

## our organisation is driven by social enterprises

### social enterprise?

A 'social enterprise' can be defined as a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners.

There are many debates around the true definition, but in a nutshell a social enterprise is a business that trades goods and services and uses the majority of their profits (yes it's ok to make profits!) to further their social and/or environmental goals. They need to make a profit to compete in the market, to ensure their continued survival and to invest in their social or environmental aims. For many social enterprises, being sustainable - in every sense of the word - enables them to become more independent and to reduce any dependency on public grants.

Social enterprises come in many shapes and sizes, from co-operatives, community enterprises, development trusts, housing associations, social firms, leisure trusts, enterprising voluntary organisations, community-owned village shops, and in many legal forms, including community interest companies, industrial and provident societies and companies limited by guarantee, among others. Whatever form they take, social enterprises prove that social and environmental responsibility can be combined with financial success!

**DID YOU KNOW:** Social enterprises account for 5% of all businesses with employees, contributing £8.4 billion per year to the UK economy (almost 1% of annual GDP) and employ 800,000 people

**DID YOU KNOW:** According to recent research, there are at least 62,000 social enterprises across the UK, with a combined turnover of at least £27 billion - and this number is growing rapidly.

**DID YOU KNOW:** 60% of the British public would prefer their local services to be run by a social enterprise - instead of the government, private profit businesses or traditional charity

**DID YOU KNOW:** Hampshire has the largest share of social enterprises in the South East, followed by Kent and Surrey.

**DID YOU KNOW:** Health and social care services is the largest category of trading activity for social enterprises

**DID YOU KNOW:** 35% of all entrepreneurs who have been involved in start-up activity for less than three months in the UK are social entrepreneurs

**DID YOU KNOW:** The 'South East Business Monitor' suggests that around 7% of SME's in the South East region are social enterprises - which may be slightly higher than the national average (5%)

**DID YOU KNOW:** Almost 1.3 million people consider themselves to be social entrepreneurs, representing a significant part of the UK's labour force

# case studies

Some examples of social enterprises that you may recognise are The Big Issue, Jamie Oliver's 'Fifteen' restaurant, The Eden Project, The Phone Co-op and Café Direct. More locally, the following case studies give a picture of some of the great things happening in the South East.



**Meeting needs.....social enterprises are an ideal delivery vehicle for many key policy aims including sustainable development and innovation in areas such as energy, housing, health, employment and green issues:**

## Oxford Wood Recycling

Oxford Wood Recycling was set up by Richard Snow and Helen Porter in 2005 to reduce the amount of wood and timber waste in the Oxford region that is currently sent to landfill. The company's main wood collection clients are businesses in the construction sector, and any business generating non-returnable packaging such as pallets and crates.

The majority of wood waste collected is sent for chipping locally, and the wood chip is used to make recycled products such as chipboard, or may be used as a non-fossil fuel in power stations. However, up to 20% of waste wood can be reused. Reusable wood material is cleaned, de-nailed and offered for sale, either at the company's premises at Milton Park, or on eBay.

The start-up was achieved with a small amount of grant funding from the Big Lottery and Social Firms UK, along with some help-in-kind, such as rent-free premises from Milton Park owners MEPC.

The company is now completely funded from earned income and employs one full-time and eight part-time staff, as well as a number of volunteers. It has several successful partnerships with local organisations. Most of Oxford Wood Recycling's workers started as volunteers, the company offers all workers, whether paid or volunteer, a professional but supportive workplace in which they can learn skills, gain confidence and build self-esteem.

In 2009, Oxford Wood Recycling collected nearly 800 tonnes of waste wood, sent over 600 tonnes for conversion into wood chip and reused nearly 120 tonnes through wood sales and donations to woodworking projects.

The company feels that it has a vital role to play in the development of recycling and re-use within the construction industry. Company growth continued through 2009, this reflects the good value the company can offer clients in a time when costs are important. Plans for 2010 include appointment of a second full-time post, work placements and volunteering opportunities.

[www.oxfordwoodrecycling.org.uk](http://www.oxfordwoodrecycling.org.uk)  
[www.communitywoodrecycling.org.uk](http://www.communitywoodrecycling.org.uk)

**Enterprising people...social enterprises are a great place to work!**

## Decoda

At first glance, the Music Gym – housed in a converted hall – looks like a village fete, with its bouncy castle and decorated gazebos. Look more closely, and you will see images on the wall affected by movement, and someone in a wheelchair composing music moving her head. This is a place where people with profound disabilities have the space and opportunity to be creative. →



The Music Gym is run by Decoda, a Hastings-based social enterprise set up in 2003 by Sue Heath and two blues musicians, John Ballard and Tom Smurthwaite. The Music Gym was set up with grant funding for its first year and since then, the facility has been self-sustaining with members paying to attend. Sue has now run workshops for charities to think more creatively about trading, and facilitated a ProfitNet group for new social entrepreneurs. As there was so little help available when Decoda started, she has also written an introductory booklet – 'A what enterprise?' – to encourage others on the social enterprise route.

[www.decoda.org](http://www.decoda.org)



**For consumers.....Many social enterprises are embedded in communities and work with partners to tackle complex social issues. Many also are competing to sell goods and services in the open market whilst offering their customers the added value of supporting social change...**

## RISE Computers

RISE Computers, established in 2004, is the business section of RISE Community Development, a community trust in an area of Southampton ranked in the bottom 10% of areas in the country experiencing social deprivation. There's a real need there for job opportunities and social cohesion and that has now come through RISE, a social enterprise.

RISE Computers was set up as the IT department you wish you had, but couldn't afford. RISE provide IT systems, user support, plus any hardware needs such as new computers, laptops or repairs of old machines. Profits go to support community projects. One project that has been very successful is the 'You Build IT' Course. This course enables young people from the NEETS category to gain a chance to build their own PC out of recycled components. They build the PC from scratch including learning how to load the operating system. They are then given a keyboard, mouse and flat screen monitor. Once they have tested their PC and it all works, they then take home their own PC.

RISE are also heavily involved in the promotion of trading activity for Social Enterprise and have been instrumental in developing 3Market, [www.3market.org](http://www.3market.org). This has attracted attention from Ian Lucas MP the Under Secretary of State for Business and Innovation.

[www.risecomputershop.com](http://www.risecomputershop.com)