

Social Enterprise
West of England Local Sector
Skills Statement 2018



Working together to develop the current
and future skills of the sector.



Local Sector Skills Statements provide up-to-date market intelligence from industry sectors; celebrating the notable achievements and expertise of businesses and education in the region compared to regional and national policy and research. They provide insights into: the skills challenges faced by businesses in 2017, possible solutions, and potential partnerships for stakeholders to collaborate in the region. The reports inform key priorities for: investment in training, education, careers advice and professional development in the West of England.



Produced and written by Business West

Business West is working in partnership with the West of England Combined Authority, West of England LEP and the region's universities and colleges through the Western Training Provider Network. The intelligence gathered feeds into the West of England skills strategy.

Social Enterprise

Local Sector Skills Statement 2018

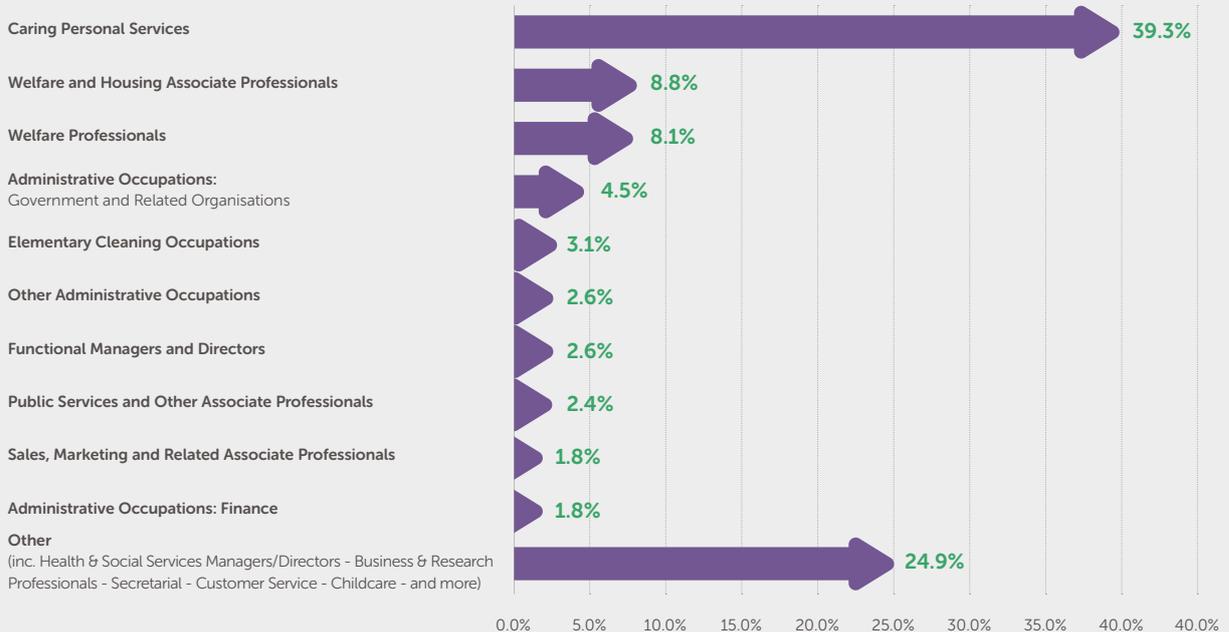
In the UK the term 'social enterprise' covers a wide range of different ventures, each of them united by some key characteristics; they have a clear social purpose, they generate a significant proportion of their income from trading and they reinvest the majority of their profits into their social mission.

The UK government estimates there are around 70,000 social enterprises in the UK, employing over 2 million people and contributing over £24 billion to the UK economy.⁽¹⁾ In the West of England, this equates to 600 social enterprises, 2800 voluntary organisations and 250 community interest companies employing 18,000 people.⁽²⁾

The West of England is a thriving, creative and community-minded region that serves as a fertile foundation for social enterprise and innovation. Businesses of all sizes are working with social

enterprises to make a positive, practical difference and find innovative solutions to pressing societal problems. There are social enterprises active in all business sectors across the region. Businesses in this sector range from community action projects, like: the Bearpit Improvement Group; to city-wide financial movements like the Bristol Pound; from cultural institutions like Watershed and St Paul's Carnival; to leading providers of NHS community health services at Bristol Community Health. The estimated annual turnover for the social enterprise sector in the West of England is £380 million, up from £240 million in 2004/5.⁽²⁾

% of Total Jobs in Industry Group (2017)





“Being one of the UK’s leading social enterprise places has enabled a growing number of successful social business, creating greater local opportunities for skills development and progression.”

Karl Belizaire, Managing Director,
Social Enterprise World

As of 2017 there were a total of 17,929 people employed in the social enterprise sector in the West of England, with a 16.3% forecasted growth rate by 2024.⁽⁴⁾ The West of England LEP is one of the few LEP’s in the country to have a dedicated sector group collaborating and promoting social enterprise and they supported the launch of the Bristol and Bath Social Enterprise Network in 2012. The West of England boasts a diverse array of community-led social enterprise hubs and co-working spaces. There is a particularly vibrant presence of award-winning community journalism and leading social enterprise media organisations in the Greater Bristol area, including Bristol 24/7, Bristol Community Radio, the Bristol Cable and Ujima Radio.

There is a significant range of social enterprise training providers in the West of England, from: Babbasa youth empowerment project, supporting young people in disadvantaged inner city communities; to Bristol Together providing construction training and employment to ex-offenders and long-term disadvantaged people in Bristol; to Clean Slate in Bath creating paid work and skills supporting people with histories of mental ill-health, substance misuse, homelessness, offending, or as refugees; as well as Working Knowledge, a social enterprise that exists to open the eyes of business to the young talent available locally.

The recruitment of talent and wider skills shortages is the biggest issue facing social enterprise organisations both nationally and regionally. Almost 50%⁽⁵⁾ of companies who responded to the Business West Skills and Training Survey 2017 highlighted that they were planning to increase their headcount in 2017 but are being held back, with 68% viewing the lack of skills available as being the major issue.⁽⁵⁾ In terms of how they would prefer to recruit, 37% of businesses would look to new staff or potentially upskilling existing staff with only 8% looking to take on a young person (between 16-18 years old) to address the skills shortage.⁽⁵⁾ Perhaps surprising for the nature of the sector is that this figure is around the same level as for other business sectors in the region.

In terms of training opportunities, the majority of social enterprise companies look to train in-house wherever possible (74%) with 21% looking to engage with colleges for their provision and only 11% with universities.⁽⁵⁾ One of the main reasons stated for the lack of wider engagement with the formal sector is that often there is a need for very specific and bespoke training which is not easy to access. This may be why 46% prefer to deal with commercial training companies where it may be easier to find bespoke content at shorter notice.⁽⁵⁾

With regards to apprenticeships, 63% of social enterprise company respondents have neither taken on a new member of staff using an apprenticeship or upskilled existing members of staff. This is likely due to the lack of awareness with the new reforms and understanding of both the financial aspects or range of programmes and standards available. The majority (67%) claiming to have no knowledge at all of either aspect.⁽⁵⁾

Work experience continues to be a popular route to accessing talent, with 70% of social enterprises willing to take on staff via work experience in either short term or extended positions.⁽⁵⁾

Key Facts

A summary of key facts both locally and nationally in this sector

In the West of England in 2017 there were 600 social enterprises, 2800 voluntary organisations and 250 community interest companies **employing 18,000 people.**⁽⁴⁾



There were **31,649 social enterprise sector jobs posted** in the local area in 2016.⁽⁴⁾



1 in 4 social enterprises intend to upskill and develop staff into new roles to overcome issues of staff recruitment due to lack of skilled workers in the region.⁽⁵⁾



Only 29% of social enterprise jobs advertised in 2016 **required an honours degree level qualification.**⁽⁷⁾



Advertised social enterprise salaries during 2016 ranged from **£17,000 - £38,000.**⁽⁹⁾



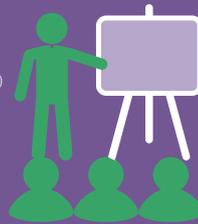
40% of social enterprises have **ring-fenced a budget for staff training.**⁽⁵⁾



65% of social enterprises have not considered using apprentices for either new staff or upskilling existing staff. **67% also have no knowledge at all on the new apprenticeship reforms.**⁽⁵⁾



70% of social enterprises would consider offering both short or extended work experience placements with 44% willing to offer traineeships.⁽⁵⁾



Nearly 50% of social enterprises consider themselves to be part of the low carbon economy with 37% offering environmental services in some capacity.⁽⁵⁾



Across the UK social enterprises lead on equality and diversity, with 40% of social enterprises led by women; 31% have black or Asian minority ethnic directors and 40% have a director with a disability.⁽¹⁰⁾



THE average pay ratio between CEO pay and the lowest paid **is just 3.6:1** – For FTSE 100 CEOs, This ratio stands at 150:1⁽⁸⁾



63% of social enterprises are reported to **draw their entire workforce from the local area.**⁽¹¹⁾



Notable Achievements

Local Sector Skills Achievements in 2017

In 2013, Bristol was named as one of the UK's first '**social enterprise cities**'. It was recognised for the growth and success of the local social enterprise sector.⁽⁶⁾

In 2015 social investment specialists **Resonance** launched a new **£5m innovative fund**, one of the first of its kind in the UK. It was launched to enable investors to back social enterprises helping to tackle poverty using the government's new Social Investment Tax Relief (SITR) scheme.⁽¹¹⁾

Voscur has been successfully running their business growth training and support programme for social enterprise. 'Kick Start' is a free 12-hour course, funded by ERDF and designed to offer start-up support to those with an idea for: a new project, social enterprise or community business who need help to get it off the ground. More than 50 social enterprise start-ups have taken part since 2017.⁽¹⁷⁾

In 2016 **Bristol and Bath Regional Capital** won National Social Investment Deal of the Year Award, recognising a deal with South Bristol Sports Centre, incorporating Social Investment Tax Relief and bringing together various local investors such as **Bristol Credit Union** and **Resonance** in an innovatively-structured bond offer to sustainably finance six new five-a-side football pitches.⁽¹²⁾

Following the introduction of the **Social Value** (Public Services) Act in 2012, **Bristol City Council** was recognised as an "embracer" of social value in a national independent report by Social Enterprise UK. The report highlighted how Bristol City Council is one of just 14% of councils across England who are leading the way introducing a dedicated Social Value policy adopted to £300m worth of public spend.⁽¹²⁾

Social Enterprise **Real Ideas Organisation** successfully accredited a Social Enterprise Qualification (SEQ) in 2013, developing a progression ladder of UK qualifications accrediting and encouraging anyone interested in working for positive social change. The SEQ progression ladder includes Level 1 and 2 Awards and Certificates. The SEQ is: learning through doing, students plan and deliver socially enterprising activity while creating a portfolio of evidence.⁽¹⁶⁾

In 2016 the **Department for Business, Innovation and Skills** approved a new apprenticeship standard for entrepreneurs and social entrepreneurs. A 'trailblazer' group of over 100 employers and other organisations has spent six months developing the standard. The group has pegged the apprenticeship at Level 4, typically being completed in 24 months.⁽¹⁴⁾

In 2016 an innovative **Weston College**-led partnership secured £6m of funding from the Big Lottery Fund and the European Social Fund, to help unemployed people in the West of England find employment. The project, '**West of England Works**', involves a range of voluntary and community organisations across the region hoping to support 1,537 young people and adults into employment through a community-based support programme.⁽¹⁵⁾

Since 2009, West of England based **Higher Education Funding Council for England** (HEFCE), in partnership with **UnLtd Foundation for Social Entrepreneurs**, has invested £5m to support higher education institutions (HEIs) to find, support and develop the next generation of social entrepreneurs. The programme supported over 80 HEI partners across England including Bristol University, Bath Spa University and the University of the West of England.⁽¹⁵⁾

The **University of the West of England** launched **Team Entrepreneurship** – BSc (Hons) Business - a ground-breaking, innovative and entrepreneurial degree which gives students the opportunity to set-up and run their own team company and social ventures; to 'learn by doing' whilst gaining a broad-based business degree.⁽¹⁵⁾

In 2017 the **University of Bath**, in partnership with regional training providers, secured a £1.8m project funded by the European Regional Development Fund over three years, with the aim of supporting social enterprises throughout the region. This collaborative project is being delivered by local partners including CVS South Gloucestershire, School for Social Entrepreneurs, Voscur and the University of Bath Innovation Centre. The project will provide power to grow over one hundred sustainable social enterprises that are innovative and have good growth potential to create jobs.⁽¹⁸⁾

Skills Priorities for 2018

Priority One

Improve Careers Education Information Advice and Guidance (CEIAG)

- *Reflecting on how the objectives in this section can address equality and diversity.*



Issue

Traditionally there have been very few opportunities for learners to get real experience of social enterprise activity or support to lead projects. There are issues with the varied levels of understanding and awareness about social enterprise and the career options available by most CEIAG representatives. There are also issues surrounding geography with a significant number of providers based in city centres, rather than serving the rurality across the region. There is a need for more taster opportunities to gain experience in social enterprise. There is also a lack of relatable role-models in the sector so there is a need to educate and inspire new entrants.

Objectives

- ▶ Effort needed by partners and education providers to raise the mainstream visibility of social enterprise as a career option, as well as the variety of role options and sectors available within.
- ▶ Develop specific industry advice in accessible formats including; video and online (and possibly virtual advisers) providing practical insights and awareness of social enterprise career options and pathways in.
- ▶ Development of social enterprise training is required to better enable CEIAG advisers to support learner's transition into social enterprise career opportunities.
- ▶ Work with the National Careers Service contract holder and Careers Enterprise Network Advisers at WECA / West of England LEP to further develop and improve Labour Market Intelligence (LMI) and ensure that materials are available to support on-the-ground careers advice and guidance for practitioners as well as careers advisers.
- ▶ Social Enterprise Champion programme to be revisited and target specific industry sector representatives, to provide insights into social enterprise activities in different industry sectors, such as: agriculture, retail, construction, catering, media production, administration etc.

Skills Priorities for 2018

Priority Two

Improve the quality and local responsiveness of education and training



Issue

There is a good selection of local training providers, operating alongside some bigger national providers. However, from the learner's perspective there is almost too much activity, as it is not very easy to find and locate all the relevant information in one place. Despite there being multiple infrastructure organisations in the area, the connectivity between providers could be improved.

The premise of traditional education and training is also being challenged by the nature of how people learn through doing and action learning, rather than being taught or trained in the traditional sense.

The complexity of the social challenges or innovative solutions explored by social entrepreneurs often means that the business moves at a fast pace, meaning bespoke and personalised training and learning offers are being viewed more advantageously than generic courses. The majority of social enterprise companies look to train in-house wherever possible (74%) with 21% looking to engage with colleges for their provision and only 11% with universities.⁽⁵⁾

Objectives

- ▶ Create a progressive learning platform, enabling infrastructure organisations to connect participants with: peer-learning and mentoring; action learning approaches; remote and dynamic content; access to partners and peers; and a user-centred approach (a collaboration to be explored between education and training providers and technology partners).
- ▶ Enable better co-ordination, collaboration and accessibility of social enterprise training and learning offers across the region to ensure consistent gateways for new entrants.
- ▶ Constant and relevant dialogue between local training providers and the industry to ensure provision is up-to-date, relevant, accessible and cost effective.
- ▶ Increase the awareness of apprenticeship reforms and the support available to businesses financially to encourage greater take up of local provision.
- ▶ Support more local social enterprises to deliver public services and training to bridge the responsiveness of public needs, as they are often closest to understanding the community challenges.
- ▶ Encourage local and national providers to share best practice and lessons learnt, to provide a platform for sharing - learning from mistakes and previous failures.

Skills Priorities for 2018

Priority Three

Increase apprenticeship starts and availability of higher apprenticeships

- *Reflecting on how the objectives in this section can address equality and diversity.*



Issue

One of the key issues affecting the adoption of apprenticeships is the perceived barriers from employers. The rules and regulations are not fully understood by many employers, particularly smaller businesses where the perceived risk of time and cost often prevent opportunities from being generated.

There is much confusion about the Apprenticeship Levy and the level of subsidy available for apprenticeships, with 63% of the social enterprise company respondents having not taken on a new member of staff using an apprenticeship and 67% claiming to have no knowledge at all of either aspect.⁽⁵⁾ There is also a low awareness of the new social entrepreneurship standards coming online, which will create higher level apprenticeship offers. There is a stigma associated with apprenticeships by many young people, believing higher level apprenticeships still lack the credibility of an undergraduate degree.

Objectives

- ▶ Raise the profile of apprenticeships, internships and traineeships as a possible route into social enterprise career options for young people and existing employees, as well as create a compelling narrative for employers.
- ▶ Support the development of a regional pilot of the UK's first social entrepreneurship trailblazer apprenticeship standard, to be learnt from and replicated across the country.
- ▶ Explore possibilities of apprenticeship sharing and brokerage in collaboration with the local education training partnership network and organisations such as the local apprenticeship training agency – the South West Apprenticeship Company (SWAC).

Skills Priorities for 2018

Priority Four

Engage SMEs in the active retention of staff through programmes of skills development and training to ensure increased productivity and sustainable growth.



- *Encouraging SMEs to consider best practice in staff welfare.*

Issue

The key issue for social enterprises finding the time to boost productivity and build capacity for growth is capacity and resource. Social entrepreneurs, especially at the start-up phase, are typically playing a number of different roles, which presents capacity and time issues. With a wide variety of local provision and without a central signposting platform, it is time-consuming for social enterprises to navigate and locate the support they may require. Almost 50% of companies responding to the Business West Skills and Training Survey 2017 are planning to increase their headcount, but 68% viewed the lack of skills available as being the major issue. 37% of businesses would look to upskill existing staff to address their skills shortage.⁽⁵⁾

Objectives

- ▶ Through the Skills West programme, Business West will provide SMEs with the opportunity to identify skills requirements to enable growth.
- ▶ Support SMEs in exploring the best use of new apprenticeship standards for both recruitment and upskilling existing staff, and provide the opportunity for businesses to influence future skills and training provision.
- ▶ Encourage more providers of skills to provide flexible offering outside of usual working hours.
- ▶ Secure and enable further resources to relieve operational responsibility from leadership to focus on business strategy.
- ▶ More effort required to aggregate and connect all the relevant learning and skills opportunities locally and nationally.
- ▶ Utilise technology better to provide accessible user-centred learning opportunities.
- ▶ Encourage more cross-regional and cross-sectorial learning and sharing of best practices.
- ▶ Future Bright, Skills West and other local business engagement programmes to ensure businesses are aware of the support for in-work training and apprenticeships to upskill their existing workforce and support in-work progression for all employees. Ensuring best practice and learning is shared between businesses.

Skills Priorities for 2018

Priority Five

Support SMEs to be inclusive and effective in staff recruitment

- *Reflecting on how the objectives in this section can address equality and diversity.*
- *How to build the talent pipeline in the region.*



Issue

The 'Vital Signs' report documented that the West of England has a strong and diverse economy and good levels of employment, but there are still many barriers to overcome. There are concerns that the skills of local residents may not match those needed by our leading industries. More needs to be done to support those facing barriers to employment, especially those 'furthest from work'. The social enterprise sector has a huge role to play in raising the skills, confidence and aspirations of local people who might otherwise be excluded. There is still a lack of role-models from lower social-economic groups; geographic boundaries and black, Asian and minority ethnic groups. Despite social enterprise having more positive achievements in diversity and inclusivity, there are still particular sectors such as creative industries and high tech which are still unrepresentative.

Objectives

- ▶ Explore and share best practice on diversity from other successful sector groups.
- ▶ Work more closely with communities to increase visibility with marginalised communities about career options and pathways available in the sector.
- ▶ More flexible support for women returners needed to assist transition back to the workforce.
- ▶ Ensure all recruitment language and advertising is inclusive and strategically engaging with diverse communities, through a variety of different mediums and culturally relevant platforms and places.

Regional Centres of Excellence and Research

University of Bath - Innovation Centre
University of the West of England (UWE Bristol) - Centre for Graduate Entrepreneurship
University of Bristol - School for Innovation
Policy Bristol
The Centre for Law and Enterprise
Triodos Research
Watershed Ventures

Key Training Providers

Voscur
Voluntary Action South Gloucestershire
School for Social Entrepreneurs
North Somerset Enterprise Agency
Real Ideas Organisation
Locality
Phoenix Social Enterprise
University of Bath
University of the West of England
University of Bristol

Professional Networks and Organisations

Social Enterprise UK
UnLtd Foundation for Social Entrepreneurs
Bristol and Bath Social Enterprise Network
Social Enterprise Mark
RSA West
Re-Economy Network
Tech For Good
Enactus

Endorsed by:

Karl Belizaire, Social Enterprise Sector Group Chair, West of England LEP

Reference Documents

- 1) British Council: Social Enterprise in the UK, 2015
- 2) Bristol & Bath Social Enterprise Network: Bristol Social Enterprise Manifesto, 2016
- 3) Social Enterprise Works: Mapping the Social Enterprise Sector in the West of England, 2013
- 4) West of England Careers: Labour Market Information, 2017
- 5) Business West Skills and Training Survey, Social Enterprise, 2017
- 6) Social Enterprise University Enterprise Network: Why all LEP's should have Social Enterprise at the top of their agenda, 2013
- 7) Voscur: State of the Sector, The Voluntary, Community and Social Enterprise sector in the West of England, 2016
- 8) RBS Enterprise Tracker, in association with UnLtd, 2013
- 9) Social Enterprise UK: State of Social Enterprise Sector 2015
- 10) Dame Mary Marsh Review: Skills and leadership in the VCSE sector, 2013
- 11) Resonance Bristol: Sitr Fund Social Impact Report, 2016/17
- 12) Social Enterprise UK: Procuring for Good, how the Social Value Act is being used by local authorities, 2016
- 13) Department for Education: A guide to enterprise education, 2010
- 14) Institute for Apprenticeships: Apprenticeship standard, entrepreneur, 2016
- 15) UnLtd: Supporting Social Entrepreneurship in the Higher Education Sector, 2014
- 16) Quartet Community Foundation: Vital Signs for the West of England, 2016
- 17) VOSCUR, Becoming truly enterprising, <https://www.voscur.org/blog/blog-becoming-truly-enterprising-%E2%80%93-lessons-local-tech-start>, 2017
- 18) University of Bath, Research and Innovation, University of Bath secures £1.8million funding for major Social Enterprise and Innovation Programme in the West of England - <http://www.bath.ac.uk/ris/news/social-enterprise-and-innovation-programme.html>, 2017
- 19) Emsi - economic modelling 2018 courtesy of Prospects Services

Supporting Research Documents

- a) West of England Combined Authority Business Plan, 2018/19
- b) West of England Combined Authority Operating Framework 2018/19
- c) Industrial Strategy: building a Britain fit for the future, November 2017
- d) The Grand Challenges, Policy paper, May 2018
<https://www.gov.uk/government/publications/industrial-strategy-the-grand-challenges/industrial-strategy-the-grand-challenges>
- e) Careers strategy: making the most of everyone's skills and talents, December 2017
- f) Careers guidance: for further education colleges and sixth-form colleges, February 2018

Advise, connect, support

Get in touch today

 businesswest.co.uk/skills  skillswest@businesswest.co.uk  0330 124 4446  #skillswest



The West of England Combined Authority (WECA) covers Bath & North East Somerset, Bristol and South Gloucestershire. WECA also supports the Local Enterprise Partnership, which includes North Somerset.