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## What Difference Does It Make?- The Current Role and Potential Impact Social Enterprise Can Play in the Regeneration of Disadvantaged Communities

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## Administration

*What difference does it make?- the current role and potential impact social enterprise can play in the regeneration of disadvantaged communities*

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## **INTRODUCTION**

At European level there is no universally accepted definition of what constitutes a social enterprise (GHK, 2006). However, the number of definitions of what constitutes a social enterprise reflects the diverse understanding of what a social enterprise actually is. The Department of Trade and Industry (DTI) (2002) definition is widely used:

A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.

Social enterprises share a number of common characteristics: they are established to achieve social objectives while simultaneously engaging in economic activity. They are democratic in that they are governed by a group of individuals on behalf of a geographic community or a community of interest. They strive to be accountable to the community in which they operate or aim to benefit.

Across Europe, social enterprises are making a significant impact on communities, particularly those blighted by high levels of unemployment, poverty and disadvantage. According to the European Commission, they represent 2 million enterprises (i.e. 10% of all European businesses) and employ over 11 million paid employees (the equivalent of 6% of the working population of the EU). Social enterprises are present in almost every sector of the economy, such as banking, insurance, agriculture, craft, various commercial services, and health and social services.

The purpose of this article is to outline the potential role and impact of social enterprise in addressing unemployment, promoting economic activity and the overall regeneration of urban disadvantaged communities in the Republic of Ireland. It is divided into the following sections:

- Objectives of social enterprise in disadvantaged communities.
- Factors that contribute to social enterprise development
- Factors that constrain the effectiveness and prevalence of social enterprises in tackling disadvantage in urban communities.
- Factors that could enhance the effectiveness of community and social enterprises in economic regeneration.

## **THE OBJECTIVES OF SOCIAL ENTERPRISE IN DISADVANTAGED COMMUNITIES**

Social enterprises have a mixture of social and economic objectives (Pharoah, 2004). In terms of the social objectives, Pearce (1993) identifies community development as one of the core objectives of many social enterprises; if this goal is met, it can lead to the acquisition of management skills and strategic expertise in the community. In addition, social enterprise development can empower local people to take action within their communities (McArthur and McGregor, 1989). This enables them to more effectively develop responses to issues facing them. McGregor (1997) cites the example of community leaders managing enterprise

space, a task which allows them to acquire the skills to engage in property development for community benefit.

In terms of economic objectives, McGregor et al. (1997) identified employment creation to be the single most important objective to over 70% of social enterprises interviewed. Unlike the private sector, social enterprise targets employment at the long term unemployed (McArthur, 1993) and can serve as an intermediate labour mechanism enabling economically inactive individuals living in disadvantaged communities to boost their employability (Campbell, 1999). However, McGregor's (1997) research indicates that the capacity of social enterprise to create employment for residents of disadvantaged communities is limited – individuals from outside of disadvantaged communities gain the majority of jobs. Cassidy (2001) points to the role of social enterprise in providing the infrastructure – managed workspace – for private enterprise to be drawn into disadvantaged communities, which can lead to employment opportunities for residents in these areas.

Evers et al. (2004) maintain that social enterprise has emerged as a response to market failure and that a key objective is to provide services that meet the needs of social groups or communities experiencing social exclusion. According to Leadbetter (1997), policy-makers have placed increasing emphasis on social enterprises for the delivery of services to disadvantaged communities as a result of reductions in public funding coupled with inefficiencies in public sector provision of services. According to Twelvetrees (1998), social enterprises can acquire assets leading to wealth creation which in turn can stimulate further social enterprise development, and can serve as the catalyst for the regeneration of disadvantaged communities.

In the table below (Table 1), the social enterprises that are present in urban disadvantaged communities are categorised according to the kind of activity in which they engage. For each category, the table shows the aim of the activity and examples of the range of enterprises included.

**Table 1: Social enterprises by aim and activity**

Category of social enterprise	Aim of activity	Examples of social enterprise cited
Service provision	Improve the quality of life within disadvantaged communities	Childcare provision, insulation of homes - leading to a reduction in fuel poverty, community education, home help service/elder care, estate maintenance and housing management
Environment for enterprise	Provide the infrastructure and environment for private and social enterprise	Managed work space, social finance provision
Generating wealth for community benefit	Establish community enterprises to generate income in order to subsidise or stimulate other social	Community property including: retail units, social housing,

	enterprises	housing for students, car parks leisure facilities
Providing services for the State	Replace services that would once have been delivered by the public sector	Maintaining green spaces, managing housing stock, waste management

## FACTORS THAT CONTRIBUTE TO SOCIAL ENTERPRISE DEVELOPMENT

A combination of factors within and external to communities are required for the successful development of social enterprises in urban disadvantaged communities. Furthermore, social enterprises require the assistance of a number of stakeholders in order to become sustainable, especially when located in disadvantaged communities with relatively limited expertise and resources (Doyle, 2009).

### *Demographic factors*

Disadvantaged communities are characterised by relatively high levels of unemployment and low levels of expertise which is an important asset in assisting enterprise development (Amin, 2002). It is in this context that an examination of the factors that stimulate social enterprise development takes place.

The presence of community activists who are committed to developing social enterprises is an important stimulus for social enterprise development in a disadvantaged community (Cooper, 2005). Amin (2002) argues that, in addition to committed community activists, successful social enterprises require leadership with a range of skills and expertise. However, Pearce (2003) argues that in addition to this, the existence of community development infrastructure is essential so that nascent social enterprises are rooted in the community. Furthermore, these community organisations must be open to pioneering social enterprise development (Twelvetrees, 1998) and be willing to take risks and not fear the possibility of failure.

### *Influence of the State*

Hines (2007) maintains that the influence of the State is pivotal in stimulating social enterprise through the provision of a range of supports and assistance. In particular, Oakley (1999) draws attention to the central role local authorities can play in this regard. They can award contracts to social enterprises, which benefits the local authority, the social enterprise and the community concerned (Brennan and Ackers, 2004).

According to Doyle (2009) the State – in particular local authorities and the HSE – is ideally placed to stimulate and assist social enterprise development in the following ways:

- Contracting social enterprises to deliver services. State agencies should support social enterprises to enhance their capacity to tender for contracts.

- Devising a policy framework which outlines the State’s view on the role of social enterprises.
- Providing start-up finance for social enterprises.
- Changing its perception of the social enterprise sector from one of a relatively inexpensive, active labour market mechanism, to one of a provider of quality services and an agent for the sustainable regeneration of disadvantaged communities.
- Engaging with community organisations to devise a social enterprise development strategy for the area which would benefit both the local authority and the community.

It is clear that the factors and conditions which stimulate social enterprise development are situated both *within* and *outside of* disadvantaged communities.

Table 2, below, details the internal factors within a disadvantaged community and the external factors outside a community which stimulate social enterprise development.

**Table 2: Factors stimulating social enterprise development**

<b>Internal factors stimulating social enterprise development</b>	<b>External factors stimulating social enterprise development</b>
<ul style="list-style-type: none"> <li>• Presence of community leaders responsible for identifying social enterprise concepts</li> <li>• Community development organisations willing to engage in social enterprise development</li> <li>• Existence of a community-based economic development agency</li> </ul>	<ul style="list-style-type: none"> <li>• Supportive State sector</li> <li>• State policy framework on social enterprise</li> <li>• Relationships with trade union movement</li> <li>• Expertise from the private sector</li> </ul>

### *Alliances*

Social enterprises develop alliances with public and private sector organisations as well as financial institutions with a view to realising their mission (Lyon and Ramsden, 2006). Social enterprises can have mutually beneficial relationships with the communities in which they are based (Peattie and Morley, 2008). Although community activists and organisations can play a key role in social enterprise development (Pearce, 1993, 2003), Amin (2002) is of the opinion that lack of expertise within disadvantaged communities, arising from poverty, limits the capacity of disadvantaged communities to develop social enterprises. This necessitates alliances with entities from outside disadvantaged communities.

Doyle (2009) asserts that, in order to be effective, social enterprises must form alliances with different stakeholders within their community, with other social enterprises, and with groups located outside their community, notably state agencies, business people and professionals including accountants.

## **FACTORS THAT CONSTRAIN THE EFFECTIVENESS AND PREVALENCE OF SOCIAL ENTERPRISES IN TACKLING DISADVANTAGE IN URBAN COMMUNITIES**

Social enterprises encounter a number of constraints which adversely affect their prevalence and effectiveness (Smallbone, 2001). Constraints emanating from outside of disadvantaged communities include:

- Difficulty for social enterprise to enter the mainstream of economic policy, as the dominant economic model is underpinned by values which are not consistent with those of social enterprise.
- Lack of appropriate finance, both grant and loan, for social enterprises at various stages of development.
- Central Government and State agencies' policies, practices and attitudes towards social enterprises. The lack of supports allocated to social enterprises compared to those afforded to private enterprises makes it difficult for them to grow, and reducing or withdrawing State funding from regeneration programmes prematurely can have an adverse impact on communities' efforts to develop social enterprises.
- The dearth of research on social enterprise within urban areas preventing the gathering of evidence to support demands for additional resources for social enterprise interventions in disadvantaged communities.

These external constraints arise largely from a lack (on the part of the State) of understanding of social enterprise development and a lack of vision of the potential role social enterprise could play in the regeneration of urban disadvantaged communities. Such understanding and vision are absent principally because the State's policies and practices are informed by a belief that market led interventions result in superior outcomes (Doyle, 2009).

Other constraints emanate from within disadvantaged communities. These include:

- The demographics and extent of poverty in disadvantaged communities, which can make it difficult for social enterprises to access skilled labour and management expertise.
- Factors associated with poverty that are prevalent in disadvantaged communities such as drug misuse, drug dealing and associated criminality.
- The low level of awareness of many social enterprises that they are part of a social enterprise sector; this unawareness limits their capacity to play a more central role in economic development in Ireland.
- The strategy of solely meeting an identified social need (for example, childcare, services to the elderly) rather than those with an economic focus, such as acquiring property and other assets for community benefit.
- The absence of an independent social enterprise support structure at national, regional and local levels, which makes it more difficult for many of the aforementioned barriers to be addressed.

All of these constraints combine to make disadvantaged communities less receptive to social enterprise development than more affluent areas.



## **FACTORS THAT COULD ENHANCE THE EFFECTIVENESS OF COMMUNITY AND SOCIAL ENTERPRISES IN ECONOMIC REGENERATION**

There are a number of factors that enhance the development, effectiveness and prevalence of social enterprises in disadvantaged communities in the Republic of Ireland. An understanding of these factors enables the development of strategies which can enhance social enterprises' capacity to regenerate disadvantaged urban communities. Community organisations, the Government, State agencies and the private sector each have a role in supporting social enterprise development.

### *Role of community organisations*

According to Swash (2007), community organisations can perform a range of functions in assisting social enterprise development in disadvantaged communities. Firstly, they can act as a catalyst for social enterprise development. Secondly, they can refer individuals belonging to 'hard to reach groups' to the social enterprise. Community organisations should encourage residents to purchase the services or products available from social enterprises and indeed do so themselves.

### *Role of the State*

Leadbetter (2007) states that Central Government needs to provide the environment for social enterprises to grow. He believes that this can be achieved by the State encouraging a culture of giving that promotes charitable donations to social enterprises. This policy recommendation of encouraging philanthropy would have less of an impact in the most marginalised communities as they require long-term state investment (Amin, 2005). He asserts that communities with strong social networks and expertise are most receptive to social enterprise development. Without long-term State investment and support, disadvantaged communities – particularly those that are most marginalised – will not be amenable to social enterprise development. The State's interest in regenerating disadvantaged communities should be motivated by social justice and not by social cohesion (Fitzpatrick, 2004). Furthermore, social enterprises must not be seen by the State as a cheap option to reduce the size of the welfare state and provide cheaper employment (Graefe, 2002).

Graefe (2001) stresses the necessity for a social enterprise strategy that creates new institutions at national level which have the power to even out economic disparities between disadvantaged communities with limited social enterprise activity and disadvantaged communities with vibrant social enterprise activity. Graefe (2002) recommends that the State share power with social enterprise structures. Doyle (2009) asserts that, in an Irish context, Central Government must decide on the functions it wants social enterprises to undertake following dialogue with the social enterprise sector. This could inform a long-term policy framework for developing social enterprise in urban areas providing the context for State agencies to support social enterprises at a local and community level.

Chanan (1999) cites the importance of Central Government investing in social enterprises in order to realise social and economic objectives rather than the sole objective of employment creation.

Carley (2002) also emphasises the importance of long-term investment in social enterprises in disadvantaged communities. Local authorities are ideally placed to promote social enterprise within their institutions and to provide a coherent framework within which social enterprises can be supported at varying stages of development. Specific assistance can take the form of providing opportunities for social enterprises to deliver local authority contracts, transferring assets to social enterprises and leveraging external investment on their behalf (Carley, 2002).

Doyle (2009) stresses the need for Central Government to direct State agencies to support social enterprise development. This could take a number of forms. Firstly, legislation could be passed to compel State agencies to ring-fence a proportion of all contracts for social enterprises, as is the case in Italy. Secondly, Central Government could provide long-term grant finance for social enterprises. This would be similar to the function of private equity finance for private businesses. Thirdly, Central Government could encourage and direct

State agencies to deal with social enterprises as important stakeholders in the economic regeneration of disadvantaged urban communities.

Doyle (2009) maintains that State agencies can play a more effective role in supporting social enterprises by undertaking the following:

- Providing training for State agency officials on the subject of social enterprise methodologies in order to increase their understanding of the difficulties encountered by social enterprises.
- Affording the same range of supports to social enterprises as to private businesses through State-funded enterprise support structures.
- Allocating a greater proportion of contracts to social enterprises.

#### *Mutually beneficial relationships with the private sector*

CAN (2005) suggests that social enterprises could benefit from relationships with the private sector in the following ways:

- Young managers with the relevant expertise being seconded from private enterprises to social enterprises.
- Technical expertise being provided to social enterprises.
- Senior management of large private businesses agreeing to sit on the boards of social enterprises.
- Large private businesses trading with social enterprises.

To summarise, the community and voluntary sector, the State, and the private sector can each assist in enhancing the prevalence and effectiveness of social enterprises located in disadvantaged communities. Greater solidarity between social enterprises can also enhance their effectiveness.

## **CURRENT AREAS OF WORK UNDERTAKEN BY SOCIAL ENTERPRISES**

Social enterprises are engaged in most commercial areas except those from which they would exclude themselves for ethical reasons (Pearce, 2003). For instance, because social enterprises are either accountable to a community or have a strong affinity to the community in which they are located, they mainly engage in economic activity that does not damage the environment. Social enterprise activity can be organised into four categories with the integration of marginalised social groups into the workplace being the most common across the EU (Nyssens, 2006). However, these categories are not mutually exclusive, and many social enterprises identify with more than one of them (Pearce, 2003)

### **PROVIDING SERVICES TO THE COMMUNITY**

Apart from providing services on behalf of the State, social enterprises can provide services to meet a local need that neither the State nor the private sector is catering for. These services tend to have a more social than economic focus such as running a community café, laundrette or second-hand shop. To become sustainable, they tend to rely on a combination of grant funding and voluntary labour. In an Irish context, the State provides a subsidy to not-for-

profit organisations on condition that employment is targeted at a number of marginalised groups that find it difficult to secure employment in the mainstream labour market.

## **MARKET-DRIVEN BUSINESS**

Some social enterprises operate in a fashion similar to traditional private enterprises in that they are primarily concerned with providing a product or service to a market. Where they differ from private enterprises is that the surplus produced is for community benefit.

## **WORKING FOR THE STATE**

Over the past decade, social enterprises have increasingly provided services that were once provided by the State, including helping individuals to enter the labour market and managing childcare facilities and leisure facilities.

## **LOCAL DEVELOPMENT AND REGENERATION**

Social enterprises also provide services and facilities which enhance economic activity at a community or district level. This can include the provision of both managed workspace and enterprise development support. In addition to providing the infrastructure for enterprise, there are many instances, particularly in the UK, where social enterprise has influenced the regeneration of disadvantaged areas by acting as the catalyst for the physical development of an area.

The following section outlines a number of case studies that demonstrate examples of best practice in social enterprise activity according to the four categories of social enterprise detailed above. They also detail the ways in which local authorities have enabled social enterprises to gain public contracts (Pearce, 2003).

## **CASE STUDIES**

### **PROVIDING SERVICES TO THE COMMUNITY**

In the Republic of Ireland, there are a number of social enterprises that provide services to the urban disadvantaged communities in which they operate.

In response to the dearth of cafés and restaurants in the Ballyfermot area, Ballyfermot Community Civic Amenity Social Economy Ltd (BCCASE) provides affordable, nutritious meals to the residents of Ballyfermot from Monday to Friday. As a relatively high proportion of the population is over 65 years of age, this service enables older people to access a subsidised hot meal five days a week. It provides approximately 130 meals every day. BCCASE is funded under the Pobal Community Services Programme.

This social enterprise is an important service which helps older people in the Ballyfermot area to live independently.

## **MARKET-DRIVEN BUSINESS**

In this case study, McSence exemplifies how social enterprise can regenerate disadvantaged districts by establishing market driven social enterprises, also referred to as community enterprises.

McSence was set up during a period of acute levels of unemployment in the wake of the pit closures and loss of other employment within the Mayfield and Easthouses area in Midlothian, Scotland. The effects on the local community, its economy and local businesses, were devastating. Local miners were looking for a way to revitalise the community and create jobs.

The original idea was to collect £5 per week for one year from local businesses. This grew to a massive £7,000. In 1989 a steering group was formed to research markets for investment. The group consisted of business people, workers and the unemployed, and formed the first board of directors, all of whom are still unpaid volunteers.

In 1991 McSence Heatwise, which specialises in energy efficiency, was registered. A second company, McSence Ltd, was formed as a result of Heatwise's profits, which incurred corporation tax. McSence Ltd holds charitable status in Scotland, and was able to claim back all taxes paid. The company is limited by guarantee, and holds all McSence company profits.

Since the inception of McSence Ltd, several other companies have been created. McSence recently acquired a majority shareholding in A&R Hepburn Engineering Ltd, a long-established family business which provides central heating installation, servicing and repair services and complements the work of McSence Heatwise.

Turnover for the McSence Group is in excess of £8 million and annual profits are up to £250,000. McSence receives no subsidies for ongoing running costs. The performance of the companies has created a stable platform for growth, and its continued success is proof of its sustainability. The profits created from these businesses have enabled the Mayfield & Easthouses Grants Association, established by McSence, to make donations to various needy organisations requesting help, thus achieving the original goal, which was to set up and run a business for the community and to regenerate the community for the benefit of all its residents.<sup>1</sup>

McSence highlights the importance of acquiring capital to kickstart its first social enterprise. It developed social enterprises which allowed local residents to secure employment – the activities required limited capital investment and did not require a highly educated workforce. The importance of gaining the support of individuals with business expertise was crucial to the success of the company. It demonstrates the importance of having a combination of skilled community leaders and business experts within the company who are responsible for implementing the strategy.

## **WORKING FOR THE STATE**

Sunderland Home Care Associates offers a high quality range of home care packages and care services for people in the Sunderland area.

Though many of the staff had no formal education before joining, over 150 of them have now

gained nationally accredited qualifications. Sunderland Home Care Associates prides itself on providing well-trained and -motivated professional carer support. It now employs more than 200 staff delivering over 4,000 hours of care per week.

The organisation has a number of major contracts with Sunderland Social Services, the University of Sunderland and Sunderland Colleges and their work is widely recognised as a market leader in care services.

Established in 1994, the company currently has a turnover of £1.75m with staff receiving pay and conditions above market level.

As it is an employee-owned social enterprise, staff members play a vital role in the decision-making process. Profits are spent on providing a better service or rewarding the staff. The unique structure means that staff members have the opportunity to take part in democratic general meetings every other month and to help set budgets, pay and conditions.<sup>ii</sup>

The commitment to their employee-owners has helped the company to achieve very low levels of staff turnover, better relationships with clients and a higher quality of care overall, evidenced in consistently high scores from the Commission for Social Care Inspection.

This social enterprise demonstrates that the provision of services on behalf of the State can result in a quality service and simultaneously give its workforce a rate of pay that is above market level. It also highlights how social enterprises can provide a greater number of benefits than a traditional private enterprise. In particular, it provides sustainable employment for relatively low-skilled individuals, enabling them to acquire new skills and qualifications. There is evidence that the conditions of employment and the culture of the company contributes to staff being more motivated. As a result, service users get a top quality service.

## **LOCAL DEVELOPMENT AND REGENERATION**

Shoreditch Trust is an example of a social enterprise playing a major role in the economic regeneration of its community.

Shoreditch Trust is community-led but commercially aware. According to its website, 'The Trust knows the value of people but also understands the dynamics of business, working collaboratively and recognising the value of the community to ensure that everyone it works with is enabled and supported to achieve and grow.'<sup>iii</sup>

When the New Deal for Communities (NDC) funding from the Department for Communities and Local Government finishes in 2010, Shoreditch Trust acknowledges that it has to become financially sustainable.<sup>iv</sup>

In 2005, with five years of the NDC funding remaining, the board decided that the most effective strategy to achieve sustainability was to develop social enterprises that generated sufficient income to enable the Shoreditch regeneration company to maintain its core programmes including education, training and health.

To this end, the Trust has established a series of social enterprises that will deliver its social objectives and generate surplus revenue to fund regeneration activity. This will enable a successor body to continue to provide and commission programmes in the Shoreditch area

beyond 2010. Each of these social enterprises is being supported by market leading commercial partners, ensuring an effective combination of private sector expertise and public sector understanding. These enterprises include the Shoreditch Digital Bridge and Shoreditch Property Company.

In the last year the Trust has continued to move towards its stated aim of producing a £15m property asset base by 2010.

The Shoreditch Trust demonstrates the importance of acquiring an asset base in regenerating disadvantaged communities. Assets controlled by social enterprises contribute to sustainable sources of income which can be used to as catalysts to form new social enterprises or invested in anti-poverty initiatives at a local level.

## **PROCUREMENT**

It is important to note that European procurement law allows local authorities to insert certain social clauses in their terms of reference, e.g. to encourage the employment of long-term unemployed or disadvantaged people in their procurement procedures. However, they are not allowed to discriminate geographically by specifying that businesses or their workers must come from a specific location. The Commission also supports what it has called 'green' procurement.

Recently, in the UK, local authorities have taken at least two different approaches to using their considerable spending power to make the most of this situation and create local jobs. The first favours private contractors who agree to employ a certain number of local people, while the second favours social enterprises that not only employ local people but provide certain verifiable social benefits. Local authorities in the UK have become convinced that they can use their large procurement budgets to the benefit of their own local economies and thus fulfill their duty to look after the economic, social and environmental wellbeing of their citizens. They understand that when they construct and renovate social housing, for example, they can also create jobs for people excluded by the labour market, thus fulfilling a double objective.

A number of EQUAL projects in both the UK and Italy have been active in tackling the barriers faced by local small and medium enterprises (SMEs) and social enterprises in accessing public markets and making the most of these opportunities.<sup>v</sup> They have shown that it is important to become involved as early as possible in the tendering process and to work in parallel on two fronts: firstly, on the procedures with the contracting officers to ensure that they are really accessible to local firms; secondly, to train and build up the capacity of the local social entrepreneurs.

The Construction Development Partnership in Sheffield has brought seven construction companies together with the public company responsible for renovating the city's public housing stock. The companies undertake to deliver at least 10% of their work through 'community building social enterprises' based on each housing estate, which train long-term unemployed people to fill local vacancies, thus reducing the shortage of building workers. They undertake a nine month course, paid at the minimum wage, and achieve an NVQ level 2 qualification. The initiative is believed to have reduced the price of building contracts in what is a £1.7 billion housing programme.<sup>vi</sup>

The Agenzia di Cittadinanza EQUAL project in Milan introduced a new way of organising the collaboration between public authorities and social co-operatives. It opened four area offices – ‘territorial laboratories’ – which acted as antennae to define local needs, and which formed the hubs of local networks. The four laboratories together covered 50 *comuni* (municipalities). They grew into meeting places for local third sector organisations, the local authorities and individual citizens who want to start social initiatives. They have led to new markets for social enterprises through the creation of housing agencies, nurseries and neighbourhood services, as well as facilitating third sector fora and participating in local improvement plans.<sup>vii</sup>

The two case studies above highlight the ways in which innovative collaborations at procurement stage can benefit social enterprises, local authorities and disadvantaged areas.

To summarise, social enterprises can engage in a number of activities benefiting disadvantaged communities through the provision of employment, training and through sustainable regeneration of disadvantaged communities.

For this to happen to a greater extent in an Irish context would require specific policy interventions, some of which have already been outlined earlier, and the proactive support of community organisations for social enterprise development (Swash, 2007).

## CONCLUSIONS

If social enterprise is to play a more effective role in the regeneration of disadvantaged communities the State, community organisations and social enterprises would need to embrace it to a greater extent. State agencies, in particular local authorities, are ideally placed to support social enterprise development through public procurement, and the allocation of assets to social enterprises. This would lead to sustainable community regeneration, a reduction in long-term unemployment and the provision of more responsive community services as well as giving the State value for money that could not be matched by the private sector.

It is therefore critical that policy-makers place social enterprise at the cornerstone of all future urban regeneration programmes, thus ensuring that local communities acquire jobs, access responsive services, and have an improved quality of life that is not provided by private-led regeneration initiatives.

### About the author

Gerard Doyle works for TSA Consultancy. His research is drawn from a Masters dissertation he completed (as part of an Msc in local economic development – University of Glasgow) entitled ‘*What difference does it make? – The current and potential contribution of social enterprise to the regeneration of urban disadvantaged communities in the Republic of Ireland.*’ It can be downloaded from [www.tsa.ie](http://www.tsa.ie)



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<sup>i</sup> [www.mcsence.co.uk](http://www.mcsence.co.uk)

<sup>ii</sup> [www.sunderlandhomecare.co.uk](http://www.sunderlandhomecare.co.uk)

<sup>iii</sup> <http://www.shoreditchtrust.org.uk>

<sup>iv</sup> <http://www.shoreditchtrust.org.uk>

<sup>v</sup> EQUAL programme is an EU funded programme which aims to tackle all forms of discrimination and inequality in the labour market, both for those in work and those seeking work.

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<sup>vi</sup> <https://webgate.ec.europa.eu/equal/jsp/dpComplete.jsp?cip=UKgb&national=14>

<sup>vii</sup> [http://ec.europa.eu/employment\\_social/equal/data/document/etg2-suc6-cittadinanza.pdf](http://ec.europa.eu/employment_social/equal/data/document/etg2-suc6-cittadinanza.pdf)