

THE SOCIAL ENTERPRISE GUIDE

For people in local government



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About this guide

This guide is for people working in local authorities who are interested in social enterprise – senior managers; directors and heads of service lines; commissioners; heads of procurement or economic development, and regeneration managers.

It explains how social enterprises can help meet many of a local authority's strategic objectives, and gives practical advice about how teams within local authorities can engage with social enterprises to benefit the communities they serve.

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Part one: Introduction

In the past decade, interest in social enterprise has grown steadily. Governments and public bodies are looking to social enterprises to deliver sustainable services and get local economies moving. This calls for successful partnerships between local authorities and social enterprises.

Social enterprises have been delivering public services for years. The social enterprise approach is increasingly seen as a way in which commissioners can find innovative solutions to unmet needs, and 'create' or 'stimulate' the market to address these.

Social enterprises build social as well as financial capital; they provide essential, cost-effective services for the public sector. Distributing profits to shareholders is never the priority for social enterprises - the majority of profits are reinvested and so resources remain rooted in communities, creating multiplier effects when spent.

What are social enterprises?

Social enterprises are businesses that exist primarily for a social or environmental purpose. They use business to tackle social problems, improve people's life chances, and protect the environment. They create shared wealth and give people a stake in the economy.

Social enterprise is a growing sector - there are more than 62,000 social enterprises in the UK, contributing £24 billion to the UK economy and employing almost one million people.

A social enterprise does:

- Make its money from trading – that is, selling goods and services.
- Reinvest its profits back into the business or social mission.
- Have a social mission at its heart – what difference it is trying to make, who it is aiming to help and how it is going about doing this.
- Pay fair salaries to staff rather than rely on volunteers (though like any organisation it may need voluntary help to get started).

It does not:

- Exist to make profit for shareholders.
- Exist to make its owners wealthy.
- Rely on volunteering or grants to stay afloat – (though again, it may need support in the early days).

How do I recognise a social enterprise?

'Social enterprise' is not a legal term, but a collective description of social-purpose organisations. A number of different terms are used to describe the various models of social enterprise, including mutuals, co-operatives, and social firms (see Figure 1). This can be confusing, but the important thing is that the business has a primarily social focus, and should be able to show how that's achieved.

Models of social enterprise

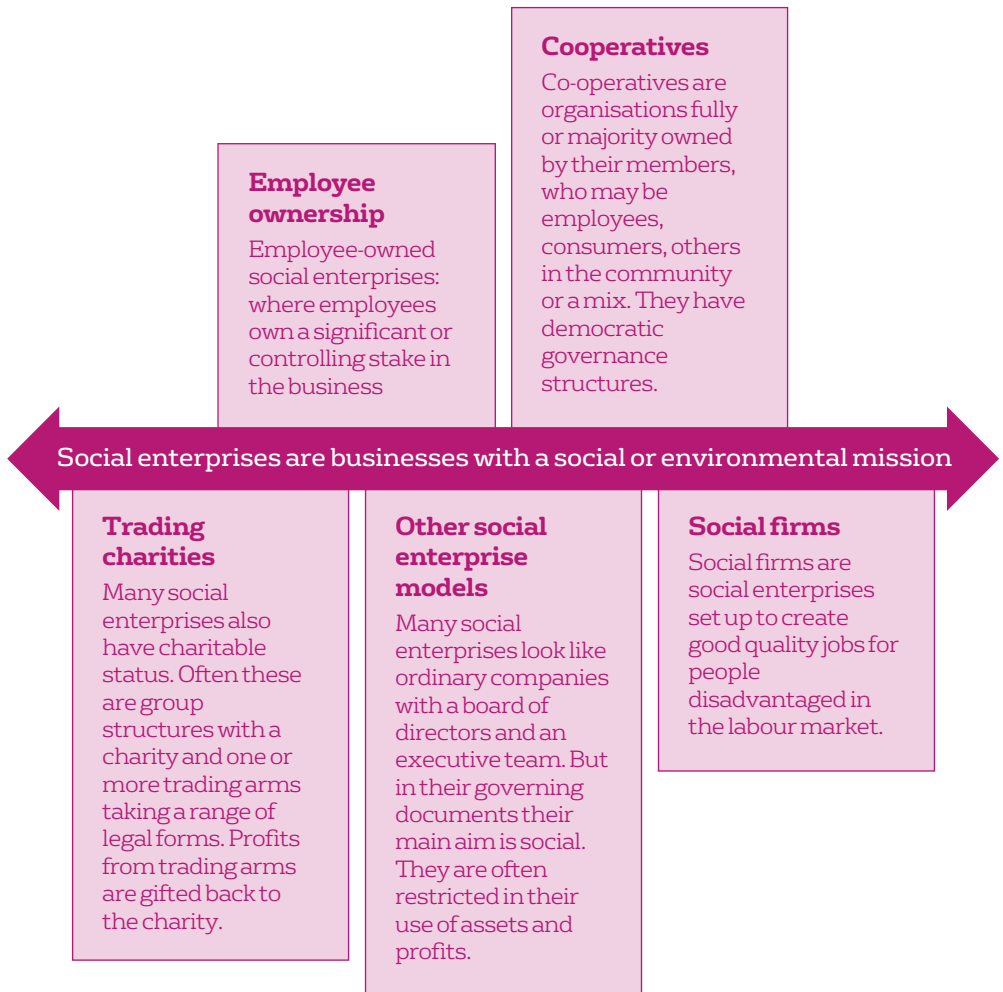


Figure 1: Models of social enterprise

Legal forms

As well as having a range of organisational forms, social enterprises have a range of legal forms. Social enterprises adopt whichever legal structure is best suited to delivering their aims, and they sometimes also have charitable status.

The most common legal forms include:

- **Industrial and provident societies** (most commonly used for cooperatives and community benefit societies)
- **Community interest company** (CIC, a form of limited liability company designed specifically for social enterprises that can be limited by guarantee or shares).
- **Limited liability company** (limited by guarantee or shares).



GLL - this award winning social enterprise runs leisure centres across London and the South East
www.gll.org

Part Two: Why social enterprise?

What Can Social Enterprise Offer Local Authorities?

Successive governments have recognised the important and growing contribution of social enterprise to the future of many sectors including health and social care, education and regeneration. Developments in policy have been, and continue to be, supportive of social enterprise.

- **Social enterprise will be an important vehicle for delivering the goals in the Localism Act, which aims to give greater powers to communities to deliver services and run and own public assets**
- **The new Local Enterprise Partnerships will provide the opportunity to develop more local plans for business success and economic growth, and social enterprises should play a key part in these to ensure that economic growth is sustainable and responsible**
- **The 'Right to Provide' is a policy to support frontline staff to take over and run public services as mutual social enterprises**
- **The Open Public Services White Paper sets out a vision to give people more choice to shape the public services they use; putting control in the hands of individuals and communities and encouraging innovation in public service delivery**

Public Services Bill

Currently, commissioning decisions are often made on price, capacity and track record. But a piece of proposed legislation is moving through parliament that could change that. If the Public Services (Social Value) Bill becomes law, it will require public service commissioners to include social value outcomes in contracts.

It would ask that local authorities commission services from providers that are committed to doing more with the business or contract than simply making money. They would be requested to seek out organisations that charge a fair price while supporting the communities in which they operate.

Social enterprises operating in the public sector are already adding immense value to communities, in areas including health and social care, education, housing, transport and environmental management. They're creating jobs for people who would otherwise be unwillingly reliant on the state; training and building the self-esteem of young people who didn't think they could play a part in society; providing recycling and waste management services.

This legislation would give local authorities the freedom and permission to look at the overall value they're getting for their communities for taxpayers' money.

Where can social enterprise deliver efficiency and value for money?

Social enterprises are well placed to help local authorities deliver current priorities for efficiency and value-for-money by:

- **Improving public services**
- **Contributing to economic development**
- **Supporting community development and cohesion**
- **Addressing social exclusion**

Improving public services

Public services are under ever increasing pressure to improve while reducing costs. There are a number of ways that social enterprises have demonstrated their ability to deliver high quality public services efficiently and effectively, while improving the communities and markets in which they work. Figure 2 shows how the social enterprise approach allows this.

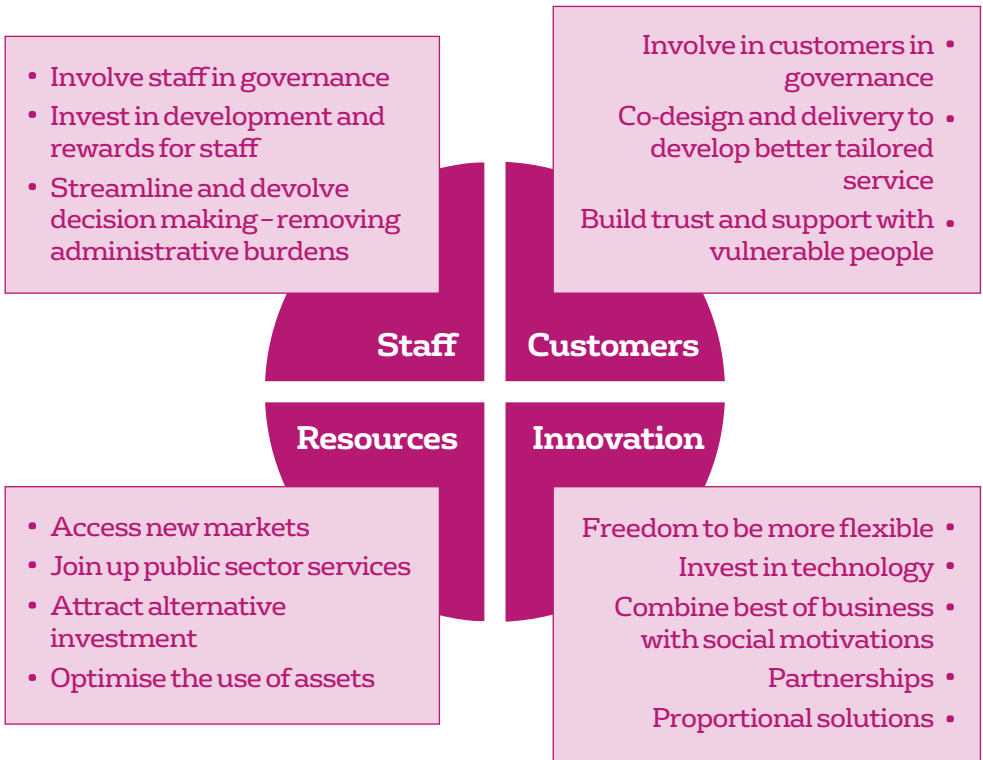


Figure 2: The social enterprise approach to delivering public services

Social enterprises work on the principles of mutualism and participation, and so motivate staff by giving them a more direct voice in running their organisation. This often improves the quality of a service because those who know the users / customers best (those working on the frontline) have a say in how a service is run.

This approach also reduces costs: organisations with highly motivated and empowered employees have reduced absentee rates and a lower turnover of staff. Committed and appreciated staff members very often work to create a better experience for the service-user.

Because social enterprises sit outside of the public sector, they are able to streamline and devolve decision-making, removing administrative burdens. This can result in more flexible and responsive services, reduced costs, and resources can be funnelled to the frontline.



The community based social enterprise GREEN provides a weekly recycling service to over 4,000 households in Sutherland on behalf of The Highland Council in Scotland www.grean.co.uk

Social enterprises often involve their users / customers in the running of the organisation, to ensure that a service really meets their needs. Giving those who use a service (and their families) a genuine say in how it's delivered leads to better outcomes.

Social enterprises are autonomous and entrepreneurial organisations - this gives them an advantage because they're able to be innovative and try new ways of working, developing new services that can deliver better results.

Case study: Barnet Council and innovative approaches to delivering local services

Barnet Council, like many local authorities, is under pressure to cut spending while continuing to improve services for local residents. To tackle these conflicting demands, Barnet Council has decided to encourage individuals and groups of people to put forward solutions as part of an initiative that could see local residents set up their own social enterprises.

In June 2011 the Council launched the Big Society Innovation Bank, which will distribute £600,000 over three years to local people who have ideas for tackling the challenges they see in their communities. The aim: to provide solutions to local problems, and enable communities to take responsibility for roles, services and assets that have traditionally been managed by the state. While not intended to replace public sector delivery and commissioning, it is seeking to pilot new ways of working that give more power to the community.

Applications for the first round of funding closed at the end of July 2011, by which point the Council had received 79 bids totalling £1.87 million. In addition to making financial support available, Barnet Council will provide successful applicants with business support.

Economic development

Economic growth is often viewed as the role of private business, with economic wellbeing primarily seen as the responsibility of the state. Social enterprises unite these goals. Successful social enterprises are highly entrepreneurial organisations; they have to compete for the funding they receive, require strong and transparent finances, and need to turn a profit to be sustainable. They operate in highly regulated industries and are often more closely scrutinised than ordinary businesses.

What separates social enterprises from typical businesses is that their performance is based not only on their financial results, but equally or primarily on their social performance, and how they make a difference to people's lives and the environment.

Social enterprises build social as well as financial capital; they provide essential, cost-effective services for the public sector.



**Hill Holt Wood -
provides training
and employment to
young people
www.hillholtwood.com**

Distributing profits to shareholders is never the priority for social enterprises - the majority of profits are reinvested and so resources remain rooted in communities, creating multiplier effects when spent.

Social enterprises are heavily concentrated in the UK's most deprived communities, where private businesses are far less likely to locate. Recent research shows that 39% of social enterprises are located in the most deprived communities of the UK, compared to 13% of ordinary businesses.

Case study: West Lindsey District Council and local economic regeneration

West Lindsey District Council was named Social Enterprise Partner of the Year at the Social Enterprise Awards 2011, after being nominated by the social enterprise Hill Holt Wood, with whom they worked in partnership on the Future Jobs Fund (FJF) initiative. The FJF launched in 2010 to provide six month work placements to the long term unemployed, supporting them back into employment.

Hill Holt Wood favours a whole person approach, tailoring its work to suit the needs and abilities of each individual. It has a strong track record delivering successful outcomes and through the FJF partnership, 45% of those involved went on to secure permanent employment. Impressed by the results, the Council now seeks support programmes for the unemployed that use a whole person approach.

Using their expertise in sustainable building, Hill Holt Wood is now helping the Council to renovate old, poor quality housing stock in the South West Ward of Gainsborough. This is an area with high unemployment, low income and lacking in green space. Renovation will significantly improve standards of living for local residents, boost sustainability and act as a source of economic regeneration.

Community development

Many social enterprises have excellent knowledge of, and sensitivity to, their communities. This close connection and understanding makes them a strong asset in community development.

Community social enterprises offer a range of services, from vocational training for young people living in inner-city areas, to volunteer taxi services for isolated older people in rural villages. Many social enterprises work to secure community ownership of public assets, including shops and post offices, to achieve long-term social, economic and environmental improvements.

Case study: Hackney Council and developing sustainable inclusive communities

Hackney in East London is a social enterprise hub. Home to some of the largest and most successful social enterprises in the UK, the borough is a shining example of what can be achieved when councils engage with social enterprise.

Hackney Council has a strong track record in contracting local social enterprises, and has long been a supporter of the sector. Its relationship with transport provider HCT Group, dates back 25 years. The Council's early support of the HCT Group helped it to expand to deliver transport services across London and in other parts of England.

In 2006 Hackney Council went a step further and established a social enterprise to manage the borough's 33,000 plus council homes and tenancies. Hackney Homes works closely with residents and has both tenant and community representatives on its Board. Resources are kept within the community rather than distributed to private shareholders, and tenants are actively encouraged to play a part in the way their housing is managed and developed.

Addressing social exclusion

Social enterprises often have the ability to develop services that better meet the needs of certain groups of society, such as those who are hard to reach, or would benefit from a high level of trust between provider and user.

Many social enterprises are well versed at engaging with and building trust with people from disadvantaged or excluded communities, to help them reach their potential. This is because they usually involve both service users and staff members in managing and developing services, creating better relationships between them.



**HCT Group - delivers transport services,
education and training**
www.hctgroup.org

3: Working with social enterprises

Ways in which to work with social enterprises

1. Engage with social enterprises in your local area

Make links with the regional and local social enterprise networks. Social enterprises or their representative bodies should be included in your strategy planning, including in Local Enterprise Partnerships.

Case Study: West Sussex County Council and their social enterprise network

In 2005 West Sussex County Council set up the West Sussex Social Enterprise Network (WSSSEN) to help the South East England Development Agency deliver their regional strategy on social enterprise. The council has since offered support to WSSSEN, financially and by sitting on its steering group.

A recent report published by the council estimated that third sector organisations in the county employ 7,000 full-time-equivalent members of staff, which would rank the sector one of the largest employers in West Sussex, with an economic value of £400 million per annum.

Lionel Barnard, the County Council's Deputy Leader with responsibility for enterprise, said: "The figures identified in the Third Force report confirm that from an economic perspective, social enterprises, as part of the third sector, are fundamentally important to West Sussex. Given our traditional commitment as a local authority to community and environmental issues, providing the right support for them remains essential."

2. Identify and appoint social enterprise ambassadors in your local area

An ambassador can work with a local authority as the public face of social enterprise in an area, championing its cause, creating better awareness of social enterprise, and inspiring new social entrepreneurs. They can also promote working relationships between a social enterprise community and a local authority, encouraging greater awareness of each other's work.

Ideally an ambassador would have a background in social enterprise, and could work with other social enterprises to help them develop their businesses, provide support in negotiations between social enterprises and a local authority, and facilitate networking and introduction opportunities.

Please let us know if you go down this route so that we can keep in contact with your ambassador.
Email info@socialenterprise.org.uk.

3. Appoint a senior figure within your local authority as a social enterprise champion

Senior executive (or political) support is often critical to the success and growth of social enterprise in an area. Local authorities would do well to appoint a senior decision-maker, either a local authority executive or an elected member of the council, to act as an internal social enterprise champion.

They could have responsibility for ensuring the potential of social enterprise is maximised across a borough. Importantly, they are advised to be a mentor for staff to create a better understanding of social enterprise, and to ensure that any policies, agreements or mechanisms that provide support for social enterprises are upheld.

Commissioning and procuring from social enterprises

Commissioners can use their influence to encourage provision via social enterprises, and where adequate choice does not exist in the market, develop new partnerships or organisations that are able to respond.

Case Study: Unlimited Potential and a different form of commissioning

The story of Unlimited Potential, a small community-based social enterprise in Salford, demonstrates how commissioners can foster innovative services, joined-up commissioning and build the capacity of social enterprises in their community.

Set up in 2002 as Community Health Action Partnership, Unlimited Potential rapidly expanded and in 2009 became an industrial and provident society. The social enterprise was commissioned by Salford PCT to deliver a Health Trainers initiative, and in doing so embarked on a different form of commissioning – one that was based on outcomes, provided greater social value and moved away from medical treatment towards prevention.

The process...

While Unlimited Potential had not been commissioned to deliver health services before, it had a strong track record delivering services to improve people's lifestyles and wellbeing through a range of high-quality services within the community. Due to the small size of the contract an open tender process was not required, and so the PCT and Unlimited Potential decided to take a 'risk-sharing' and 'gradual handover' approach to the service, which helped to capacity build the social enterprise.

Unlimited Potential and the PCT's Health Improvement Team developed and designed the service together, drawing on expertise from Salford City Council, Salford Community Leisure, the Director of Public Health and the University of Salford. Both parties invested time in defining the outcomes that were most needed, while allowing flexibility and scope for the service to evolve.

Joined-up commissioning...

Although the principal aim of the service was to address health inequalities, Unlimited Potential created additional value by supporting some of the clients to prepare for entering the job market. Consequently, Salford City Council's Economic Development Team, responsible for reducing unemployment and building skills, became interested in commissioning the service.

While they were supporting those closest to the labour market, they were not reaching people with more complex needs and lacked the local knowledge to engage in successful outreach. Unlimited Potential had the expertise.

A successful commission...

Commissioning can be used to build the capacity of existing organisations that deliver successful outcomes, cost-effective services, rooted in their communities, but may not be able to meet the requirements of a standard tender process. In public services, local knowledge and connections are key to developing successful interventions. If these are to be harnessed, flexible and adaptable commissioning is needed.

Things to consider...

...when commissioning and procuring from social enterprises

1. Building a social enterprise supply-base

Local authorities are advised to let the local social enterprise sector know that they're keen for social enterprises to bid for work, often called 'market signalling'. Opportunities can be published prior to being put out to tender to give smaller organisations time to prepare - stating openly that social enterprises are welcome to bid.

A more proactive approach may be required to engage with local social enterprises. Some may not have considered providing public sector services and have limited experience competing for contracts, or concerns about the costs and time involved. As long as no one social enterprise gains an advantage competing for a contract, local authorities can legally work with social enterprises, helping them improve their ability to respond to opportunities.

There are a number of things local authorities can do to improve the local markets that serve the public:

- **Provide training to social enterprises and third sector organisations on understanding public-sector commissioning and procurement processes.**
- **Arrange regular 'meet the commissioner' days and establish a 'local provider forum'. Invite social enterprises that operate outside your specific area but may be able to diversify their services. Use these days to inform the social enterprises of your needs and to gauge where their skills lie.**
- **Make social enterprises aware of upcoming opportunities. Early information and open advertising are essential for improving access. Publicise contracts as widely as possible in accessible media, using electronic and other networks. Where contracts exceed EU thresholds, they can still be advertised locally, provided no extra information is given and the advert is placed no earlier than the notice in the **Official Journal of the EU**.**

Case study: Knowsley Council and identifying new markets for improved public services

Knowsley Council spent three years developing a comprehensive support structure for local social enterprises, motivated by the belief that social enterprise can, and will, play a key role building community resilience as public spending is cut. The Council first established the Knowsley Partnership, made up of key bodies including the local Housing Trust, Chamber of Commerce, Knowsley Community and Voluntary Services, and its own business and community units.

The partnership established a Unit for Social Enterprise, which implemented a social enterprise development strategy and built a social enterprise supply base. Markets were identified in which social enterprise could play a role - play and youth provision, recycling and the green economy, reducing re-offending, employment and skills development, and care services.

In each of these markets a task group was established involving commissioners and social enterprises. They worked with social enterprises already operating in the area, asking if they required any additional support in order to meet future local needs.

2. A joined-up approach to commissioning

Despite the government's commitment that value for money in public sector procurement should mean 'the optimum combination of whole-life cost and quality to meet the user requirement', in practice public sector employees feel under pressure to procure services from the lowest-cost providers.

Social enterprises aim to maximise benefits for the local community through their services, and often look beyond traditional public service delivery mechanisms to develop holistic and joined-up services. These approaches add value to public spending that is often not recognised, but important in a difficult economic climate. Policy on holistic and integrated service delivery must be accompanied by a shift at the local level towards more unified commissioning and budgets.

3. Ensuring clear and transparent processes

Public bodies are sometimes reluctant to contract organisations which are not on their approved provider lists, and yet many social enterprises say the process for getting onto these lists is unclear.

To ensure a well-functioning and competitive market for the delivery of government commissioned services, it is important to ensure a consistent, open and fair process for access to approved provider lists. There is also a need for greater transparency about how decisions are made and why contracts are awarded.

Certain measures can support and incentivise commissioners to invest in new and innovative models of service delivery. When in place, they can establish a commissioning environment that is open to social enterprises and other third sector service providers that often pioneer new ways of addressing community needs.

4. Adapting the commissioning and procurement process

Some simple measures can be taken throughout the commissioning process to support social enterprise involvement:

Needs assessment

Invite contributions from all parties. This can help involve organisations with local knowledge at the earliest stage and local authorities can draw on their expertise.

The providers may not have the required experience, but assessing at this stage can help determine the commercial approach required for procurement.

Designing services

Invite providers to contribute towards the defining specifications before launching the procurement. Listen to the knowledge and expertise of your community voices.

User involvement

The best services are those designed with and for the people using them. Involve customers and service users in the design and assessment of bids to help increase satisfaction of services delivered. Involving community representatives in the assessment of bids can also foster a sense of ownership. If, after this, local authorities choose to go to open tender, try to award points for the ability to demonstrate service user engagement.

Risk management

Local authorities can be creative about how they manage risk, too often done through financial stipulations and operating track record. Investigate alternative ways that are proportional to the contract being delivered.

Financial pressures and objectives

Local authorities are advised to examine their financial regulations and other contract requirements as these can create significant barriers for many social enterprises. For example, demanding several years' trading history excludes newer social enterprises. Try to strike a fair balance between risk and reward in the payment mechanism by focusing on outcomes.

Payment scheduling should not cause undue cash flow issues for social enterprises, and transaction costs incurred in administering the contract for both parties should be minimal. All potential bidders should be given information on current service levels and costs to avoid favouring current providers.

Contracting and procurement:

- Think about the size of the contracts. Very large contracts may pose significant barriers to small firms or those wishing to diversify into your market. Aim to standardise processes for contracting and procurement, making any pre-qualification minimum requirements reasonable and proportionate to the contract.
- The contract length should justify the investment requirement and procurement costs. For example, if a local authority is commissioning a social enterprise with the hope they will draw in extra investment, the contract must be long enough to absorb the cost of this and the repayments. Continuity of relationship should also be provided in the transition from procurement to contract administration.
- Many public bodies in the UK follow EU procurement rules even where not necessary. This adds complexity and cost, and works against small organisations.
- For more information on contracting and procurement, see Working with the **Public Sector: Busting the Myths**, a guide to help social enterprises navigate public sector procurement and tackle the myths that prevent them from winning contracts, available on our website: www.socialenterprise.org.uk.

Recognising social, economic and environmental value in decision-making

Consider how public contracts can create wider social, environmental and economic value for the community they serve. Allow contracts to demonstrate this at the procurement stage and weigh bids against the broader value they create alongside price.

Transparency and feedback

It is helpful if local authorities can give clear, practical feedback to social enterprises that make the shortlist, but are ultimately unsuccessful. Local authorities can also direct the enterprise to relevant support, so that it can compete more effectively next time.



Impact Arts – uses visual arts, music, drama, dance and technology to work in local communities with people of all ages
www.impactarts.co.uk

Granting discretionary business rate relief to social enterprises

The case studies in this guide demonstrate the innovative ways in which local authorities are working with social enterprises in their communities. Some local authorities, recognising a social enterprise's benefit to the community, or to support the emergence of social enterprises, have specifically amended or interpreted their discretionary business rate relief policy to include social enterprises.

A social enterprise that is granted discretionary rate relief will be entitled to have up to 100% of their business rates covered. In such cases, it is important to note that 75% of the relief will be met by government centrally via the national non domestic pool. The local authority will fund the remaining 25%.

Discretionary rate relief is automatically granted to organisations with charitable status, reducing the bill by a minimum of 80%. However, this is not the case for social enterprises.

What can local authorities do?

Many of the barriers that social enterprises face in applying for discretionary relief stem from a lack of awareness, understanding and engagement between local authorities and social enterprises.

Developing clear and consistent guidelines for the application of discretionary relief for social enterprises, and a robust and fair criterion, are a great start to minimising the confusion and wasted effort that is often spent on discretionary rate relief applications, for both parties. Preferably, these processes should be developed with established social enterprises in a local authority's community.

Social Enterprise UK is working to campaign for greater awareness of discretionary business rate relief for social enterprises across local authorities. If you would like to find out more or get involved, please email our campaigns team: info@socialenterprise.org.uk.

How to support the creation of social enterprises spinning out of the public sector

Some very successful social enterprises have 'spun out' of the public sector, delivering services that were once provided in-house by national or local government. Building on this, the Government has committed to giving all public sector employees new rights to enable them to put forward proposals to take over and run their services as social enterprises.

Creating a viable and sustainable mutual or social enterprise is not a simple process and requires vision, dedication, tenacity and support. However, if the right people, skills and resources have the right support, social enterprise can be an incredible way of transforming services, delivering better value for money and re-engaging staff and the community.

Those who have moved out of the public sector into social enterprises speak of the freedom they have to innovate and make service-line improvements; of a renewed sense of connection with what they set out to do; and of the ability to remove unnecessary bureaucracy spending more time focusing on the front line.

Local authorities keen to help their staff 'spin out', need to ensure they have a clear process in place. For more information on this process see **The Right to Run** - a detailed guide produced by Social Enterprise UK that aims to provide groups of public sector staff with a simple, practical advice to help them on their journey. It also explains some of the potential pitfalls and risks, as well as the opportunities that come with 'spinning out'. To download the The Right to Run visit www.socialenterprise.org.uk.

The Government has also established the Mutuels Information Service to provide professional support to anyone who wants to know more about the spinning out process - <http://mutuals.cabinetoffice.gov.uk/>

Professional support

Account 3, supported by MHA MacIntyre Hudson

MHA MacIntyre Hudson works with a large number of social enterprise and charity clients and understands the culture of the not-for-profit world. We're used to talking to organisations about their strategy, effectiveness and impact while making sure they make the best of their resources.

Account 3 is a women's co-operative based in Bethnal Green, East London, and started in 1991. They've built up a reputation for high quality services to women from minority backgrounds and have relied upon the expertise provided by Peter Gotham of MHA MacIntyre Hudson to ensure that their financial and tax responsibilities have been met as they've grown. Peter has advised on mitigating their tax liability on the sale of a business property as well as VAT considerations now they've hit the VAT threshold.

"We are proud of the services we run at Account 3 and the culture we have established. We want to give women a really high quality service which is different to their normal experience in many other situations. We think about their needs, which is why we have an on-site crèche," says Toni Meredew, CEO of Account 3.

"We know that professional back up is available from MHA MacIntyre Hudson when we need it. They have helped us deal with the financial and tax challenges of growth and to think about how we will weather the storm of funding changes."

www.account3.org.uk

Transfer of Tullie House Museum and Art Gallery from Carlisle City Council to Tullie House Trust, supported by EVERSHEDES LLP

Carlisle City Council owned and operated the Tullie House Museum and Art Gallery, a key regional leisure and tourism attraction in Cumbria. As part of a review of service delivery and budgets, the Council proposed a transfer of the operation to a charitable trust expressly created for that purpose. Before confirming its decision, the Council prepared a business plan setting out the cost savings and the potential for attracting grant and increased revenue.

At that juncture the Council took steps to establish whether there was local support for the project and a trust chairman together with one other trustee were appointed to give impetus to the process.

An early question was to determine what degree of control was to remain with the Council. Did the Council intend procuring a service to its specification or to transfer responsibility to a new legal entity which would be grant-funded on certain conditions? The approach to this question had implications for VAT and procurement procedures. The view was formed that no procurement was involved as the Council was not seeking to oversee defined outcomes but to divest the facility to a new operational regime.

The transfer required a number of skill sets including business planning, human resources, pensions advice and legal input on issues ranging from public law to intellectual property. The need for communication within the team and with other stakeholders was paramount. Perhaps the most interesting aspect of the scheme was the incremental way in which ownership of the project shifted from the Council to the trust over time as momentum built to achieve transfer.

www.tulliehouse.co.uk

Social Enterprise UK

We are the national membership body for social enterprise. We offer business support, do research, develop policy, campaign, build networks, share knowledge and understanding and raise awareness of social enterprise and what it can achieve. We also provide training and consultancy and we develop bespoke business and information packages for clients of all kinds.

Working with local authorities

There are a number of regional and local social enterprise networks and Social Enterprise UK works in partnership with these wherever possible. We offer social enterprise training for teams and groups at all stages of their social enterprise journey. We can produce bespoke social enterprise guides like this one for individual local authorities or other organisations, including case studies, local information and local contacts. We also offer social enterprise training for teams and groups at all stages of their social enterprise journey.

Local authorities or their individual teams such as economic development units are welcome to join Social Enterprise UK. If you are interested in joining please visit www.socialenterprise.org.uk/membership

To order copies of this guide, please email publications@socialenterprise.org.uk

We have a network of almost 9,000 organisations and operate a very busy website. We also have a lively and growing social media presence. Follow us on Twitter [@SocialEnt_UK](https://twitter.com/SocialEnt_UK) or visit us at www.socialenterprise.org.uk

Social Enterprise UK

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