



2020 Vision – Social Enterprise in London

/ Why does social enterprise matter?

This strategy outlines a route to developing a vibrant social enterprise community in London. Achieving that vision will create a social economy that promotes strong economic growth, benefits a diverse community and supports an improved environment.

“Social enterprise is about people. Social entrepreneurs run profitable businesses that reject exploitation and instead choose to invest in society’s most disadvantaged people.”

(Allison Ogden-Newton, Social Enterprise London)

This is the vision of Social Enterprise London, based on the objectives of London’s leading development agencies and social enterprise support organisations. This document has been written in consultation with all the named agencies to capture the spirit of support for social enterprise that exists in London and to give us a snapshot of what social enterprise offers each agency. Further consultation based on this strategy will take place and will include the London Development Agency.

// The vision

By 2020, London will be the global leader in social enterprise just as it is in financial services and business excellence. The 2012 Olympic and Paralympic Games will act as a catalyst for the development of East London; social enterprises will deliver enduring community benefit from the Olympic legacy. By 2020, London will be home to fifty social enterprises with an annual turnover in excess of £60million per organisation. These enterprises will be nationally recognised brands across retail, commercial and public service markets. Below the ‘Top 50’ will be 25,000 sustainable businesses with a collective turnover of £20billion employing over 800,000 Londoners. PwC¹ estimates that the London economy will be valued at £360billion by 2020; achieving this vision will mean that social enterprises make up 6% of that value.

1 UK Economic Outlook, March 2007, PriceWaterhouseCoopers, available at: http://www.pwc.com/uk/eng/ins-sol/publ/ukoutlook/pwc_ukeo-mar07.pdf, as based on the conversion from the FT convertor, 11 June 2007



“Ensuring that London is a place where creative, high value enterprise can thrive and all diverse enterprises are able to succeed. This is actually one of our greatest strengths.”

(Ken Livingstone, 20th January 2005, speech on Economic Development Strategy)

/// Understanding the key issues in London

To deliver our vision, we've developed the Social Enterprise Strategy for London. In partnership with London's leading agencies, this analyses their aims and identifies three priorities. This document describes how social enterprise will achieve results through the named agencies but also in partnership with other key stakeholders like the Department for Communities and Local Government and the Department of Health Social Enterprise Unit. The full strategy is available from the SEL website **www.sel.org.uk**

IV Social enterprise: what's the big idea?

London leads the UK in its entrepreneurial creativity and contribution to gross domestic product (GDP). It also leads in the size and scope of its social enterprises: 22% of the UK's social enterprise activity takes place in the Capital (Department for Trade and Industry, 2005).

London is home to the majority of the UK's leading social enterprises. Pioneers include Greenwich Leisure Ltd (GLL) in leisure services, ECT Group in recycling, childcare providers Westminster Children's Society, SELDOC in health care and Training for Life in skills and employment.

London aims to be a Fairtrade city and at the forefront of ethical consumerism by 2008. Divine Chocolate which now supplies the US, and Cafédirect, the sixth largest coffee importer in the UK, are both based here from where they supply Fairtrade products internationally.

The London Business School tells us that social entrepreneurs in London are more likely to be from black, asian and minority ethnic communities than white,

and that women in London are more likely to want to set up a social enterprise than a conventional business (Global Entrepreneurship Monitor, 2006).

✓ London's 'Big 3' issues

Analysis of the priorities of London's key bodies throws up three areas of common concern. Social enterprise offers models for tackling each of them, particularly as social enterprise often combines social with environmental solutions:

1 **Poverty, inequality and disadvantage**

Within disadvantaged neighborhoods, social enterprises can and do generate community wealth, offer quality services, find solutions to financial exclusion and create employment. Social enterprise offers innovative models to show people how to create community assets and change their environment. *Southwark Credit Union (SCU) Limited began in 1982 for council employees. Following mergers and growth, it now has 6,500 members with assets worth £6 million.*

2 **Employment and employability**

Lack of work continues to be a major problem. Social enterprises like GLL and Training for Life offer employment and training with dignity, purpose and prospects, as identified in the report of the London Employment and Skills Taskforce 2012. *Greenwich Leisure Limited (GLL) is an innovative staff led leisure trust that manages more than sixty public leisure centres within the M25. Company profits support GLL's Training Academy and are reinvested in the services.*

3 **Housing and infrastructure**

Social Enterprises like Housing Associations have a long history of offering affordable housing to Londoners who struggle to access the private property market. Together with development trusts, they are important players in creating models for community ownership that regenerate and build developments that are truly sustainable. Social enterprise will form an intrinsic part of the design for London's future, not least in the 2012 legacy and the Thames Gateway where forward thinking public agencies have worked



out that social enterprise is the next frontier in planning and delivering 'sustainable communities'. Through this informed planning and development, the regeneration of East London will happen in partnership with local communities ultimately transforming infrastructure, local services, employment opportunities and the environment. *The Environment Trust has developed over £6 million of environmentally friendly, low maintenance, affordable homes working with local authorities like Hackney and Tower Hamlets.*

VI Priorities of London's policymakers

Social enterprise models offer obvious routes to tackling these issues. To make a lasting difference in terms of London's priorities, SEL is working with key agencies to develop lasting solutions. Working with all the agencies named in the strategy, through consultation, high-level discussion and wider debate, we've been able to put together a detailed assessment of the role of social enterprise in achieving the objectives of those agencies. The following action points begin with the common areas of concern across the agencies followed by actions broken down by agency. They are:

Issue	Action	Timetable
Poverty, inequality and disadvantage	<ul style="list-style-type: none"> • Develop a multi-agency approach to the role of social enterprise in addressing social exclusion. 	Dec 2007
	<ul style="list-style-type: none"> • Invest in developing solutions that make a quantifiable difference to London's communities and that can be replicated. 	Sept 2007
Employment and employability	<ul style="list-style-type: none"> • Develop a multi-agency approach to social enterprise as a route to employment and as a provider of skills. 	Dec 2007
	<ul style="list-style-type: none"> • Help social enterprise consortia to generate sufficient scale to manage public contracts, generating further employment opportunities. 	Nov 2007
Housing and infrastructure	<ul style="list-style-type: none"> • Ensure that Thames Gateway and 2012 developments adopt emerging models for community asset ownership and affordable, sustainable neighbourhoods. 	Dec 2007

Stakeholder Agency	Policy action	Timetable
Greater London Authority	<ul style="list-style-type: none"> • Ensuring the success of London's Economy. • Ensuring all Londoners benefit from the success. • Ensuring London's sustainability. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>
London Skills Council	<ul style="list-style-type: none"> • Invest in consortia of social enterprises as delivery agents for the skills agenda. • Develop social enterprise literature for schools and colleges. • Seek opportunities for social enterprise skills development for 2012. 	<p>Nov 2007</p> <p>Sept 2007</p> <p>Dec 2007</p>
London Development Agency	<ul style="list-style-type: none"> • Promote London as the global capital for social enterprise solutions. • Consult on social enterprise business support. • Explore piloting social enterprise models to develop skills and create employment. • Facilitate business to business networking and consortium building in preparation for 2012. • Ensure that housing associations, social enterprises and development trusts are able to access procurement programmes including through business support programmes. 	<p>Oct 2007</p> <p>May–June 2007</p> <p>April 2007</p> <p>April 2007</p> <p>Dec 2007</p>
London Councils	<ul style="list-style-type: none"> • Join up local authority approaches to social enterprise through LA (Local Authority) Connects forum. • Invest in social enterprise models which improve the quality of life for excluded groups. • Ensure local authority procurement officers understand the opportunities for specifying social outcomes. 	<p>Ongoing</p> <p>July 2007</p> <p>June 2007</p>



Stakeholder Agency	Policy action	Timetable
Government Office for London	<ul style="list-style-type: none"> Facilitate investment in social enterprise models for delivering health and social care. 	April 2007
	<ul style="list-style-type: none"> Facilitate investment in social enterprise solutions to environmental challenges. 	April 2007
	<ul style="list-style-type: none"> Promote social enterprise models for employment and skills solutions to other agencies particularly through the Local Strategic Partnerships. 	April 2007
Office of the Third Sector	<ul style="list-style-type: none"> Develop the information base to interpret the drivers for growth for social enterprise. 	March 2009
	<ul style="list-style-type: none"> Focus the business support strategy on the needs of social enterprises. 	Sept 2007 – 2011
	<ul style="list-style-type: none"> Ensure social enterprise and community benefit remain central to the 2012 agenda. 	March 2009

A detailed assessment of the role of social enterprise in achieving the objectives of London's main agencies is in the full strategy at our website www.sel.org.uk

VII Social Enterprise London (SEL)

SEL will continue to work with partner agencies to develop a **work-plan** to achieve the vision set out in this paper. We will arrange policy meetings with each of the agencies named in this paper and co-ordinate findings into an action plan for agreement with the Greater London Authority, by **December 2007**. We will publish policy updates to tell stakeholders what these meetings achieve and to co-ordinate, consolidate and communicate the support of the Greater London Authority, London Development Agency, Learning and Skills Council, Government Office for London, London Councils and the Office of the Third Sector.



VIII And so...

Social enterprises create wealth in disadvantaged communities. *Coin Street Community Builders* built an infrastructure that protects and nurtures the most vulnerable residents of the South Bank. Social enterprises like *Fifteen* founded by Jamie Oliver offer training and jobs to people who have struggled to break into the labour market. Social enterprises create culturally important projects like the development of Gillett Square in Dalston by Hackney Co-operative Developments. Organisations like Peter Bedford Housing Association provide high quality, affordable housing for vulnerable people. Everyday, social enterprises are creating new technologies that minimise environmental damage: London Remade continue to drive innovation, Green-Works leads the re-use agenda through corporate collaboration, and Belu Water has created the 'penguin friendly' kite mark. The partnership between the environmental enterprise movement and social enterprise and London's leading agencies will lead to more solutions for a cleaner environment.

In setting a vision for London of an equal, diverse and sustainable economy we believe that the Social Enterprise Strategy for London will deliver real solutions to the challenges of poverty, unemployment, poor housing and inadequate infrastructure.

So what next? We will be following the timetable set out in this document; this is your opportunity to let us know how the changes affect you and what more can be done to ensure social enterprise grows and flourishes.

The social, environmental and economic contribution of social enterprise delivers a triple impact on London's development – so more has to be better.

www.sel.org.uk

Social Enterprise London

3rd Floor, Downstream Building
1 London Bridge, London SE1 9BG

Tel: 020 7022 1920

Fax: 020 7022 1921

Email: info@sel.org.uk