



Select Committee on Social Enterprise

7 November 2006

Submission from

Plunkett Foundation

Plunkett Response to the Regional Assembly Select Committee on Social Enterprise

SEEDA has done an invaluable amount of work in establishing and taking forward a Social Enterprise Strategy for the South East but our general feeling is that the rural context is not well enough taken into account. We would be happy to share our knowledge and experience in order to include the 'rural dimension' of social enterprises in the work of the South East Region.

We believe that the South East region, with 4 million rural residents is an important rural region with particular issues such as

- Transport
- Access to essential services
- Housing

These are all issues which are known to create social exclusion. The strength of social enterprises is to balance the economic and the social and works towards value of social justice, making a difference to people lives.

In term of understanding the role and value of social enterprise, we propose two comments on the rural context:

- Rural social enterprises can deliver where neither the public nor the commercial sector can. They are more than an option, they are a necessity in some communities.
- Rural social enterprises have a positive impact on rural communities mainly in creating social capital, capacity building and human resources development.

Impact of SEEDA in supporting the start-up and growth of social enterprises

SEEDA did a lot of good at raising the awareness of Social Enterprise, supporting the establishment and the work of County Networks and mapping the specialist business support organisations and individuals operating in the South East Region – The Plunkett Foundation was chosen to deliver some of that work for SEEDA.

We believe that rural social enterprises need specific and appropriate support which differs from their urban counterpart. Rural Social Enterprises are mainly driven by a group of individuals from the community. Without strong community leadership rural social enterprises cannot flourish.

Pre-requisites to the effective development of rural social enterprises include:

- community development and empowerment
- recognition of the cost premium of supporting rural groups
- understanding of local peoples needs and expectations

This usually requires a longer process to support and establish rural than urban social enterprises.

The South East strategy mentions the “growth in the demand for locally produced food and other products”, we think that they are opportunities for rural social enterprises and Plunkett is working with farming communities in this field (e.g Thames Valley Farmer’s Market Co-operative)

Understanding the support and training needs

SEEDA works for an integrated, easy accessible, business support infrastructure but again we think that it needs to take into account the ‘Rural Premium’ describe earlier (Community development, Time/Distance, Understanding of rural issues)

We generally agree with the fact that mainstream business support agencies are not adequately equipped and need to work as a referral to Social Enterprise specialist support organisations and/or individuals advisors.

The free provision of this support services is crucial in rural areas.

In term of mechanisms of support delivery, Plunkett through its ‘Rural Revival’ Campaign supports the establishment of social enterprises in rural areas in all of the English regions and has specifically supported 6 rural social enterprises in the South East during the last two years– 1 Farmer’s Market Co-operative, 4 Community-owned shops often including a Post-office and selling local produce and a Village Hall conversion into a community shop, café and other service facilities. ‘Rural Revival’ is a delivery mechanism which offers a package of seed-corn grant and specialist advice.

This delivery mechanism has proven to be successful and was recently recognised by Defra as the support mechanism for its Programme to tackle rural social exclusion through community and social enterprise in the four most deprived English regions. The South East is not one of these region but the same delivery mechanism could be used to effectively draw together regional leadership and local delivery.

SEEDA is currently funding a new professional development programme for Social Enterprises Advisors which will train 40 social enterprise advisors over the next two years. The programme is open to managers, advisers and development workers from voluntary and community sector organisations and is the first of its kind.

The effectiveness of that programme is still to be seen but it is a shame that it does also allow managers and officers from local authorities and other publicly funded bodies to participate.

e.g Business Link advisers are not part of it but there are presented as the main, first point of contact for social enterprise business and advisory support.

We believe that this training programme should be extended to include other professionals and reinforce the working relationships between public agencies and voluntary and community sector organisations.

Effectiveness in removing barrier to growth the sector

SEEDA identified the main barriers to growth the sector but only partly addressed them so far. Barriers such as need for more long-term and flexible sources of finance, need for more tailored and affordable one-to-one business support and need to map rural social enterprises in the South East are still very much there and much more need to be done to remove them.