

**Developing Rural Social Enterprise  
in North Yorkshire**

**End of Project Evaluation**

**Final Report**

**Executive Summary**



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## INTRODUCTION

UnLtd, The Foundation for Social Entrepreneurs commissioned ERS in November 2005 to evaluate the Developing Rural Social Enterprise in North Yorkshire project. The project, jointly funded by UnLtd and the North Yorkshire Single Regeneration Budget (SRB) Programme, commenced in April 2004. As part of the project, UnLtd supported 38 Award Winners and their projects in rural North Yorkshire.

As part of the evaluation, ERS reviewed project related documents, interviewed eight stakeholders and four Award Winners (individuals who received an award). In addition, all 38 Award Winners were surveyed. 17 (45 per cent) responded. Based on these sources, the evaluation of the Developing Rural Social Enterprise in North Yorkshire project:

- provides an overall review of the project;
- measures its achievements against criteria set out in the project appraisal<sup>1</sup>;
- details qualitative changes brought about as a result of the project; and
- assesses the potential for a strategy based on replicating the project in other rural areas.

This document summarises the key research findings and shows that the project provided much needed access to valuable resources to rural communities in North Yorkshire. The four case studies in the last section provide a flavour of project related initiatives and social enterprises.

## STRATEGIC OVERVIEW

The project operated in a background of government increasingly recognising social enterprise as a vehicle for a wide range of sustainable economic, social and environmental outcomes. In this context, social enterprises refer to businesses that reinvest any surpluses in social or environmental aims, rather than distributing profits to shareholders<sup>2</sup>.

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<sup>1</sup> A summary of project aims and objectives as agreed between North Yorkshire County Council and UnLtd.

<sup>2</sup> Based on the project appraisal document.

The project itself was designed to contribute to Yorkshire Forward's Regional Economic Strategy (RES) by raising GDP, reducing social exclusion and enhancing the environment as well as complementing the Government's strategy for social enterprise (Social Enterprise: A strategy for success).

This document shows that the project played an important role in terms of facilitating access to services in rural areas. Back in 2003, a NYFVO/ Business Link survey of social enterprise activity in North Yorkshire had found that social enterprises had a significant role to play in terms of delivering and improving access to services in rural areas, especially where market failure existed due to factors such as isolation and lack of population density.

## **PROJECT OPERATION**

UnLtd uses the income derived from an endowment of £100m granted to the Millennium Awards Trust by the Millennium Commission in 2002 to fund UnLtd Awards and the Fellowship. As of February 2006, UnLtd as the sole Trustee of the Millennium Awards Trust, made 2,057 awards to 2,730 individuals nationally, equating to over £7.6m.

Notwithstanding the fact that thus far, £500,000 was available in terms of UnLtd awards each year throughout the north of England, there had been no take up of the funding in rural North Yorkshire prior to project start in April 2004. Between April 2004 and November 2005, when this report was compiled, UnLtd made 38 awards to individuals from rural North Yorkshire.

### ***Project Description***

The project had the following aims:

- to develop a climate of entrepreneurship in rural areas of North Yorkshire;
- to kick-start specific social enterprise activity through funding, training and support; and
- to build capacity in the rural community in terms of business and entrepreneurial skills.

To achieve these aims, UnLtd employed a Development Manager and an Awards Administrator. They were charged with increasing the take up of awards by implementing a programme of project promotion and individual support. This was funded jointly by SRB and UnLtd. UnLtd worked towards a target of up to 50 awards in rural North Yorkshire, totalling £250,000 in the period April 2004 to December 2005.

In line with UnLtd policy, awards were offered to individuals who had a social enterprise idea, satisfied a number of criteria (below) and were based in rural North Yorkshire.

#### Criteria

- People who live in rural North Yorkshire and are 16 or over (no upper age limit);
- Individual and small groups; and
- People who want to run projects that:
  - benefit the public or community;
  - need an UnLtd award to help them succeed;
  - offer learning opportunities for the person or people applying; and
  - are new initiatives or expansions of existing projects.

Awards offered through the project, as per UnLtd's general application process, had two levels. Each level was supplemented by a package of support services including advice and training. The table below provides a summary of the two award levels, the assessment procedures and the maximum/average values of the grants.

#### Award Overview

	<b>Level 1 Awards (£500-£5,000)</b>	<b>Level 2 Awards (£5,000-£20,000)</b>
<b>Purpose</b>	Small awards designed to give as many people as possible the opportunity to do something that makes a difference to their community	Larger awards to expand promising projects with more substantial project funds and personal financial support for the social entrepreneur
<b>Method of making awards</b>	Awards made 10 times per year, assessed regionally	Awards made on a rolling basis, assessed locally by UnLtd staff and approved by the UnLtd board nationally
<b>Award Amount</b>	Average £2,500 in value, to include a package of support and training	Average £10,500 in value, (including support)

### ***Delivery***

In addition to financial support, the Development Manager provided Award Winners with a tailored package of support, incorporating advice, training, meetings to develop projects, help in sourcing mentors, brokering and coaching and an Awards and Graduation Day which aimed to celebrate achievements and provided networking and training opportunities.

### ***Marketing and Promotion***

The marketing and promotion of the project was driven by the Development Manager and the Award Administrator and supported by NYCC staff and networks, including:

- the distribution of leaflets and other promotional materials;
- promotion of the project by the SRB Agricultural Development Officer and Project Officer (Farming & Food);
- promotion and signposting to the project by the SRB-funded Link Officers in each district;
- the distribution of information in libraries, GP surgeries, community offices and schools;
- distribution of information and identification of potential applicants via partnerships with other agencies in the voluntary and community sector;
- working with Business Link York and North Yorkshire to ensure business advisers briefed with access to relevant information;
- speaking at a variety of meetings and conferences; and
- producing a range of articles for the press and community newsletters.

Both anecdotal evidence and the results of the beneficiary survey suggested that word of mouth was the most effective method of project promotion. In most cases, word of mouth referrals stemmed from a combination of all promotional activity generated through the project in a 'snowball effect'.

Since the project started, UnLtd received 50 applications, resulting in 38 awards to Award Winners across rural North Yorkshire. No awards had been made in rural North Yorkshire prior to the project, suggesting that the marketing campaign had

indeed been successful in terms of generating awards to social entrepreneurs across rural North Yorkshire.

## **OUTPUTS AND EXPENDITURE**

### ***Outputs***

NYCC monitored and assessed the project against a range of performance indicators. According to their latest monitoring information, good progress had been made towards the core and particularly the softer, non-core targets: The project was particularly successful in terms of accessing younger beneficiaries, disseminating advice and helping to develop new cultural facilities.

In addition, Business Link pointed out that the project had filled a gap in the market by providing support to individuals during the feasibility stage of project planning. Business Link support, administered via local sub franchises, concentrated more on advanced pre start-up development through its 'Engaging Social Enterprise' project.

### ***Expenditure***

UnLtd's monitoring data showed that all but a very small proportion of the SRB and match funding provided by UnLtd was to be taken up: UnLtd allocated £245,926 to awards throughout the project's lifetime, a shortfall of just £4,074 on the original target figure of £250,000.<sup>3</sup>

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<sup>3</sup> Some monitoring returns were still outstanding at the time of writing.

## IMPACT AND OUTCOMES

### *Overall Outcomes*

The project worked towards an anticipated list of outcomes and elements of change in rural North Yorkshire. The following table outlines how the project achieved these predominantly qualitative outcomes:

Anticipated Outcome	Actual Outcome
Development of entrepreneurial activity in rural areas of North Yorkshire.	27 businesses / social enterprises were created as a result of UnLtd awards.
Development of a culture of social entrepreneurship in rural North Yorkshire.	Just under 50 people in North Yorkshire received an UnLtd award. Each individual was likely to continue to develop socially entrepreneurial ideas in the future, and to act as catalysts in encouraging others within their communities to do the same. Outreach and promotional work increased the profile of social entrepreneurship as a vehicle for community and economic development and regional and national press highlighted the success of the work of Award Winners.
The growth of socially and/ or environmentally responsible and responsive businesses in rural North Yorkshire.	The nature of UnLtd Awards meant that each of the 38 projects supported through this scheme had provided a vital response to an environmental or social problem affecting the communities of rural North Yorkshire.
The development of community enterprises to address need in rural areas of North Yorkshire where market failure exists.	The project created 27 businesses / social enterprises, each had been a response to either a real or perceived market failure.
Communities in rural North Yorkshire having increased capacity to address their own unique needs in a sustainable way.	Each Award Winner underwent an individual learning journey, and developed their skills as a result of developing their project ideas. Anecdotal feedback from Award Winners suggested that they had already passed on their skills to others within their community.
Residents in rural areas of North Yorkshire made aware of the concept and additional benefits of social entrepreneurship.	The new businesses / social enterprises probably contributed to an increased profile. Award Winners also stated that a significant number of residents would directly benefit from individual projects. For example, six projects were estimated to benefit up to 200 individuals each.
Individuals obtaining valuable transferable business and entrepreneurial skills	As outlined above, Award Winners gained additional skills which they passed on, for example to others helping with their projects (up to 10 in some cases).

The complexity of these outcome targets meant that a simple assessment of the overall effectiveness or impact of the project was difficult to gauge. It should also be noted that a relatively small project will not be able to reach/influence the whole of the rural North Yorkshire. During the evaluation, the potential of the project to achieve change locally and across a number of issues around social enterprise became clear.

### **Survey Results**

Results of the postal questionnaire highlighted the impact of the project more succinctly. Survey results, based on 45 per cent of project beneficiaries (17), gauged project related impact on Award Winners, and to a lesser extent on their communities.

The survey revealed that UnLtd Award Winners emanated from a diverse background and were spread across the age spectrum.

65 per cent of survey respondents approached UnLtd by way of a general enquiry of the support on offer which is testimony to the ease of access and appropriateness of the UnLtd offer to North Yorkshire people. Demand for support in terms of researching a social enterprise project was also confirmed.

The gap in the support offered for social entrepreneurs acknowledged by BLYNY and filled by the project was also confirmed: 59 per cent of respondents stated that financial support and guidance offered by the project were equally valuable. The remaining respondents all singled out the availability of financial support as their most valued element of the project.

The majority of survey respondents (94 per cent) stated that UnLtd had played a crucial role in starting their social enterprise or project and 40 per cent of Award Winners stated that the support was wholly additional, i.e. they would not have continued their work in the absence of UnLtd support. All other respondents stated that the quality or time scale of their work would have suffered to some degree without UnLtd assistance.

UnLtd awards contributed to a wide range of equipment, professional assistance and crucially time to develop projects and social enterprises amongst survey respondents.

Crucially, no other funding source was (readily) available to provide support in this way and especially at such an early stage of project development.

Most of the social enterprises or projects developed through these awards were local, with half of all respondents not servicing customers/clients beyond their own village or town. This highlighted the need to market the project thoroughly throughout rural areas such as North Yorkshire in order to maximise demand.

All elements of the project, i.e. the roles of the Development Manager and the Award Administrator, and the quality of the advice offered to the Award Days were overwhelmingly viewed as excellent by survey respondents.

Survey respondents highlighted several elements of best practice with regard to specific elements of the project. The marketing of the project was thought to be uncomplicated, useful and crucially understandable as was the application process. A consensus of respondents also stated that the application process was flexible and straightforward.

The enthusiasm, quality and availability of the Development Manager were praised by a significant number of respondents whilst the usefulness of the Awards days was also noted as entirely beneficial when developing a project. The aftercare available from the Development Manager was one of the strongest elements of the project according to survey respondents who commented on the sustained support on offer through the project.

Survey respondents were asked to assess how their project or social enterprise had changed their local community. The majority of survey respondents stated their project or enterprise had helped to boost the cohesiveness and confidence of the local community by either bringing people together or providing a much needed service.

This resulted for example in one respondent starting a community interest company. The company provided assistance to rurally disadvantaged people in need of support with small business and community projects. The company provided mentoring, loans of equipment and signposting and has enabled local people to set up three community projects, find funding and gain confidence. All this created further employment opportunities and community involvement.

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Respondents to the survey also described how the project had helped to change their own lives. A wide range of overwhelmingly positive comments can be summarised in terms of increased confidence, skills, satisfaction and community involvement.

As two Award Winners put it:

*The UnLtd award has 'improved my skills, knowledge, confidence and given me a chance to realise a life-long dream.'*

*The project has 'allowed me to utilise a lifetime's experience for the benefit of others.'*

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusions**

- The project undoubtedly contributed significantly to the development of social entrepreneurship in rural North Yorkshire;
- The Development Manager and the Award Administrator acted as the catalyst of this activity and were crucial to the success of the project;
- Although not always supporting or leading to fully established social enterprises through the support for feasibility studies for example, the project provided much necessary funding to enable individuals to explore their ideas. Absence of such funding would undoubtedly have reduced the number of social enterprises developed;
- The project provided the necessary recognition that social enterprises come in many forms and may well take a great deal of development work to come to fruition or qualify for more mainstream funding streams;
- The ethos of the project, in providing a dedicated Development Manager and Award Administrator within a rural county, successfully linked a programme of marketing activity with a solid platform for support;
- The project offered a fast, flexible, informal and simple application process;
- The simple award structure negated the need for match funding and enabled true grass roots development;
- Project activities have been coordinated between related agencies and partners of relevance to the benefit of the project whilst also providing learning points which will be of benefit to future initiatives;
- Award Winners described the Awards Days as a huge success;

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- Networking was highlighted by a range of stakeholders and Award Winners as a key element to the success of the project and social enterprise alike;
  - The local knowledge of the UnLtd team employed through the project was recognised as a key attribute in expediting the influence of the project; and
  - The project enabled greater chances to be taken than would ever be the case under most business support programmes and certainly Business Link in terms of funding feasibility research.

## **Recommendations**

### ***UnLtd***

- To keep the momentum of the project and the partnership work going, UnLtd's continued development work and ongoing project management was essential. This was crucial to ensure stakeholders remained engaged despite staff turnover and organisational change.
- The Development Manager and the Award Administrator proved successful in providing a catalyst for generating awards through UnLtd. Given the stark upturn in the number of awards compared to the period prior to the project, similar roles should be replicated/promoted in comparable rural areas.
- The local knowledge of the Development Manager and the Award Administrator was seen as key in maximising any marketing activities employed. This was especially important in a vast rural area such as North Yorkshire.
- Consultation with Award Winners specifically revealed a need for a more coordinated formal structure of 'next steps' advice and support once an initial award was received. This could include both the UnLtd Level 2 awards and other support available through Business Link or North Yorkshire Forum for Voluntary Organisations (NYFVO) for example.
- The development of firm links including coordinated joint marketing with a range of funding bodies and complementary support organisations including Business Link should be explored by UnLtd in order to highlight different progression routes from the Level 1 and 2 awards.

### **All Partners**

- The responsibility for effecting a coordinated programme of support for social entrepreneurship should be shared between all partners. Key partners including Business Link and economic development departments of local councils have a specific role to maximise the offer available to potential Award Winners through appropriate and informed signposting.

### **FORWARD STRATEGY**

One of the major objectives of this evaluation was to assess the potential for a strategy to replicate the project in other rural areas.

This should be based on an analysis of the ability/value of replicating the project in similar rural areas and an assessment of the current and projected support needs of prospective and developing social entrepreneurs in rural areas such as North Yorkshire.

First and foremost, the project undoubtedly possessed a number of characteristics, as highlighted through this evaluation, which made it a success. Secondly, North Yorkshire, as an example of a truly rural area with issues of connectivity and deprivation, provided a robust template from which an accurate assessment of the transferability of the project to other rural areas can be agreed.

An analysis of both current and future (12 months) support needs acknowledged through the survey of UnLtd awardees revealed a strong need or desire for access to sources of funding. Although not surprising given the financial demands of developing a social enterprise, this finding also supported the need for a project such as that offered through UnLtd which provided a flexible and uncomplicated source of financial support.

The main other support needs (current and future) were centred around more advanced business support issues which can be answered, to a degree, by both UnLtd and more mainstream organisations such as Business Link. It is in these areas, e.g. business planning, financial management training or marketing support,

that a greater degree of coordinated action planning, e.g. joint marketing or the development of formal signposting arrangements would bear significant rewards for both parties.

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## PROJECT CASE STUDIES

**1. Yorkshire Yoga & Therapy Centre** (BWY-Approved Regional Centre) is a not-for-profit centre for the *whole* community, inviting clients from all ages, from babies to the older years, and all abilities, from the most able-bodied ashtanga practitioner to the disabled. The centre opened in November 2004, and aimed to bring the health benefits of yoga to the whole community. It managed to establish itself as one of just four “Approved Regional Centres” for the British Wheel of Yoga.

The centre received funding from a number of grants including funding through Sport Relief which led to the development of “Able and Enabled Yoga”, free classes for wheelchair users, carers and other able bodies. The centre also offered daily yoga classes from Monday to Friday and weekend yoga and/or therapy events. The facilities include a 1,000 sq ft yoga studio and 150 sq ft carpeted room, which were also available for hire. The centre, fully accessible and with crèche facilities, runs classes including: hatha yoga, ashtanga vinyasa, therapeutic yoga/pilates, pregnancy yoga, baby yoga, toddler yoga, kids yoga, teen yoga, pilates and remedial yoga.

The project received £3,100 from UnLtd which was spent on developing marketing and a children’s programme, including baby yoga. In addition to the financial support, the project received consultancy and guidance from UnLtd, specifically in terms of the most suitable structure for the organisation. The support from UnLtd allowed the project to offer the local community what was thought by many to be an elitist fitness programme. This in turn enabled the community to benefit from the natural health benefits of yoga.

**2.** UnLtd supported a **capacity building initiative** in a remote rural area in Wensleydale with a £4,500 award and business mentoring guidance which took into account the impact of rural poverty and isolation. The project ran three training events showcasing best practice in using volunteers, attracting and keeping people on committees, recycling initiatives, energy saving in homes and businesses and alternative technologies for less environmental impact. The events also had indirect impacts such as kick starting a number of projects including one focused on renewable energy, the movement of the local Community Investment Prospectus (CIP) towards becoming a development trust and bringing funders and groups together.

Another outcome of the project was the development and running of Re-vive.org.uk, a voluntary run web site. The Wensleydale-based web-site was set up to assist local communities to access free information on grants and funding. The site supported the work of local communities and voluntary organisations in the Yorkshire Dales and aimed to encourage good quality, sustainable initiatives within local communities and to promote best practice at all levels.

**3.** A developing Richmond-based **social firm** specialising in providing gardening and maintenance services was developed with the support of UnLtd. At the time of writing, the business employed four paid full-time employees. On an ad hoc basis, it employed up to 14 others. The project secured contracts with two schools to maintain grounds, a contract to water flowers in Richmond and undertook numerous power washing jobs.

The project utilised £4,750 of UnLtd funding to purchase tools and equipment including a lawnmower and power washer, insurances and vehicle hire. One project objective was to build the confidence of participants. Anecdotal evidence suggests that this was achieved in at least one case: After having participated in the project, one young man applied to start his own project as a result. His mother was confident this had, at least in parts, provided a brighter future for her son.

The Award Winner praised the straightforward and speedy application process, the advice received in keeping the project on track and the ability to contact the Development Manager at any time when in need of further support. The networking encouraged through the Awards Days had also proved successful in identifying both partners and clients.

**4.** A Northallerton-based **social project** which supported carers and people with learning difficulties to go on holiday was established with the help of an UnLtd award of £5,000. The award was put towards the purchase of public liability insurance and a tour operator's licence, IT equipment and marketing support. The project hoped to support individuals throughout the county in filling a previously unmet need.

Three part time volunteers run the project but there were hopes to recruit full time and paid members of staff for these roles. The Award Winner welcomed the flexibility

offered by UnLtd in providing advice and support in areas such as establishing a CIC and providing a positive critique of a project or enterprise idea from an independent and informed viewpoint.