



Select Committee on Social Enterprise

7 November 2006

Submission from

**Hampshire and Isle of Wight Business Link**

Written response to SEERA Select Committee on social enterprise:

**Discussion Point 1: does it matter whether SEEDA and its partners define “social enterprise” or not? Can they make real progress without a clear definition?**

The South East social enterprise enabling framework recognises that within the sector there is no one definition that has been universally adopted. Pragmatically, the document provides the definition used by the UK government in its social enterprise strategy paper and recognises that time spent debating definitions does not lead to furtherance of activity. The framework document as a whole does provide clearer identification of social enterprise activity. Non availability of a specific south East social enterprise definition has not had a negative impact on activity.

**Discussion Point 2: Does the Regional Economic strategy give the right focus to social enterprise?**

Unable to respond as only draft Regional Economic Strategy, with all its omissions, is currently available.

**Discussion Point 3: Should the regional leadership role still be with SEEDA? Are there now alternatives, or could there be reasonably soon?**

This discussion point is now superseded by recent activity. Two new positions in the South East, to be hosted by UnLtd, will take forward the regional agenda. The role of the Strategic Development Manager is to ‘guide the strategic development of the South East social enterprise sector and to secure the longer term leadership of the sector’. SEEDA has now done what is required of it and can pass the mantle of leadership onto this new role and within the context of the regional steering group

**Discussion Point 4: How well is “social enterprise” understood now, and how far is its potential understood, in the South East?**

The understanding of social enterprise in the South East has increased over the last year if measured by the number of people who now use the term in the correct context. Similarly business support organisations are now talking about social enterprise as a useful business model.

However, the potential of social enterprise is not understood nationally let alone in the South East.

NB It must be remembered that social enterprise is a type of business model with specific thinking and therefore any potential for its growth is directly linked to the potential of individuals who wish to start up in business at anyone time. Growth of social enterprises per se will be driven by growth in business start ups and entrepreneurship generally.

**Discussion Point 5: What else could and should be done, by SEEDA and by others, to develop greater understanding? How far is it SEEDA’s job, and how far the job of others?**

Greater understanding is the responsibility of all parties involved in the sector. Some partners have greater availability of resources however. This would include SEEDA, whose PR activity could be greatly enhanced.

**Discussion Point 6: Will the current work to brief and train Business Link staff be sufficient, or is there likely to be a need for a separate, or separately-branded, specialist service?**

The work occurring with Business Link is only one part of the business support activity that is required. The premise behind this training is to ensure there is region wide availability of quality assured individuals within Business Link who have an understanding of social enterprise. As Business Link provides an Information, Diagnosis and Brokerage (IDB) service to customers, this training will ensure that I and D are covered. However, brokerage can only occur satisfactorily if there are sufficient people of the right quality to whom one can broker. It is this latter area of activity that still requires some regional focus and intervention. This training recognises that Business Link is a part of the business support market and that if customers access business support via Business Link then the 'no wrong door' approach means they will receive an appropriate service.

**Discussion Point 7: What role should SEEDA play to achieve the most from its influence, including stimulating the efforts of others?**

SEEDA, as current RDA lead for enterprise, can influence the national agenda now more than at any other time to date. This lead position should allow SEEDA to drive forward national policy and debate and could be a vehicle for enhanced publicity and awareness raising. An interventionist role as suggested in the paper would present an interesting challenge to SEEDA; in its role as a strategic body tasked with driving forward the regional economic strategy it would be expected to take the lead in activities. However, a purely interventionist role suggests that the existing infrastructure does not exist within the region to do this. This in turn could be viewed as a failure of the RDA to take action!

**Discussion Point 8: What is the best way forward to ensure that social enterprise takes its place effectively "in the mainstream" and influences it?**

'Mainstreaming' of social enterprise should mean that people are aware of this business model, its challenges, benefits and opportunities. Work to date is focussed on short term specific projects – these projects must focus on sustainability now rather than towards the end of the funding. If these projects do demonstrate value, then SEEDA must use its influence and budgetary power to ensure that project funded activity is supported through mainstream/core funding in future years. This for me is the essence of ESF type projects – demonstrate value using money that would not otherwise be available and, if successful, use this intelligence to drive mainstream finance.

**Discussion Point 9: How important is the role which social enterprise can play in public procurement, and should more be done (to increase skills, leadership and capacity) to make it possible?**

The paper suggests that 'the social enterprise model may be a more effective way to deliver public services'. This is a critical statement – social enterprise may but it also may not be more effective. I have genuine concern that social enterprise is seen as the panacea to all ills presented by public procurement and public sector services. Social enterprise still needs to be good enterprise irrespective of the service being offered.

**Discussion Point 10: How should SEEDA's success in the social enterprise field be measured?**

The area of measurement always leads to passionate debate. It should be recognised that social enterprise activity is already measured by Business Link who report quarterly on activity with individuals/businesses supported who operate within a social enterprise framework. These measurements include the total number of businesses supported, the level to which they are supported, how many new enterprises have been established who use the social enterprise business model and how much growth these businesses may experience having taken some form of business support. Thus, to say no measurement occurs is incorrect.