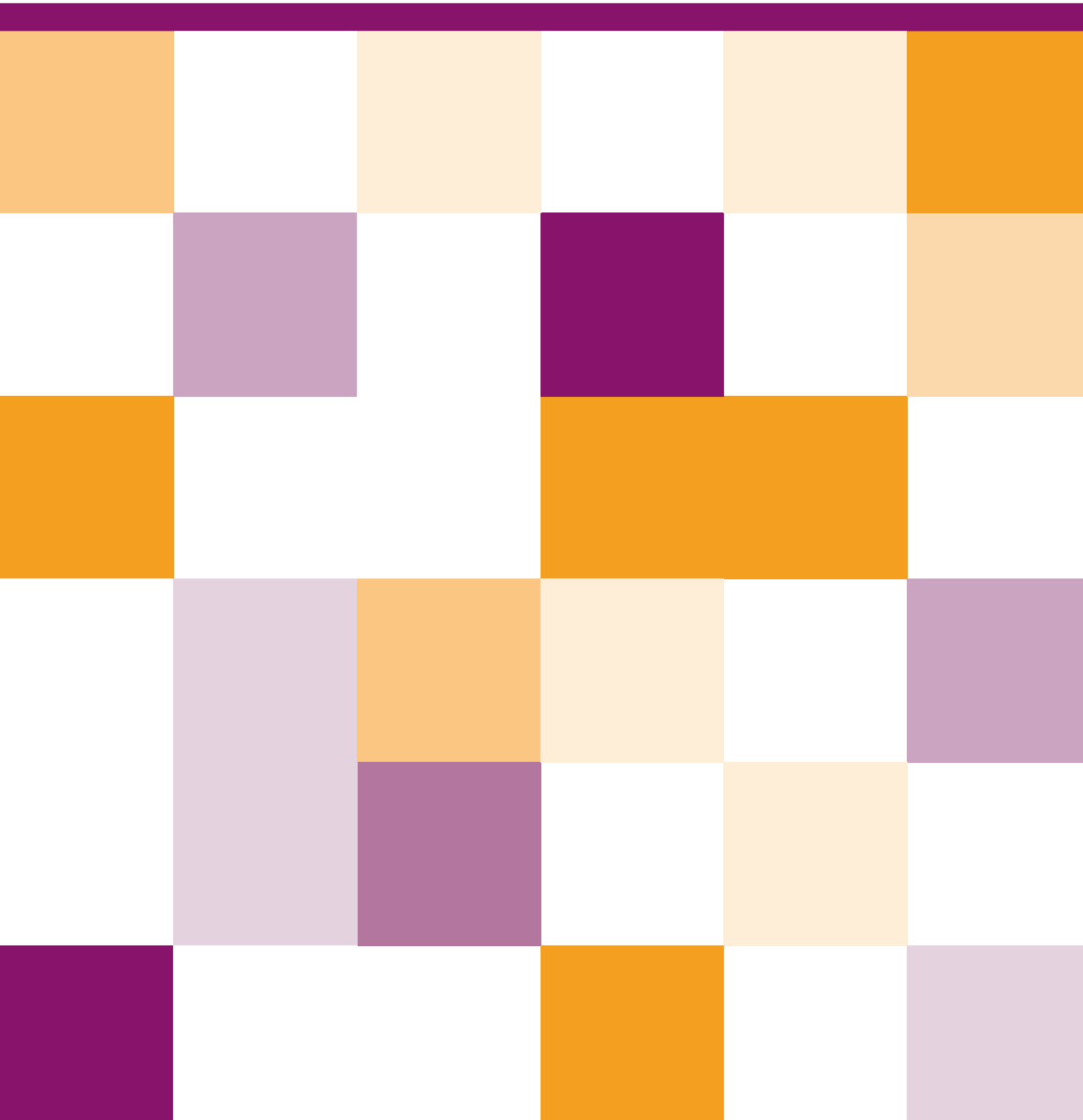




SOCIAL ENTERPRISE SUMMIT

12th May 2009

Next Steps



“I am keen to push forward with our work to strengthen social enterprises through the recession, helping them to help others. The social enterprise approach to tackling tough problems like helping the unemployed back to work, or mitigating climate change is genuinely transformative. Government has an important role in helping them make the most of this potential.”

Angela Smith, Minister for Third Sector

"Increasingly entrepreneurs are looking beyond the balance sheet and establishing enterprises with a conscience that generate billions in turnover, employ thousands of people and drive innovation across our communities. That's why the Government is committed to do everything it can to support these businesses and to remove any barriers to their success".

Peter Mandelson, Secretary of State for Business, Innovation and Skills

“Social enterprises engage and involve communities in a way that is often more difficult for the statutory sector, and can help people to play a leading role in tackling local problems. In these difficult economic times, social enterprises can also help create and retain local jobs and community wealth, which will be critical for some of our most deprived communities. I am keen to do more to help social enterprises break down the barriers which prevent them from achieving their full potential.”

Rosie Winterton, Minister of State in Communities and Local Government

"Social Enterprises play a valuable role in employing people, particularly those who have been having real difficulties finding work elsewhere. We recently announced The Future Jobs Fund, which gives Social Enterprises the opportunity to play a key role in helping Britain meet the challenges of the downturn and prepare for recovery. We are now looking to Social Enterprises to get involved and come up with exciting, innovative proposals that will make a real difference to the lives of individuals and communities."

Yvette Cooper, Secretary of State for Work and Pensions

INTRODUCTION

The Social Enterprise Summit

1. The May 2009 Social Enterprise Summit, and the work which follows, acknowledges the ongoing contribution of social enterprise to re-energising the UK economy. Government recognises the continuing need to explore and facilitate the contribution a joined-up government can make to support the sector, and strengthen the relationship with this important part of the economy.
2. Discussions at the Summit covered five key areas: assets, access to finance, creating jobs, business support and working with the public sector. This response reiterates the ongoing commitment of Government to social enterprise with renewed action in these areas.
3. The Social Enterprise Summit reflected upon the changed economic climate, the increasing challenge of sustainability, the pace of public service reform, and new thinking on the future shape of the UK economy. These factors are all strong drivers of government's interest and support for the social enterprise movement. They have emerged or grown in significance since the Government's 2006 Social Enterprise Action Plan (although we believe the underlying analysis and priorities contained in that document still hold firm).

RESPONSE TO THE SUMMIT

Social Enterprise Growth and Development Forum

4. In June, **Office of the Third Sector** hosted the first meeting new Social Enterprise Growth and Development Forum, announced by the Minister for Cabinet Office at the Summit. The Forum agreed new commitments in response to the needs of social enterprise voiced at the summit, below
5. The Forum will provide an ongoing focal point for senior officials across government to develop cohesive social enterprise policy, test new ideas, and learn from experts. A key role will also be to oversight of the commitments made at and after the Summit.

Government commitments

6. The **Office of the Third Sector** will continue to drive forward the social enterprise agenda in partnership with other departments and the sector as a whole. Given the new circumstances, and growing interest in the social enterprise model as a response to our most difficult policy problems, Government now undertakes to refresh its rationale for engagement with the sector. We will issue a policy statement in the autumn, as part of our forward looking work on wider third sector policy.
7. **Communities and Local Government** will develop a Social Enterprise Strategy which will aim to increase the role social enterprises play in helping to deliver the Department's aims and objectives. CLG will work with other government departments and will collaborate with local pilot areas to identify barriers to asset transfer and demonstrate how they can be removed.
8. The Strategy will build on a range of existing work within CLG to support the development of community-based social enterprise and the benefits of asset transfer. This includes the Advancing Assets for Communities Programme, which includes 72 asset transfer demonstration areas throughout England, the dedicated Asset

Transfer Unit (ATU) hosted by the Development Trusts Association, and the £70m Communitybuilders programme, supported by OTS.

9. **The Department for Business Innovation and Skills** will work with OTS, the social enterprise sector and other key partners to find new ways to enhance promotion and support for social enterprise, reinvigorating our efforts to engage new audiences and enabling social entrepreneurs to support each other. For example:
 - With OTS, we will bring together the sector and main delivery partners, ensuring that the sector is well understood, and that aspiring social entrepreneurs can find and access the information and help they need. BIS and OTS will work with the sector, with other government departments, with Enterprise Insight, Business Link and the RDAs, to ensure our promotion and support activities are inclusive of social enterprise.
 - We will focus in particular on peer-to-peer support and mentoring, which was identified at the SE Summit as being a key issue for social enterprise.
 - BIS and OTS will continue to work closely together with HM Treasury, to enhance understanding of issues in relation to access to finance for social enterprises and other third sector organisations.
 - And we will involve the social enterprise sector fully in wider thinking on the future of business and skills, as Britain recovers so we can emerge from recession equipped to compete and win in the global economy.
10. This will build on existing work with Horseshmouth, the online social network, to encourage greater peer to peer support and mentoring amongst entrepreneurs, including social entrepreneurs. More generally, through the streamlined Solutions for Business offer, we are ensuring that the Solutions for Business products work for social enterprises and that through Business Link they are appropriately signposted to them.

11. The Office of the Third sector and **Department for Work and Pensions** are engaging with the Social Enterprise Coalition to understand what the UK can learn from successful international examples where social enterprise approaches have been used to create and sustain jobs.
12. This will build on current activity by DWP to engage more closely with the sector which includes building connections with **social enterprise ambassadors**; encouraging social enterprise to participate in the **Future Jobs Fund**; and working with the sector and other representative organisations to develop a new standard for commissioning relationships across all providers of welfare to work services, building on the values and principles of the DWP's **Commissioning Strategy Code of Conduct**.

UPDATE ON OTHER OTS ACTIONS

Working with Government

13. The new Cabinet Committee¹, announced at the Social Enterprise Summit, will meet for the first time after the summer parliamentary recess. Along with their ambition to level out the playing field for third sector organisations competing for specific public contracts, the committee will seek to join up procurement across government and look for opportunities for partnerships between sector and government.
14. This work will be supported by a sub group of the Social Enterprise Growth and Development forum, the Third Sector Contracting Advisory Group, which met for the first time on the 11 June. The group identified the first three suitable contracting opportunities within employment and justice to present to the forthcoming Cabinet Committee.
15. Additionally, since the summit, OTS has held a workshop for third sector organisations interested in supporting delivery of the Future Jobs Fund.

Social Enterprise Action Research

16. The Social Enterprise Action Research programme offers departments the opportunity to gather evidence around the potential positive impact of social enterprise on delivering strategic objectives, and continues to reinforce a joined-up approach to government. At the Summit the Minister for the Third Sector called for new ideas for action research projects and OTS will be working with departments to develop these ideas over the summer.

¹ This is a MISC Cabinet Committee: MISC37. For more details see:
http://www.cabinetoffice.gov.uk/secretariats/cabinet_committee_business/general_guide/types.aspx

Access to investment

17. At the Summit, OTS also launched, with NESTA, a year-long Social Enterprise Access to Investment programme to get social enterprises ready to make the most of investment opportunities. On 10 June, a seminar was held with existing and future investors, investment readiness providers, social entrepreneurs and other stakeholders to discuss further details and it is expected that the programme will be available by mid August.
18. This builds on the announcement also made at the summit that Government has boosted support available through the Enterprise Finance Guarantee Scheme by making changes that will enable Community Development Finance Institutions to raise extra lending worth up to £20 million from the banks.

Identifier project

19. At the Summit Jonathan Bland, Chief Executive of the Social Enterprise Coalition announced that the sector has agreed to move forward with a project to raise awareness and understanding of social enterprise. OTS is helping the sector develop new ways to market itself more clearly to potential customers, investors and employees, by offering expert advice via the Central Office of Information.
20. The project will make social enterprise more visible to a wider, mainstream audience by providing organisations with a clear and easy way of showing that they are social enterprises, or that they support social enterprise. The work is being funded by OTS and led by a steering group of sector representatives – aiming for a launch on Social Enterprise Day in November.