



COMMUNITY ENTERPRISE CONNECTIONS

Welcome to Community Enterprise Connections

Welcome to the 8th Edition of Community Enterprise Connections.

This edition has a UK and European flavour — **Kevin Robbie** talks about the Social Return on Investment (SROI) for Six Mary's Place. **Mark Daniels** of Social Traders shares his learnings

from his recent trip to the UK and the World Forum in Scotland.

Read **Cath James'** article about the multitude of community enterprise activities that Spectrum Employment Services are involved in.

Meet **Tara Kelly**, the newest member of the CEDI Team

in the News section.

If you have any questions, comments, or articles, please email or call the CEDI Team on cedi@bsl.org.au or (03) 9445 2410.

Happy reading and have a wonderful festive season!



Brotherhood of St Laurence

Working for an Australia free of poverty

Vol. 1, Issue 8, December 2008

Six Mary's Place — Kevin Robbie

Kevin Robbie, the former Chief Executive of Forth Sector led the Social Return on Investment (SROI) work within Scotland and has recently started with Social Ventures Australia (SVA). Kevin will be leading work within SVA on developing social enterprises to create employment for people who are seriously disadvantaged in the labour market and supporting the work that SVA has been developing within Australia around social reporting and SROI.

Forth Sector is one of the leading social enterprises in Scotland. Based in Edinburgh, the organisation establishes businesses to create employment for people with severe and enduring mental health problems that will support them to recover from their mental ill health.

Forth Sector runs a portfolio of six small businesses, including a catering business, a consultancy business and a soap manufacturing and retail business. The businesses provide a range of opportunities for people with mental health problems including full-time positions working as members of staff, time-limited

intermediate positions as stepping stones into the mainstream labour market and part-time positions (where people remain on a reasonable level of welfare benefits). Over 20 of the 60 full-time staff are people who have experienced mental health problems.

The longest established business within the portfolio is Six Mary's Place. This is a three-star guesthouse in Stockbridge in Edinburgh. This business was established with an innovative soft loan that allowed Forth Sector to concentrate on developing the business, which has become the vehicle for delivering the social purpose of the organisation. This interest free loan was repaid after 10 years.

Since 1991 Six Mary's Place has established itself in the competitive guesthouse market in Edinburgh with good reviews in a number of tourist publications. The business has an average occupancy level of over 75% and strong 'word of mouth' repeat bookings. The guesthouse prides itself on high quality customer service and this was recognised in 2004 when it won the mainstream Thistle Award Best in Category for Customer Service – beating

a large number of mainstream hotels within Scotland.

Six Mary's Place was also the business that Forth Sector chose to pioneer its work on measuring Social Return on Investment (SROI). Although the business runs commercially, the organisation is able to calculate the 'social costs' of providing employment support to people with mental health problems, whose average length of unemployment is 14 years and average length of engagement with psychiatric services is 18 months.

To justify the 'investment' into these social costs through government 'fee for service' arrangements, grants from philanthropic trusts and European Social Fund the organisation embarked on measuring its impact. This identified that **for every £1 given in 'support funding' Six Mary's Place returned £5.87** in social return through reduced health care costs, reduced welfare benefit expenditure and increased taxation income to the state.

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Anthony Leigh and Terry O'Shannessy hard at work on their feasibility study for a community maintenance enterprise at the workshop for newly funded groups. See 'News' for details...



Spectrum Employment Services working for better communities

— Cath James

As a Registered Training Organisation, Spectrum provides Certificate III training programs in Asset Maintenance (Cleaning), Horticulture and Business Administration. Disadvantaged job seekers are enrolled with Spectrum for a period of 12 months and upon graduation, receive a professionally recognised qualification. Trainees are either then offered employment within Spectrum or are supported into employment with other companies.

Under the umbrella of the Spectrum group, two business units operate to provide training and employment in either asset maintenance through Spectrum Property Services or horticulture through Spectrum Landscape Services. Trainees are supported through the program by the Spectrum Community Services Division to assist disadvantaged job seekers with essential life skills and prepare them for employment.

To ease the transition into employment, Spectrum introduced the 'Skills for Life' program, a six week pre-employment program available prior to enrolment in Spectrum traineeships. Skills for Life is designed to teach essential life skills, such as managing money, working with people, managing conflict and workplace expectations.

Spectrum's community programs and personal assistance to job seekers provide a nurturing environment where trainees are supported, developed and given practical 'hands on' experience.

"In our experience when provided with the right level of support, training and encouragement, people who face major barriers to employment can make significant positive change in their lives", said Mr. King.



CEO Mark King presents Spectrum graduate Ashor Deimo with a Certificate III in Horticulture.

Spectrum Property Services was the first community training model developed by the organisation.

Launched in July 2003, the Property Services program includes initiatives to help individuals overcome barriers to employment. Over 40 staff, from a diverse

range of cultural and social backgrounds are employed by the business with the opportunity available to complete a Traineeship in Horticulture or Asset Maintenance (Cleaning) at Certificate III level. Spectrum Property Services delivers cleaning, gardening and lawn mowing contracts to state government departments, local councils and commercial and industrial sectors.

Following the success of this program, Spectrum Landscape Services was established in July 2005 to support unemployed social housing residents in partici-

pating in a variety of commercial landscaping contracts across Sydney. In October 2005, Spectrum was awarded a Landscaping Contract by the NSW Department of Housing to design and install landscaping projects for social housing estates across West and South Western Sydney. This contract enabled Spectrum to employ 20 social housing residents per year in a Structural Landscaping Traineeship at Certificate III level. The Trainees are provided with on the job work experience and classroom training for 12 months to equip them with the skills and experience needed for professional careers in the landscaping industry.

"At Spectrum, we see our role as offering people the chance to break free from the demoralising cycle of unemployment through industry specific training and employment. This results in greater independence, safety, self-esteem and quality of life within our communities", said Mr. King.

Spectrum works in close consultation with Job Network Providers, government departments, community agencies and the commercial sector to provide pathways to training and employment within disadvantaged communities across NSW.

Further details on Spectrum's range of services can be found at www.spectrumemployment.com or by calling Cath James, Project Development Manager on (02) 8585 1900.

Peering in to social enterprise at the World Forum — Mark Daniels

I have been reading about social enterprise in the UK since 2000, just bits and pieces here and there when I've had the time. The problem with this is that you end up seeing only what people want you to see and not really understanding the context. I jumped at the chance to go to the Social Enterprise World Forum being held in Edinburgh (Sept 2008) to start filling in some of the gaps in my understanding, and more importantly to inform the development of Social Traders, the social enterprise development agency that is currently being developed in Melbourne.

The Forum emerged from social enterprise support agencies seeking a means to collaborate to advance social enterprise development throughout the world. There were over 400 delegates from 21 countries, with the bulk of participants and speakers coming from the UK. I was also able to visit a number of organisations before and after the event.

What did I glean?

I learnt more than I can communicate in a few hundred words. Here are a few thoughts though, particularly in reference to the UK.

Social enterprise is the umbrella term for a movement that is developing ways of doing business which centre around delivering social returns as opposed to making profits for shareholders. It is a broad church which includes social enterprise in regeneration projects, cooperatives, development trusts, associations, mutuals, fair trade organisations, social firms and trading charitable organisations. The inclusive definition has made the social enterprise lobby influential and the lobby is now very structured and well funded by government.

Government is enamoured with Social Enterprise (SE) and is throwing money at enterprise support including finance, funding and training to the tune of hundred of millions of dollars. The money is coming from the European Union, the UK government, local government and quasi government organisations

Peering in to social enterprise at the World Forum continued...

such as the Big Lottery. Government is putting a lot of energy into policy development and the development of a research institute attached to a university.

The UK has hit a threshold point where mainstream business think-tanks are beginning to question the value of government investment in SE, claiming that mainstream business deliver similar social outcomes. There is now a fixation on moving beyond SE anecdotes as evidence and developing a robust evidence base that will hopefully demonstrate that SE's deliver higher social returns than mainstream businesses and warrant the current levels of government investment.

There are two dominant finance models for SE in the UK, CDFI's which loan out money on good terms and grants. It seems that grants go to those who would not take on a loan or might be high risk and loans go to others. The forum highlighted the possibility of equity finance (investment rather than debt) for social enterprise, the obvious challenge of this is not turning SE's into for-profit businesses.

There were some very good speakers at the Forum— two in particular stood out for me, Charles Leadbetter (former advisor to 10 Downing Street) and Liam Black (social entrepreneur extraordinaire).

They both provided reflection and philosophical debate about:

- the radical nature of social enterprise and how by moving with government towards the mainstream, the movement has developed power and influence.
- the fact that social enterprise will never be the dominant player in the business market place but that it may actually achieve more by taking a role in **influencing** mainstream business practice to adopt some of the principles of social enterprise.

It is a good note to finish on, although there is so much more I would love to talk about. Good luck to SVA in hosting next year's forum in Australia, the benchmark has been set high. If you would like to know more feel free to contact me.

Full Social Enterprise World Forum details and a conference report are available at

<http://www.ceis.org.uk>



Community Calendar

5 February 2009. Angel Investor Network Information Session
http://www.socialventures.com.au/content/Angel_Investor_Network/

27 February 2009. Board Builder Conference
www.ourcommunity.com.au/boardbuilder2009

23-26 March 2009 in Melbourne. Certificate IV in Business (Governance) Training
www.ourcommunity.com.au/certiv

Six Mary's Place continued from page 1...

This work led Forth Sector to become more heavily involved in developing the SROI approach as a way to justify funding for social enterprises that cross traditional government silo operations and provide multiple outcomes through their activity. It also provided Forth Sector with a social report that assisted in working with government departments around long-term funding of the employment support aspect of the business operations.

Kevin can be contacted on: krobbie@socialventures.com.au

Stay tuned for more news on Australia focussed work on SROI and Social Accounting & Audit in forthcoming issues. In the meantime you may want to have a look at the following websites for further details:

New Economics Foundation publication **Social Return on Investment: Valuing what matters**

www.neweconomics.org/gen/z_sys_publicationdetail.aspx?pid=180

Social Audit Network

www.socialauditnetwork.org.uk

Start Up Grant recipients have a head start

A number of teams have received \$15,000 in funding from the Department of Planning and Community Development (DPCD) to conduct a feasibility study. The CEDI Team and AMES (Adult Migrant Education Service) with the help of consultants are providing support. On 17 October a workshop was held that focused on the areas that groups often find more challenging. One participant commented that "the financial planning information was particularly helpful given my complete lack of experience." Most participants are keen for more support in future in the areas of market research, financial analysis, risk analysis and writing a business/enterprise plan.

Would you also be interested in attending a workshop like this?

Contact the CEDI Team on cedi@bsl.org.au or 9445 2410.

Welcome to Tara

Tara Kelly has recently joined the CEDI Team. Tara's background is in community development and environmental projects. Tara's experience in community enterprise comes from her role in establishing and operating a community fruit and vegetable stall in Doveton called Myuna Market. Tara is passionate about the opportunities community enterprise offers to empower communities to address a range of social and environmental issues. Tara can be contacted on tkelly@bsl.org.au or 9445 2410.

Enterprise expertise

Do you have business planning skills and experience / knowledge of the community sector? The CEDI Team is always looking for appropriate expertise to support community enterprise projects. To register on our enterprise services database, submit your CV to the CEDI Team

cedi@bsl.org.au—feel free to call for further information on 9445 2410.

Christmas/New Year Period

The CEDI Team will be taking a well earned break from the 23 December 2008 and will be returning on the 5 January 2009.

Season's Greetings!

Your say

We would like readers to contribute to Community Enterprise Connections—you could write an article on your enterprise activities, reflect on the subject of community enterprise, or highlight to interesting enterprise work in Australia and beyond. If you have any comments or suggestions about this newsletter, please contact the CEDI Team on 9445 2410 or email cedi@bsl.org.au

Practitioners Toolbox

Australian links

Community Enterprise Connections For community enterprise news, resources, links and contacts. The Community Enterprise Resource Kit and DVD (including 5 community enterprise case studies) is also available to download or order from: www.communityenterprise.org.au

Small Business Victoria Online resource to help start, run and grow small businesses www.business.vic.gov.au

Small Business Mentoring Service An independent, not-for-profit organization providing experienced volunteer business mentors and coaches to Victorian businesses www.sbcs.org.au



Cooperative News is a forum for social commentary, news and events, industry features, case studies and profiles research papers and reports.

<http://www.business.uts.edu.au/cacom/news/cccenews.html>

Australia Employee Ownership Association A website dedicated to association members and visitors that are interested in employee ownership issues www.aeoa.org.au

Social Firms Australia Social Firms Australia is a not-for-profit organisation developing social firms in Australia to improve the quality of life as well as the social and economic integration of Australians living

with a psychiatric disability.

International links

Social Enterprise Journal Produced by Social Enterprise London, the journal discusses complex issues relating to social enterprise.

<http://www.sel.org.uk/journal.html>

Enterprise Solutions Awards A website highlighting UK's best social enterprises—some great case studies and links available on this site.

<http://www.enterprisingsolutions.org/>

Social Enterprise Mag An email subscription service from the UK.

www.socialenterprisemag.co.uk

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