



Social enterprise

The ability of rural communities to take action to develop a social enterprise has never been more important. Support and guidance is crucial to their success

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Introduction

A social enterprise is a formally constituted group or business which trades primarily for social purposes rather than being driven by the need to maximise profits. They exist for the benefit of the local community, either to promote a particular activity or service or to achieve a set of objectives agreed by the wider community

Overview

Rural communities have a range of tools such as Community Rights available that empowers them to take control of some of the services in their local area. These tools help them to establish or take over a service that can be tailored to the needs of local people. This can often mean less travel and services provided at a reduced cost to those who are in most need. Developing a social enterprise within a community can create additional employment opportunities, which contributes to the overall rural economy.

A social enterprise is one method through which a service, such as village shop or post office for example, can be developed and run by local people. There are a range of legal and financial models that can fit the local circumstances, but these require expert guidance to ensure the correct approach is taken.

The ACRE Network has a long track record of supporting community entrepreneurship, the management of community assets and encouraging communities to engage with service providers. From village appraisals and design statements in the 1990s, the Quirk Review & Asset Transfer in 2007 to Parish Plans and more recently Community Planning,

rural communities continue to find ways to provide for their own needs.

Legislation (the Localism Act 2011 and the Social Value Act 2012), has also contributed to the growth of community and social enterprise by providing a framework for the development of social solutions by communities. The introduction of the Community Rights powers and accompanying grants and financial support, including the increasing use of community share packages, has encouraged communities that had not previously considered taking action or didn't have the necessary tools, supporting legislation or finance to do so.

Community-owned pubs and shops, village halls and similar rural community buildings, libraries, sports clubs and markets are examples of the many community and social enterprises developed by rural communities across England that provide access to these vital services. Further innovation is taking place by providing services such as shops and post offices, childcare & youth projects within



Delivering services in the community means less travel and reduced costs to local people



Issue: A struggling rural economy and loss of services

The loss of local services is likely to have a long-term effect on the sustainability of the local community. If not addressed, rural communities can become dormitory villages, predominantly inhabited by affluent commuters who can afford to travel and buy the services they require away from where they live

Solution: Innovations that stimulate the local economy

In rural areas there is an ongoing challenge to ensure business sustainability and protection for the local environment.

The community in New Mills, Derbyshire, owns the Torrs Hydro, a micro hydroelectric scheme, pictured, which uses the Rivers Sett and Goyt to produce clean, green electricity.

The local Cooperative Food Superstore buys all the power generated and any surplus to its needs is sold through the national grid. The scheme cost around £330,000, with funding coming from a community share issue, which raised over £125,000, and grants of £165,000.

The shareholders are mostly local people and businesses, plus people from further afield who wish to support renewable energy schemes.

The members — around 230 shareholders — own the scheme. They can receive interest on their shares, but the majority of the profits from the scheme will fund a community grants programme. Annual

general meetings attract a high percentage of the shareholders keen to hear how the project has progressed over the last year. Each year, the scheme holds a series of well-attended open afternoons over the summer and has commenced an educational

programme with local schools. This pioneering scheme has generated nationwide interest and has put New Mills on the map.

The Friends of Horspath purchased a disused Methodist Chapel for use as a community hub. It was designated as a community asset by South Oxfordshire District Council under the Localism Act 2011. They had

six months to acquire funding under the Community Right to Bid.

ACRE Network member Oxfordshire Rural Community Council recommended the Defra Rural Community Buildings Loan Fund, managed by ACRE, to help them achieve their goal. The village hall committee and the Parish Council offered support for the Hub which will house a part-time outreach post office, a luncheon club and film club.



Picture by Steve Essex

Issue: Ensuring support for local entrepreneurs to deliver services

The viability of small-scale community initiatives depends not just on community support, but on significant volunteer action from within the local community. Volunteers need to be well-informed and have access to the necessary expertise

Solution: Specialist advice for community initiatives

ACRE Network members help generate local economy support and volunteer effort through their long standing connections within rural communities.

Emerging community initiatives are then offered specialist advice so that they can thrive in small rural communities where the market is limited and

full scale social entrepreneurship may not have the potential for significant commercial growth.

Beacon Books was the only independent shop selling new books in Malvern.

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Solution: Specialist advice for community initiatives

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When the owners decided to close, a community group was established to try to purchase the existing business.

The community group was not prepared to see the town lose this important retail asset and set about developing a co-operative to open a new shop elsewhere in the town centre.

Malvern Books is a multi-stakeholder co-operative industrial and provident society using Cooperatives UK model rules.

ACRE Network member Community First, Herefordshire & Worcestershire, provided Co-operative Enterprise Hub funded business support

to create a viable business plan, locate and negotiate a lease and supported the development of the Societies Cooperative Rules and registration with the FSA through Co-operatives UK. They also assisted with the administration of a community share issue which raised over £19,000.

Gloucestershire Rural Community Council has developed a toolkit for local communities considering retaining and improving local services.

The toolkit has separate sections in the form of tips and case studies. It contains guidance to local shops, transport, health services, affordable housing, postal services and banks and cash points, alongside information and support for learning, training and work.

Issue: Identifying and responding to community need

Communities often need support in order to be able to plan ahead and anticipate services which may be at risk of withdrawal but crucial to local wellbeing. Entering into dialogue with public and other service providers can be daunting

Solution: Creative thinking and sustainable service delivery

Community spirit is alive and well in Ashton Keynes in Wiltshire where the church, pub and village hall are run and managed by local people. The hall, built in the early 1900s, is the focal point for community activity providing a rural cinema and other social activities.

The community shop (pictured), an independent provident society (IPS) managed by volunteers, moved into a newly added annexe to the hall in December 2011. The hall is also home to a doctors' surgery and the local pre-school.

The committee is an active member of the Wiltshire Village Hall Association, for which ACRE Newtwork member Community First, Wiltshire & Swindon provides the secretariat.



Following the closure of the local shop and post office, The Bishop's Caundle Community Shop Association was formed at a public meeting in November 2010. The Association received support

from the Plunkett Foundation, the Post Office, which was keen to see post office services continue in the village, and ACRE Network member Dorset Community Action (DCA).

DCA encouraged the community to set up the association, advised them on writing a business

plan, and helped access funding from the Plunkett Foundation and the Chalk and Cheese Local Action Group. The shop has two regular paid members of staff and six volunteers.