human rights, environmental, and other areas to effect changes according to their mission and objectives. NGO's group together those organizations founded by citizens, which include clubs and other associations. In some countries, there is a fine line in the distinction between NGO's and associations.

What organisational/legal framework does it have?

An NGO must have a legal status. It depends on the laws and practices of the country where the NGO is registered: some may have charitable status, while others may be registered for tax exemption based on recognition of social purposes. The Council of Europe has an Expert Council on NGO Law, whose mandate covers the three "value areas" of the Council of Europe, with a major responsibility to be active in the area of the rule of law. The Expert Council contributes to creating an enabling environment for civil society, to strengthening civil society, and to expanding civil society as a responsible actor in promoting sound, just and sustainable civic policies and practices throughout Europe. The Expert Council essentially examines NGO law and its implementation and promotes its compatibility with European good practice.

Why would it work for WYRED?

1. It would give WYRED a legal status.
2. It could give WYRED more opportunities for future funding or enter into contracts in its own name.
3. Possibility to employ staff in the future.

Why wouldn't it work for WYRED?

1. High start up cost.
2. Significant resources (human and financial) and time needed to run (reporting, etc).
3. There is a negative trend to undermine NGO's legitimacy and reputation.

Operating Model 3: Setting up a Charity/Trust

What is charity?

It depends on the procedures and laws of the country where the charity is registered, but most charities are institutions which works for charitable purposes only and is subject to charity law jurisdiction. There are four main types of charities: 1) charitable incorporated organisation (CIO) 2) charitable company (limited by guarantee) 3) unincorporated association 4) trust

What organisational/legal framework does it have?

A Charity must have a legal document setting out a charity's purposes and, usually, how it is to be administered. It may be a trust deed, constitution, articles of association, will, conveyance, or another formal document. A Charity is a status not a legal entity.

Why would it work for WYRED?

1. Charities are widely recognised as existing for social good, which can often assist with fundraising.
2. Charities benefit from a variety of tax reliefs such as gift aid on cash donations from individuals.
3. Certain sources of grant funding are only open to organisations with charitable status.

Why wouldn't it work for WYRED?

1. Charitable status means that the organisation must comply with administrative regulatory requirements including those relating to the preparation of annual accounts and returns.
2. It could be a challenge to find individuals (without conflict of interest) prepared to volunteer as Board Trustees.

Operating Model 4: Setting up a Social Enterprise

What is a Social Enterprise?

A Social Enterprise has an entrepreneurial dimension, i.e. engagement in continuous economic activity, which distinguishes social enterprises from traditional non-profit organisations, it has a social dimension and a governance dimension, i.e. the existence of mechanisms to 'lock in' the social goals of the organisation.

In order for a Social Enterprise to be categorized under the EU definition, it must adhere to the following core criteria: The organisation must engage in economic activity: this means that it must engage in a continuous activity of production and/or exchange of goods and/or services; It must

pursue an explicit and primary social aim: a social aim is one that benefits society; It must have limits on distribution of profits and/or assets: the purpose of such limits is to prioritise the social aim over profit making; It must be independent i.e. organisational autonomy from the State and other traditional forprofit organisations and, It must have inclusive governance i.e. characterised by participatory and/ or democratic decision-making processes.

What organisational/legal framework does it have?

This depends on the type of structure it follows, based on different criteria, needs, etc. There are many different possible structures for a Social Enterprise, it could be a Community Interest Company (CIC), Limited Liability Partnership, Co-operative, Company, etc.

Why would it work for WYRED?

1. Brings about a positive change to people and communities.
2. People have more ownership.
3. Profits/surpluses are ploughed back into the organisation. This could be used to develop new products/services/activities

Why wouldn't it work for WYRED?

1. WYRED would have to compete in the commercial market (even if only partially).

2. The WYRED project may not have the necessary resources and skills to move towards becoming a social enterprise.

3. Strict controls and restrictions as defined by its constitution.

All of the operating models listed above share the need to develop the business idea into a business model. There are different approaches, some more suitable and/or flexible than others, but all necessary to then carry out a feasibility plan before arriving at producing a business plan. Ensuring these three steps (Business Idea -> Business Model -> Feasibility Plan) in order to have a good business plan is key to the activity's success. WYRED's Association business plan will allow

the consortium to have a tool to refer to when taking on new opportunities and overcoming challenges.

3.   Business Plan

The business idea is the starting point of an important process which should allow consortium partners to share their enthusiasm and experience gained in WYRED to understand how to set up an Association which will give continuity to WYRED and voice to young people. It is therefore imperative that the business planning should be a process of discussion, collaboration, learning and problem solving amongst the consortium. The plan is simply the end result of this process and the beginning of the next stage, namely the implementation of the WYRED Association.

When submitting the business plan in M20, it should be considered as:

• a live document that the consortium members will refer to regularly and which can be changed and updated

• a toolkit to help guide WYRED's actions and steer members towards our aims

• an additional way to showcase WYRED

• an opportunity to examine finances and demonstrate WYRED's financial sustainability

• a way of showing how WYRED achieves social impact

• a statement of where WYRED is now and where it wants to be.

4.   Conclusions

As outlined above, it is not possible to submit a definite Business Plan for setting up the WYRED Association as scheduled for M17 due to three significant factors: a) the 1st cycle has not yet finished, b) the subsequent artefacts and recommendations are still being harvested and c) how the platform and the activities function is still emerging all. This document does, however offer the set of key principles which will guide the consortium to create the WYRED Association,

together with possible operating models and ideas which will be shared, discussed and voted by the consortium between M17 and M19. This will ultimately lead to the development of a business model with its own feasibility study and subsequent business plan in M20.

5.   Web links

https://www.netlawman.co.uk/ia/unincorporated-associations

https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=0900001680666d08

https://www.gov.uk/topic/running-charity

https://www.social-enterprise.nl/wp-content/uploads/2014/11/Cover-and-executive-summary.pdf

https://unltd.org.uk/wp-content/uploads/2015/03/DLA-Piper-Legal-Structures-for-Social-Enterprises.pdf

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