

## Leading social change: a social entrepreneurs manifesto

Despite the progress of the last century, Britain today is still a country facing inequality, poverty, and deprivation; looming social and environmental crises; a people without trust in its commercial and political institutions; and a society that is, by turns, fragmented, passive and atomised. It is a place that requires new, innovative approaches to these deep-rooted problems.

Social entrepreneurs create such innovations, making and taking opportunities to transform their own lives and the lives of those around them. They take personal responsibility, mobilise resources, and galvanise action that leads to community engagement, social renewal and economic regeneration. They address the causes of problems, not their symptoms.

Social entrepreneurs take responsibility, involve others, and act as role models in their communities. The impact of their work and attitude has a ripple effect that results in social action, co-operation, a sense of duty, and a renewed engagement with the democratic process.

Backing social entrepreneurs with support, education, and investment has been proven to have a significant impact in changing communities: tackling poverty, delivering better services, encouraging aspiration from more diverse groups, and creating new local jobs + businesses.

Social entrepreneurship truly unlocks the talent in communities across the UK and, with long-term support from government, will flourish and grow.

### Social entrepreneurs:

- Start, run and populate new social enterprises, charities and social businesses
- Respond to unmet needs in innovative, robust and sustainable ways
- Create social capital and social cohesion
- Deliver services for social change at local, national and international levels
- Develop business and life skills through learning by doing

### Social entrepreneurship:

- Includes: diverse people from all backgrounds, ages, sectors and communities
- Transforms: 'beneficiaries' into active citizens leading social change
- Empowers: those who best understand the problem to create the solution
- Strengthens: community assets, environments and economies
- Catalyses: community involvement, engagement and responsibility

### Social entrepreneurship calls on government:

1. commit to 125,000 young people participating in social entrepreneurship programmes by 2015
2. create a £500m future social entrepreneurs fund, focusing on job creation, enterprise, apprenticeships, employability skills and sustained employment
3. dedicate £25m to high-quality practical skills development for social entrepreneurs outside the mainstream
4. establish at least one community-led asset / space for social entrepreneurs in each major town and city with a population of 150,000+ by 2015
5. invest £0.5m per local authority in local social entrepreneurs, encouraging innovation, active citizenship, and devolution of power

## Social entrepreneurship evidence<sup>1</sup>:

- Young people: Social entrepreneurship programmes work with hundreds of organisations and touch the lives of more than 25,000 young people each year; creating a new generation of active, responsible individuals<sup>2</sup>
- Jobs: Social entrepreneurs create on average 3 jobs each, whilst two thirds set up new organisations<sup>3</sup> that both survive and thrive
- Skills: Over 14,000 excluded people have been returned to education & employment by one social entrepreneurship agency alone; nearly 90% of new social entrepreneurs experience an increase in their confidence + leadership skills<sup>4</sup>
- Places: Shared spaces for social entrepreneurs save the third sector several million pounds annually; millions of pounds worth of community assets have been created by social entrepreneurs across the UK<sup>5</sup>
- Diversity + cohesion: Social entrepreneurs create new support networks and build relationships in communities; a higher proportion of social entrepreneurs come from minority ethnic groups, and also work in the most deprived communities<sup>6</sup>

Social entrepreneurs are individuals leading change who work across sectors and create multiple beneficial outcomes that align with governmental objectives: in active citizenship, employment, skills, regeneration and service delivery.

The SEPG members call upon all political parties to engage with the social entrepreneurship movement, recognise its role, and address the recommendations contained in this document.

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<sup>1</sup> Full detailed evidence and independent evaluation information available on request

<sup>2</sup> Changemakers works with 250+ organisations; UnLtd has supported over 3500 young people to achieve their goals; the ripple effect of their work and other social entrepreneurship agencies touches the lives of an estimated 25,000+

<sup>3</sup> SSE Fellows create, on average, 3 jobs + 7 volunteering positions each; 63% of UnLtd Awards result in new orgs being formed; Training for Life has created over 150 jobs + c.300 apprenticeships in social enterprise businesses like the Hoxton Apprentice restaurant

<sup>4</sup> Training for Life have supported more than 14,000 people back into education and employment alone; 88% of SSE Fellows and 85% of UnLtd Award Winners report an increase in their confidence + leadership skills

<sup>5</sup> CAN Mezzanine alone saves the third sector over £2.2 million annually; Training for Life has created capital assets that has a book value of approximately £5m. The market value is nearly double this amount.

<sup>6</sup> Over half of UnLtd Awards enable the creation of new support networks + relationships in communities, whilst over half of SSE Fellows gain 10 or more practically useful contacts; 33% of SSE Fellows and UnLtd Award Winners are from minority ethnic groups; 40% of UnLtd Awards are in the 20% most deprived communities

## 1) EDUCATION and ENTREPRENEURSHIP

**Key recommendation:** to promote and expand practical social entrepreneurial programmes with young people that foster an entrepreneurial mindset and approach

**Key commitment:** 125,000 young people participating in social entrepreneurship programmes by 2015

- a) Government at all levels should seek to promote and pilot social entrepreneurship projects with young people, in schools and colleges but also outside school environments where provision is less, but the potential for change arguably greater
- b) Government should advocate for practical programmes that seek to inculcate an entrepreneurial mindset and approach, rather than textbook or curriculum-based introductions to enterprise, across the entire education sector
- c) Government should recognise the potential for social entrepreneurship activities to contribute to active citizenship, political, economic and legal education, and the development of life skills and aspiration in young people; particularly with those marginalised or excluded from the mainstream

## 2) EMPLOYMENT and EMPOWERMENT

**Key recommendation:** to provide backing for social entrepreneurs who create jobs, lifting themselves and others out of poverty

**Key commitment:** create a £500m future social entrepreneurs fund, focusing on job creation, enterprise, apprenticeships, employability skills and sustained employment

- a) Government should recognise the ability of social entrepreneurs to create jobs, the first of which is often their own; and that this work lifts themselves and others out of poverty, providing opportunities and inspiration in the most deprived areas
- b) Government should further recognise and support social entrepreneurs that create training and employment support services, and also create new jobs as they expand and grow
- c) Government needs to ensure that the devolution of power and money from Whitehall to town hall does not stop there, but continues downwards to the grassroots, from where local, sustainable change emerges; true empowerment means giving power to those people to create their own futures and their own opportunities
- d) Government should promote volunteering, and create incentives for people to get involved in socially entrepreneurial activity, as a route out of worklessness, to develop skills for employability, and to increase socially-motivated engagement. In many cases, community-level social entrepreneurship is a volunteering activity.

### 3) SUPPORT, LEARNING and SKILLS

**Key recommendation:** to promote support for skills development of social entrepreneurs through vocational, work-based, + practical learning as well as through mainstream education

**Key commitment:** dedicate £25m to high-quality practical skills development for social entrepreneurs outside the mainstream

- a) Government should recognise that business skills and knowledge are not sufficient for social entrepreneurs, and that long-term personal support, confidence building and networks are also crucial
- b) Government should ensure that learning and training programmes for social entrepreneurs are action learning-based, well-promoted and well-resourced; investing in support and learning bursaries is one way to achieve this
- c) Government should work with existing agencies to ensure that all social entrepreneurs are able to access high quality, consistent, appropriate support given by those with appropriate knowledge and understanding of their needs
- d) Government should support credible organisations with a proven track record; those who are best able to engage and work with users, especially those considered 'hard to reach' by conventional means, and provide routes of entry via apprenticeships
- e) Government should recognise that skills for life and business skills are not always best developed through mainstream education, but also through more strongly vocational, work-based, practical, experiential and unaccredited options which have fewer barriers to access. At all levels, Government should seek to provide opportunities beyond level 2 box-ticking

### 4) COMMUNITIES and HOUSING

**Key recommendation:** to support proven community-led asset models, and spaces that allow social entrepreneurs to be more effective

**Key commitment:** establish at least one community-led asset / space for social entrepreneurs in each major town and city with a population of 100,000+ by 2015

- a) Government should promote, support and expand the existing work on community assets, focusing on proven community-led models and community anchors that devolve power, create jobs and encourage enterprise in the most disadvantaged areas
- b) Government should recognise and support organisations making creative use of physical and shared spaces (office, retail, incubation) to support social entrepreneurs and help them be more effective in their work
- c) Government should recognise that community cohesion and social capital are built *through* social entrepreneurship, as well as being delivered *by* it
- d) Government should promote a bottom-up, grassroots-led approach to sustainable social change, which aims to transform 'beneficiaries' into active citizens and leaders
- e) Government should recognise the strong links between civic engagement, active citizenship and community-based social entrepreneurship
- f) Government should continue to promote the necessity of a wider role for housing associations, beyond bricks and mortar, and advocate for proven initiatives that develop and empower their residents to make change in their own lives

## 5) LOCAL PUBLIC SERVICES

**Key recommendation:** to invest in local social entrepreneurs, encouraging grassroots innovation, user-led services, and locally-authored solutions

**Key commitment:** invest £0.5m per local authority in local social entrepreneurs, encouraging innovation, active citizenship, and devolution of power

- a) Government should aim to encourage innovation and risk-taking in service delivery by focusing funding on outcomes and impact, rather than outputs, and through allowing for multiple outcomes from a single investment to be recognised
- b) Specifically, Government should advocate for flexible, outcome-based, long-term, measurement-informed procurement and commissioning processes at a local and regional level
- c) Government should also ensure freer financial investment is available at local authority level to administer and distribute; many start-up and fledgling social entrepreneur-led initiatives are responding to needs in their own communities not being met by any current, commissioned public service provision
- d) Therefore, the Government should seek to invest in locally-based social entrepreneurs, both through direct financial support (seedcorn / transitional grants) and through funding support agencies with a proven track record; the best public service solutions will come from those who best understand the problems

## SOCIAL ENTREPRENEURSHIP POLICY GROUP

The Social Entrepreneurship Policy Group was established by the School for Social Entrepreneurs (SSE), with its first meeting in March 2006. The members of the group are Ashoka, Changemakers, Community Action Network (CAN), SSE, Training for Life, and UnLtd.

These organisations came together having identified shared common ground and objectives in social entrepreneurship, namely:

- Individuals leading social change: rooted in the personal and particular
- Generating robust, responsive solutions
- Combining resourcefulness, opportunity and innovation in practical action
- Developing business skills and 'skills for life' through practical learning
- Supporting and engaging new, diverse leaders
- Community-engaged, community-shaped organisations
- Outcomes, not process; practitioners, not structures

The group then formed with a view to more fully representing the needs, interests and solutions of social entrepreneurs, to advocating in partnership on behalf of those individuals, and to work closely as practitioner organisations to support such individuals.

Though the group strongly endorses the work done in placing social enterprise at the heart of government activity, in embedding models and creating markets, it believes that there needed to be a stronger focus on engaging, developing and supporting those individuals who will establish, run and populate those models and markets.

The commercial business world knows that it is people acting as entrepreneurs who create new enterprises and new value, and investment follows the people and teams who can deliver. As a society we need to see the same focus on people as leaders to address our social and environmental future. The UK, as the world-leader in grassroots social entrepreneurship, is the place to achieve this.

## SOCIAL ENTREPRENEURSHIP ACTIVITY / CONSTITUENCY

**Ashoka** – As the “global association of the world’s leading social entrepreneurs”, Ashoka has elected over 2,000 leading social entrepreneurs as Ashoka Fellows, providing them with living stipends, professional support, and access to a global network of peers in more than 70 countries. Ashoka UK is a hub for European activity and appoints the Fellows in the UK.

- [www.ashoka.org/unitedkingdom](http://www.ashoka.org/unitedkingdom)

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**Community Action Network (CAN)** – Founded in 1998, CAN has a UK-wide membership and has been involved in many different areas of activity, including setting up Social Enterprise Magazine and organisations including Prime Timers and Cantilever. It currently focuses primarily on co-location for social enterprises (via its Mezzanine model) and focused 'breakthrough' investment. It currently supports 120 organisations with 765 individuals, and is a 95,000 square ft community of interest in which 58% are collaborating or sharing costs.

- [www.can-online.org.uk](http://www.can-online.org.uk)

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**Changemakers** – Founded in 1994, Changemakers has delivered education programmes in over 100 schools across the UK to help foster the next generation of social entrepreneurs, including a social entrepreneurship programme now being rolled out across 400 schools in Yorkshire and Humber. Changemakers also ran the Big Boost (in partnership with Scarman Trust, Prince's Trust and UnLtd) which distributed over £8m to young social entrepreneurs, and is now working with UnLtd to deliver the Big Challenge social entrepreneurship competition.

- [www.changemakers.org.uk](http://www.changemakers.org.uk)

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**School for Social Entrepreneurs (SSE)** – Since its inception in 1997, over 550+ SSE Fellows have completed programmes across the 11 schools in the SSE Network, set to rise by a further 200+ in the coming year. Of these, over 33% are from BME communities, and there is an equal gender split. SSE replicates its methodology across the UK, operating as a social franchise.

Independent evaluations show that each SSE Fellow creates, on average, 3 jobs and 7 volunteering positions, whilst 60% report an increased turnover having attended the programme (on average, a fivefold increase). Over half report that more than 50% of their income comes from trading activity. 85% of Fellows' organisations established on the SSE programme are still in existence, stretching right back to the original 1998 cohort (who have a survival rate nearly double that of conventional business).

- [www.sse.org.uk](http://www.sse.org.uk)

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**Training for Life** – Since 1995, Training for Life has supported over 14,000 long-term unemployed people into employment or further education; created over 300 apprenticeships in social enterprises and created 150 new jobs as a business in themselves.

Training for Life is committed to teaching people trapped in unemployment how to engage with society, compete and thrive in the workplace. They combine entrepreneurial initiatives, social enterprise endeavour and philanthropic investment to create a compelling social investment business case that helps to address some of the issues that blight neighbourhoods and local communities.

Training for Life's centres are:

- *Sustainable*. They are enterprising community buildings that are independent of government grants. Since 2004, they have developed capital assets that have a book value of in excess of £5m.
- *Profitable*. Social enterprises like the Michelin-recommended Hoxton Apprentice restaurant that are financially independent and profit-driven businesses.
- *Transformational*. Training and apprenticeships offered in social enterprises that are financed through government contracts and philanthropic support.
- *Scalable*. The business and learning models have the potential for replication rapidly through franchise. Also, their delivery model has been the blueprint for several other social enterprise restaurants such as Acorn House, Waterside and Pryor's Bank Café.

- [www.trainingforlife-city.org](http://www.trainingforlife-city.org)

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**UnLtd** – UnLtd, the Foundation for Social Entrepreneurs, supports people with vision, drive, commitment and passion who want to change the world for the better. UnLtd does this by providing a complete package of funding and support, to help 1000 individuals each year to make their ideas a reality. Over 16,000 social entrepreneurs have received UnLtd grants and support since it became operational in 2003; 40% of these awards are made in the 20% most deprived areas, and 33% of Awardees are from BME communities, with an even gender ratio. UnLtd's investment readiness service helped social entrepreneurs secure £880,000 in just one month.

63% of awards result in new organisations being formed, whilst over 50% secure additional funding for their project after an UnLtd award. Almost half of Award-winners' projects involved delivering a service, whilst 70% of Awardees trained others.

- [www.unltd.org.uk](http://www.unltd.org.uk)

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## FOR MORE INFORMATION

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