

se

social enterprise west midlands

SOCIAL PURPOSE | BUSINESS SENSE

SPORTING AMBITION

TRADING UP AND THINKING
BIG: SPORT 4 LIFE 16

- 04 **The recession** | It's not all doom and gloom
- 05 **Finding the right support** | Quick guide
- 06 **More than just homes** | Housing associations
- 11 **Winning contracts** | Wooing the public sector
- 10 **Learning from failure** | The Network
- 12 **Recipe for success** | Disability is no barrier
- 20 **Maximising what you say** | Public speaking

It all adds up



iSE has 10 years' experience of delivering specialist no- or low-cost training and business support to social enterprises and voluntary and community organisations in the West Midlands.

We are a social firm, dedicated to developing the third sector.

To find out how we can help visit **www.i-se.co.uk**

A model whose time has come



Sally Edwards | sallyaedwards@btopenworld.com

These are undoubtedly challenging times for all businesses, but none more so than social enterprises. To survive, many are being fast-tracked into increasing trading capacity, improving business skills and forging alliances to bid for large-scale public sector contracts.

Yet these are also exciting times. Specialist business support agencies are reporting an increase in enquiries and start ups. Ian Pearson, Economic and Business Minister, has declared social enterprise 'a business model whose time has come' and the government has announced a whole raft of support packages, clearly remaining committed to the sector and its ability to deliver.

Against this backdrop, we have commissioned articles for this issue giving practical advice on how to make a social enterprise successful, succeed at public sector tendering, get the best from your Board, create an impact and avoid landing in an employment tribunal. We have also showcased some of the excellent work being performed by social enterprises in the region.

We hope you find it useful and an enjoyable read. **se**

Photo: © Edward Moss Photography www.edwardmoss.co.uk



THE RECESSION AND SOCIAL ENTERPRISE

Kevin Maton says there's much to be optimistic about.

04



MORE THAN JUST HOMES

Housing associations are social enterprises too.

06



RECIPE FOR SUCCESS

Concept Catering's vision has become a reality.

12

BUSINESS MATTERS

Learning from failure: The Network (Worcestershire) closed last summer, but good lessons can be learned.



10

DO IT RIGHT

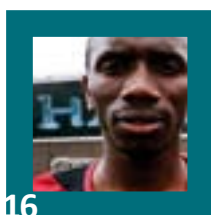
Risky business: Human resources management can be a minefield, but the expertise to help you is readily available.



14

SPECIAL FEATURE

Sporting ambition: Sport 4 Life is not content with staying small or living off grants.



16

SPECIAL FEATURE

On the right route: The Routes to Opportunity programme has been showing BME social enterprises the way.



18

DO IT RIGHT

Maximising what you say: Some tricks of the trade will boost your impact when you rise from the speaker's chair.



20

SPECIAL FEATURE

Breaking the cycle: West Mercia Probation Trust aims to reduce re-offending through specialist recruitment.



19

IN THE NEWS: Social enterprise social networking 04 / Social Enterprise Centre of Expertise 05 / SE Revolution makes its mark 05 | **POLICY MATTERS:** Finding the right support 05 | **SPECIAL FEATURE:** Pinning our hopes on the board 08 | **DO IT RIGHT:** Winning contracts 11 |



socialenterprise
WEST MIDLANDS

Funded by



www.advantagewm.co.uk

Social Enterprise West Midlands is the regional strategic network and voice for social enterprise. The network is funded by Advantage West Midlands to advise on policy issues and promote the value and contribution of the sector across the region.

© Social Enterprise West Midlands 2009. All rights reserved. **Publisher:** Social Enterprise West Midlands | Doe Bank Building, Doe Bank Lane, Coventry CV1 3AR | 024 7663 3911 | www.socialenterprisewm.org.uk. **Editor:** Sally Edwards/Marketing & Communications | sallyaedwards@btopenworld.com | 07720 883856. **Feature writer:** Sarah Taylor/Alpha Communication | sarah@alpha.coop | 0191 375 01 01. **Design:** Ian Cuthbert/Cuthbert Design | info@cuthbertdesign.com. **Advertising:** Sam Skiller/Open Box Publishing Ltd | samantha.skiller@openboxpublishing.co.uk | 0121 608 2300. **Printing:** Pinstripe Print Group | 0121 236 0101. **Cover photograph:** courtesy of Sport 4 Life (photographer unknown) | **Other images:** as identified next to the image.

Printed on FSC certified, 80% recycled paper, using vegetable-based inks. Views and opinions expressed in this publication are those of the authors and not necessarily those of Social Enterprise West Midlands. Advice and guidance is given in good faith but neither Social Enterprise West Midlands or any of its representatives involved in the publication of se can be held responsible for any actions taken on information presented herein. You should take independent professional advice before making business and financial decisions.

IN THE NEWS

POLICY MATTERS

FINDINGS

QUESTIONS ANSWERED

BUSINESS MATTERS

SPECIAL FEATURES

DO IT RIGHT

Available in large print at www.socialenterprisewm.org.uk

The recession and social enterprise

Kevin Maton Network Director, Social Enterprise West Midlands

Photo: © Ian Cuthbert info@cuthbertdesign.com



If we're honest, nobody has any real hard data about how the recession is impacting on the sector. A number of surveys have been

launched to obtain some sort of picture, but with response rates so low, it's difficult to know what's really going on.

From what we read and what our members tell us, we know that funding is under pressure, a number of large charities have merged and the latest research from the NCVO (National Council for Voluntary Organisations) suggests that one in five charities is planning to cut jobs. But it's not all bad news. Specialist business support agencies and front line organisations are reporting an upturn in demand for their services. We're certainly receiving calls from people who have been made

redundant and are weighing up whether to start a social enterprise. We're also hearing about plans for growth, purchase of new assets and recruitment. What's more, the government is minded to help.

A raft of packages has been announced since the start of the year to support the sector through the recession. On 12 May, Lord Mandelson, Secretary of State for Business, Enterprise and Regulatory Reform, and Liam Byrne, Minister for the Cabinet Office, co-hosted a Social Enterprise Summit at which social enterprise leaders were able to put their ideas to leading Ministers.

In preparation for the Summit, organisations like SEWM were consulted about their views and had an opportunity to shape the agenda for the day. We engaged in many discussions about specific needs of social enterprises, how they can play a key role in the recovery of the economy and the support they need to ensure

they emerge stronger at the end of it.

The general consensus will come as no surprise: improve business support; encourage and enable asset-based development; attract and develop new social entrepreneurs; help the sector to scale up; increase general awareness and understanding of social enterprise; increase fiscal incentives to attract investment in the sector; a greater focus on green social enterprises.

The measures announced at the Social Enterprise Summit (see page 5) went some way towards addressing these issues, but government campaigning by social enterprise leaders will continue. In particular, there will be a push for £100m of investment for communities to acquire land or buildings and transform them into social enterprises that can anchor wealth and create jobs locally.

We will keep you updated. **se**

Social enterprise social networking

If you're in to social networking, Social Enterprise West Midlands now has a presence on these sites:

Facebook



[www.facebook.com](http://www.facebook.com/search?search_for=Social+Enterprise+West+Midlands)
(search for Social Enterprise West Midlands)

Twitter



http://twitter.com/_SEWM

Myspace



www.myspace.com/socialenterprisewm

UnLtdWorld



http://unltdworld.com/groups/view.php?group_id=268

To access these sites registration is required.

Social Enterprise Centre of Expertise

Social Enterprise West Midlands now incorporates the Social Enterprise Centre of Expertise (SECoE).

SECoE is one of four centres of expertise funded by Advantage West Midlands to improve mainstream business support for priority groups. Other centres focus on minority ethnic enterprise, women's enterprise and young people's enterprise.

SECOE will work closely with Business Link West Midlands and other organisations that provide business support to social enterprises. Resources will be available to fund accredited and non accredited training of business advisors and direct feedback from BLWM clients will be gathered and used to influence the package of support made available.

This programme of work is being led by two new members of the SEWM team, Melanie Mills and Laurence Green, who take on the roles of Business Services Assessor and Skills Development Broker respectively. **se**

MAKING CONTACT

Melanie Mills | m.mills@socialenterprisewm.org.uk | 024 7663 3911 ext. 119

Laurence Green | l.green@socialenterprisewm.org.uk | 024 7663 3911 ext. 117

SE Revolution made its mark



Photo: © Ian Cuthbert info@cuthbertdesign.com

Not even the February snow was going to stop the Social Enterprise Trade Fair 'The Revolution Starts Here' from being a roaring success and making Central TV's evening news.

Over 1,400 visitors attended the one day showcase of inspiring businesses in Birmingham's Centenary Square.

A series of 'info-commercials' promoting some of the social enterprises at the trade fair is available to view on our Facebook page (see left). They include 118 Taxi, Making People Happy, 50Fifty, BSustained and Moseley Farmers Market, as well as a general film about the event.

We're being asked to repeat the trade fair next year, so your ideas and suggestions are welcome. **se**

Finding the right support

QUICK GUIDE | SUPPORT PACKAGES FOR SOCIAL ENTERPRISES

Since the last issue of **se**, a package of targeted support has been announced as part of the government's £42.5m action plan Real Help for Communities: Volunteers, Charities and Social Enterprises (February 2009) to help the third sector through the recession. There were further announcements in April's Budget and at the Social Enterprise Summit on 12 May. With so many funds and initiatives around, it's easy to lose track of what's actually available. So here's a summary of the key measures...

In the action plan *Real Help for Communities*

£16.5 Modernisation Fund

Run by: *Capacitybuilders and Futurebuilders*

The Modernisation Fund will help third sector organisations with the costs associated with mergers, partnerships and moves to more efficient sharing of back office functions.

- £1,000 bursaries and grants of up to £10,000 will be distributed by Capacitybuilders from June, targeted at third sector organisations providing services to those worst hit by the recession.
- Futurebuilders will provide interest-free loans to third sector organisations that are planning to merge or collaborate, or are taking other steps to adapt to the recession.

Application details:

www.modernisationfund.org.uk

£8m Volunteer Brokerage Scheme

Run by: *BTCV in association with CSV, Volunteering England and V*

The scheme was launched in early May and aims to match 34,000 jobseekers with volunteer placements over the next two years.

£15.5m Targeted Support Fund

Administered by: *Community Development Foundation and local funders in eligible areas*

Grants are available to small, local third sector service providers, offering key recession focused services (eg debt advice, housing, skills development, mental health services). Organisations with an annual income of £30,000 to £250,000, can apply to their nearest local funder for grants of £10,000 to £40,000. Eligible areas in the West Midlands are: Birmingham, Dudley, Walsall, Wolverhampton, Sandwell, Stoke-on-Trent and Telford and Wrekin.

Find your local funder: www.cdf.org.uk

£0.5m School for Social Entrepreneurs

A £0.5 million investment in the SSE to double the number of people it trains to become social entrepreneurs, particularly those working in deprived communities.

More information: www.sse.org.uk

In April's Budget

£1bn Future Jobs Fund

ACEVO (Association of Chief Executives of Voluntary Organisations) is heading a taskforce to help shape the £1bn Future Jobs Fund announced by the Department for Work and Pensions in the budget. The Future Jobs Fund will create 150,000 new jobs within social enterprises and the voluntary sector for people aged 18-24 who have been unemployed for 12 months or more. The fund's taskforce members also include the Social Enterprise Coalition, Community Alliance and Futurebuilders England. Further details about the Fund were announced on 13 May.

More information: www.dwp.gov.uk/campaigns/futurejobsfund/

£20m Hardship Loan Fund

Announced in the budget, this rescue package will go to voluntary organisations providing frontline services to the most vulnerable people hit by the recession – in recognition of the challenges posed by increased demand on charities' services at a time when corporate, contract and investment income are all declining.

Announced at the Social Enterprise Summit

New Futurebuilders Investment Plan

£45.6 million of public money this year, to help social enterprises deliver public services, through a new fast-track investment process.

Changes to the Enterprise Finance Guarantee Scheme (EFGS)

To allow local Community Development Finance Institutions (CDFIs) to access up to £20m of bank loans and increase their lending to small businesses and social enterprises.

Government training and support, through Business Link

For anyone wishing to become self-employed. Includes a new self-employment credit – £50 a week, for up to 16 weeks, for those moving from benefit into self-employment.

Launch of a new Guide to Social Return on Investment (SROI)

Part of a three year programme on Measuring Social Value funded by the Office of the Third Sector and the Cabinet Office – to equip public service leaders with the tools to understand the social value that social enterprises can bring to local communities.

A new Ministerial Working Group

Chaired by Liam Byrne, Minister for the Cabinet Office, to ensure a level playing field for social enterprises and charities to compete for specific public service delivery contracts – part of the Government's commitment to create 25,000 new jobs in social enterprises and charities.

New cross-government 'social enterprise growth and development forum'

To take actions from the Summit forward.

Help in the West Midlands

www.supportwm.co.uk

A signposting website launched by the West Midlands Taskforce – directing businesses to financial and business support and individuals to jobs, re-training opportunities and redundancy advice. **se**

THESE DAYS HOUSING ASSOCIATIONS FREQUENTLY OFFER MUCH MORE THAN JUST A PLACE TO LIVE. THEY CAN ALSO OFFER A WHOLE RANGE OF SERVICES TO SUPPORT DISADVANTAGED TENANTS AND COULD EVEN PLAY A KEY ROLE IN HELPING TO TACKLE WORKLESSNESS IN OUR REGION.

MORE THAN JUST HOMES



Streets ahead: Accord Group's Streets Ahead residents' festival held at Birmingham Repertory Theatre in May 2008

Advantage West Midlands (AWM) has recently commissioned research to quantify the impact of housing associations as a growing economic force in the region. **se** talked to one of the organisations included in the study to find out more.

The Accord Group is a family of housing associations that provides homes and services to over 35,000 people. It has a social focus at the heart of its work and specialises in involving customers and communities in identifying and providing solutions to their housing and community needs. Its members include: the West Bromwich based Accord Housing Association Ltd, which has 40 years experience in the social housing sector and is one of the largest housing associations working in the Midlands; BCHS, Redditch Co-operative Homes, Fry Housing Trust, Moseley & District Churches Housing Association and the multi award-winning Ashram Housing Association.

Jas Bains, Ashram CEO, says: "On average 70% of our residents are not in employment so we recognise the valuable

role we can play alongside other agencies to improve their employability prospects through providing training, jobs and the opportunity to set up enterprises.

"We hope that the study soon to be published by AWM will not only highlight the significant contribution housing associations make to the regional economy, but also promote them as social enterprises."

The means through which the Accord Group supports social enterprises is Innovation Works – a business hub and conference centre based in Darlaston, Walsall. Gifted the building, valued at £250,000, for the nominal sum of £1 by the philanthropist Owen family, the Accord Group secured £750,000 of investment to renovate the property and operate it as a social enterprise. It now offers affordable work spaces and conference facilities to local businesses and is home to the Walsall Regeneration Housing Agency partnership, a significant social enterprise led by the Accord Group which supports other community enterprises, working with co-ops, tenants and other members of local communities.

Another of the Accord Group's initiatives is its Worklessness Task Force, which gives all of its new tenants the opportunity to receive free help and advice on employment and training. It is also working with its contractors to identify training and job opportunities, as well as exploring future vacancies and new training within its own 1,000-strong workforce.

Akshay Parikh, Chair of the Accord Group, says: "Our view is that housing associations can provide more than just homes and services – we want to work with the communities where we are based and help find people training and employment opportunities.

"The Accord Group is a major organisation with a turnover of £60m and we want to exploit the buying power we have with contractors, suppliers and service providers to find new opportunities for our residents wherever we can. We also want to offer practical help, advice and support to tenants when they sign up if they are seeking to find employment or access training."

As the West Midlands has a £10billion output gap – 20% of which is attributed to economic exclusion – AWM is currently exploring the role that housing associations can play as a key partner in addressing worklessness. It has recently commissioned research that looks at the value of housing associations – and added value – to the regional economy and the resulting report will aim to provide AWM with base information.

Marie Greer, Director of Sustainable Communities at AWM, explains: “We’re keen to learn the extent to which housing associations contribute to our region, not only through the provision of housing and

jobs – as many are major employers – but also through their initiatives to create economic inclusion and regeneration in deprived areas. In particular we’re aware that some housing associations are directly tackling worklessness and the study will highlight the approaches and successes of housing associations based, and operating, across the region.”

Findings from AWM’s report about the role of housing associations in addressing worklessness will be disseminated this summer. **se**

MAKING CONTACT

The Accord Group:

Accord Housing Association | www.accordha.org.uk
 Ashram Housing Association | www.ashramha.org.uk
 BCHS | www.bchs.org.uk
 Redditch Co-operative Homes | www.rch.coop
 Moseley & District Churches Housing Association | www.moseleyha.org.uk

Advantage West Midlands | www.advantagewm.co.uk



Innovative thinking: The Innovation Works – a social enterprise run by the Accord Group

Does having a carefully selected board of directors and a good governance protocol really make a difference to the performance of a social enterprise? **Karl George MBE**, founder of the Governance Forum, believes it does. **se** asked him to explain.



Pinning our hopes on the board

In the current economic climate, I would say good governance and an effective board are crucial to the survival of a social enterprise. However, this may not be immediately apparent, particularly where a social enterprise has been operating successfully for a number of years without any real attention to good governance.

Does any of the following sound familiar?

Isn't the board just a necessary evil?

"Having a board is like an insurance policy, in case things go wrong. You can say we do have a board which meets regularly."

"Our board doesn't really contribute, but we know it is good practice to have a board."

Isn't it merely a distraction for the executive?

"The executive is set tasks just to satisfy the board without any real consideration of why the task is being performed."

"The executive can't get on with their job because they spend so much time just satisfying the board."

Doesn't the board become a hindrance to the organisation?

"Projects can't be instigated because the board does not agree."

"Opportunities are missed because of the timing of board meetings or the timescale for getting agreement from the collective board."

You may think that non-executives are the domain of the big private sector companies who need protection from over zealous directors. (Although they didn't help the banks much!)

And you may think that, as the risks involved in running a social enterprise do not compare with the complex regimes of the large private sector corporations, detailed governance arrangements should not be thrust on them.

You may even think that, given a choice, social enterprises would be better off keeping their boards 'mean and lean' and leaving that governance 'stuff' to the big commercial companies. After all, most have enough short term issues to deal with, without finding additional 'nice to have' ideas thrust upon them from a group of people who are looking into the future and advising about what might happen.

However, the truth is that boards can be an asset. And in the current economic climate, having a group of people outside of the day to day concerns looking at the bigger picture is even more important than in times of economic growth. Forward planning is now essential to ensure the flow of working capital and cash needed to stay in business.

From survival to optimisation

I would argue that an effective board can make all the difference when determining the survival of a social enterprise. The right board can keep you in the game ready to fight again when the climate changes.

If an organisation has been fortunate enough to have elevated itself from the survival phase of business to the existence phase – existence being just about able to pay the bills each month

“The way companies are governed has become more important than the way they are managed – after all good governance should ensure good management whereas poor governance allows poor management.

without use of any meaningful level of reserves or contingency – then a good board can ensure that this position is consolidated and can prepare the organisation for developing reserves. Some enterprises have been able to accumulate good reserves and the board has helped them to consider growth strategies and eventually optimisation strategies. See diagram 1, opposite.

Role of the board

It is important to understand that most people perceive governance to be concerned with addressing the compliance aspects of an organisation, eg monitoring, supervising and stewardship. This tends to be a backward looking approach, whereas the success of an organisation is actually reliant on forward thinking. In cases where the board considers performance issues, eg strategy, planning and policy making, this maximises operational effectiveness, development of reserves and long-term sustainability.

The diagram 2, opposite, demonstrates the differing roles of the board and highlights the need to move from conformance to performance.

What makes a good board?

Having established the role of the board, you need to consider what makes it good:

Ambassadorial: A good board will not just attend meetings, but will use its contacts and networks to support the organisation.

Basic: If the operations of the organisation are so complex that the board cannot understand them, then they are normally wrong.

Competent: A good board will have a competent base line of skills and expertise across the fundamental business functions.

Diverse: A board of directors from the same background, similar ages and the same gender will tend to come up with similar ideas. A diverse board will challenge more appropriately and bring different experiences to the organisation.

Engaged: Board members need to be involved and take time to understand the business and what makes it tick, if they are to make effective strategic decisions.

Focused: A good board will ensure that the business stays true to its mission.

Why develop the board?

- The chief executive of a small or medium sized enterprise is in a lonely position without the support of an effective board.
- A good board, and in particular a good chair, can make all the difference to operations.

- Funders and other stakeholders will be more inclined to listen to the views of an influential board or chair when the 'going gets tough'.
- A well versed board can help to convince a bank manager or potential partner more easily than the executive.
- To avoid the board becoming a necessary evil, a distraction or even a hindrance.

Good boards come into their own when they are able to spend time considering strategic and environmental frameworks, without getting bogged down in the day to day detail. The executive can then get on with the management.

Good governance ensures good management

Bob Tricker, Essential Director, summarises the point well. "The way companies are governed has become more important than the way they are managed – after all good governance should ensure good management whereas poor governance allows poor management."

In the current climate it is critically important to ensure that your enterprise is being directed well and that the executive is managed well. Surely then, good governance and an effective board is not an option – it is imperative. **se**

MAKING CONTACT

Karl George | 0121 237 1875 | www.kgiss.com

i Karl George is founder of the Governance Forum and managing director of KglSS, specialising in leadership and governance solutions for organisations operating in the third sector.

There is an old adage – learn from your mistakes, but in business it pays to learn from other people's mistakes. **LAURENCE GREEN** tells **se** about the lessons he learnt from the failure of The Network (Worcestershire).

Starting out

The Network (Worcestershire) was started in 2002 by Oldington and Foley Park Community Network, a charity delivering a host of training, education and advice services in the most deprived area of Worcestershire. It was set up as a pilot scheme to test the viability of a business idea for the third sector: namely, diverting reusable material from the stream of household electrical appliances, refurbishing and making them safe, then selling them at low cost to people on low income, while at the same time providing real work experience and useful training in a practical environment.

Diversification and success

I became involved in 2004, by which time grant money was running out and options for getting more were disappearing fast. We immediately diversified our income streams, focusing on scrap value, charging for disposal of waste, asking for donations and introducing Gift Aid. Over the next three years, we increased the quantity of goods coming in by a factor of 25 and increased sales from 5% of our operating costs to around 80%. We were successful in signing up British Heart Foundation shops to wholesale refurbished goods and these are still in operation across FRN Enterprises.

Funding

We also had a major success in attaining a quasi-equity funding package from CAF Venturesome at a time when it was a very new concept indeed. This allowed us to invest in the staff we needed to refurbish enough goods to move into profit.

However, funding was always an issue. Delays in getting capital drawn down meant the team had to spend a huge amount in a very short space of time. At that time, nobody wanted to provide continuation funding.

Hit by new legislation

In 2007 new legislation hit us hard. We had always expected legislation to ensure that household electrical waste would be made

available to us in large quantities free of charge. We found instead that we were to be charged to take waste from organisations which had charged consumers to take it away. Then we found that these suppliers simply weren't providing us with enough items to put through our process. All of our investment was in equipment and premises which made downsizing impossible.

Hit by cashflow problems

By this point cashflow was extremely difficult. We were unable to sell capital items bought under the original grant. We were insolvent, but the future still looked bright. We had a depot that handled thousands of unwanted electrical appliances every day trying to get us the goods; and, by talking to creditors, accountants and other stakeholders, we were able to keep pushing on.

Hit by staff losses

Ultimately though, we only ever slowed down our losses. We lost a couple of staff that we couldn't replace (one of the drawbacks of trading through insolvency) and we lost our ability to turn that corner. We had to call in an insolvency practitioner and the business closed in July 2008.

Lessons learnt

- You have to take risks in business – ours were relying on legislation and being impressed by promises written on House of Commons notepaper - but make sure you really understand your risks and do all you can to mitigate them.
- If things are looking shaky, talk to as many people as you can, as early as you can. Remember, you can even trade through insolvency under certain circumstances.



Learning from failure

- Don't ever go quiet on your creditors. Make sure you have a good business plan you can share with them, and make sure it's realistic.
- Don't be afraid of accountants or insolvency professionals either, they're experts after all.
- Above all, be sure you understand which operating factors are critical to your income-generation. Ultimately every business has one or two 'must haves'.

There's no shame in failure

I would say there's no shame in failure, so long as you do all you can to create a success. We gave it our all until the moment came when there was no more that could be done. I was still getting calls from people wanting to sell our goods four months after we shut!

Looking to the future

Fortunately, because they were well trained, the majority of the staff were able to find jobs again quite quickly. Personally, I intend to continue working with, and for, social enterprises and using my experience of transitioning charities into trading enterprises. **se**

MAKING CONTACT

Laurence Green | l.green@socialenterprisewm.org.uk

i **Laurence Green** has now joined Social Enterprise West Midlands (SEWM). His role involves brokering skills development for business advisors working with social enterprises as part of SEWM's Social Enterprise Centre of Expertise.

Public sector contracts are important for some social enterprises, but winning them is not easy. **SE** asked JENNIFER INGLIS, whose consultancy **More Than Outputs** offers training in selling to the public sector, for some advice.

Photo: © Philip Dyer | Dreamstime.com

Winning contracts

Why do you think some social enterprises find it challenging to win public sector contracts?

The public sector marketplace is massive and diverse; from local authorities to primary care trusts, from schools to probations services to the Learning and Skills Council. What is bought in (commissioned) changes all the time; pressure on resources and changes to policy affect the places contracts are advertised, the specification and size of contracts and decision making criteria.

As a supplier to the public sector, general business skills are important. However, for some social enterprises that's not enough because what they offer is not neatly aligned to what the public sector asks for. They may offer 'added value', eg of employing people with a labour market disadvantage, they may offer a joined up service or they may be small suppliers in comparison with the scale of contracts.

What is it that makes social enterprises attractive to the public sector?

In terms of policy, it is their social purpose and the fact that their social purpose is more important than private profit distribution. Government continues to be positive about social enterprise as a concept because there are examples of social enterprises that have been innovative or delivered added value.

Nonetheless, in terms of contracting, social enterprise suppliers are only attractive if they are able to deliver what is being asked for by the public sector body at the required quality, on time, at a competitive price. In a competitive situation, a public body is only allowed to evaluate offers based on criteria that they publish at the start of the tendering exercise.

What are the common mistakes social enterprises make when going for public sector contracts?

Being too passionate about what they do or what their client group needs and ignoring what their public sector customer has asked them to demonstrate. You can only deliver added value if you win the contract.

Bidding without really considering whether it's for them – ie bidding for work that they are not capable of delivering, when there is inadequate time to prepare the bid, or where they would be better to go in as a subcontractor or in a consortia.

What are your top tips for success?

Know your market. Take time to research your customers and your competitors. What is the likely size and scope of contracts you are interested in, when will opportunities next be advertised, who decides what goes in the specification, who won it last time, how might government policy affect future contracts?

Know your selling points – be clear about how your services meet or exceed requirements and the criteria that will be used for scoring. If you think you offer added value look at measuring the value of it, then consider whether you want to offer it as an extra or try to influence the scope and specification of future contracts.

Be proactive but patient. Don't just wait for opportunities to be advertised, network and show off what you do. But don't expect immediate results, you may need to talk to several different people in a public body before you find one who is interested or can help you.

How do you find out what opportunities are available?

Opportunities are widely published on the web. You can register on www.supply2.gov.uk, giving you free access to low value contracts within a County of your choice, and www.supply2health.nhs.uk for low value health sector contracts. However, check that your targeted local authorities use supply2gov. Not all do. Those offering only high value contracts, like Department of Work and Pensions, use their own websites. By going to <http://ted.europa.eu>, you can find out what sorts of larger contracts public bodies have let over the last few years and who won them, as well as view notices of current larger opportunities.

Use networks and research to try to anticipate what is coming up – once an opportunity is advertised there is only a short time to prepare your bid. **se**

MAKING CONTACT

Jenni Inglis | jenni4inglis@gmail.com | 07515 252 419

i More Than Outputs currently has funding from Capacitybuilders to offer training and support to social enterprises to help them improve their success at selling to the public sector. Support includes the 'Winning Contracts' workshop and two day training to analyse and demonstrate added value.

What do Concept Catering & Conference Centre and the Radisson SAS have in common? They are two of only four venues in Birmingham to have scored top marks in the city council's prestigious 'H' for Hygiene awards. **Mark Ellerby** of Concept talks to **se**.

The Concept Catering & Conference Centre was set up in 2006 by RNIB (Royal National Institute for the Blind). Mark joined the team as Project Manager in 2007. Concept offers sustainable employment, vocational training and work experience to blind and partially sighted people, working alongside sighted colleagues.

While there may be a temptation to think that social enterprises – in particular social firms which set out to employ people with a wide range of mental and physical disadvantages – offer a 'good try' in terms of products and services, but not the best, Concept Catering is proof that's not the case.

"Excellent service, good quality ingredients and food with flair have always been the driving factors behind the business," Mark explains, "in addition to the desire to break down barriers and change perceptions of what's possible."

And the recipe has clearly worked, Concept is a viable business and attracts around 8,000 delegates a year.

Concept has also started to offer a hot lunch menu to external organisations – a drop off for small gatherings or an on-site service for larger events – and Mark is keen to grow this side of the business. "By catering for events or providing an in-house café, we are offering businesses a chance to exercise Corporate Social Responsibility as well as increase the opportunities for training and employment for blind and partially sighted people. The Environment Agency has taken on trainees as a result of working with us.

"As a not-for-profit organisation, we can offer very competitive prices for top quality catering and conference facilities, potentially enabling commercial companies, social enterprises or public sector bodies to go ahead with



Chop chop: Martin Pugh, Assistant Chef, and Jo Miller, Chef, get lunch on the go

events they may otherwise have had to cancel in the current economic climate. We can accommodate up to 90 people over four rooms at our Conference Centre in John Bright Street, Birmingham."

Concept serves high quality, locally-sourced, seasonal food, which is freshly prepared and uses Fairtrade and organic ingredients as far as possible. "The food and the venue are memorable parts of a conference or event," says Mark, "and can make or break it. From the outset, I wanted to ensure that we offered a warm welcome, food that's a little bit different, and an unobtrusive, efficient service – with no hidden extra costs for hiring equipment or setting up a room. That way event organisers and delegates can concentrate on what they are here for, rather than on the housekeeping."

But the real proof is in the eating, as the saying goes. Simon Lee, solicitor at Anthony Collins Solicitors says: "We have used Concept for several events now, including a lunch for the whole office, because we like to support social enterprise where we can. We have always been impressed. There is no concession on the quality of the food or the service – both are excellent."

Mark is concerned that, in general, people underestimate what blind and partially sighted people can do. "We always take the opportunity to talk to our customers and their delegates about the menu for the day and what our business is

all about," he says. "If they experience what blind and partially sighted people can do, then we hope it will encourage them to think more positively about people with a range of disabilities and be more inclusive in their own recruitment policies."


Concept currently employs four permanent staff and is about to recruit a fifth. It has three to four trainees at any one time and is aiming to increase that number to eleven in the near future. All the staff have basic food hygiene certificate qualifications and their manager, Jo Miller, has just achieved advanced certification, which is unusual within the catering industry for an organisation the size of Concept. She is now going through training to enable her to deliver food hygiene training herself. Mark explains: "We are a leader not a follower. We are rapidly becoming a Centre of Excellence for food hygiene and quality. We don't expect our customers to lower their standards because they are dealing with a social firm and we certainly won't be lowering ours." **se**

MAKING CONTACT

Concept Catering & Conference Centre |
0121 665 4250 | concept.conferences@rnib.org.uk |
www.rnib.org.uk/concept

i RNIB has now joined forces with Action for Blind people, who will be providing support for Concept over the coming years.

Disability is no barrier to excellence



RECIPE for SUCCESS



RISKY BUSINESS

Do you know what you're doing, or are you at risk?

The number of employment tribunals arising within third sector organisations is known to be significantly disproportionate to the overall UK workforce – at least three times greater than within the private and public sectors. The consequences of not complying with all aspects of employment law can lead to serious loss of valuable time and money, as well as distress, anxiety and distraction from purpose for all those involved. We asked **Jan Golding**, MD of Roots HR CIC, to give **se** readers a few helpful pointers.

People are often the most important asset a social enterprise has, yet most third sector organisations cannot afford a dedicated human resources practitioner or department. Founders and managers stumble through what can be a minefield alone and, judging by the statistics for employment tribunals, they need help!

Tribunal facts and figures

The voluntary sector is the largest per capita user of the Employment Tribunal system – employment law solicitors estimate that 25% of all tribunals are

generated by the voluntary sector in spite of the fact that the sector employs only 2.1% of the UK's workforce.

Whilst claims such as unfair dismissal are expensive to defend and distressing for all involved, there is at least a cap on the amount that can be awarded and a standard calculation for this. The bigger risk is an employee linking their claim to discrimination and alleging that their case has arisen because of their sex, age, race, religion or any other protected category. Discrimination claims are unlimited and include compensation for injury to feelings. In either case the damage to reputation can also have a knock-on effect financially.

With a little professional advice and guidance, you can put measures in place to avoid all this. Let's start at the beginning.

What exactly are 'human resources'?

Human resources (usually abbreviated to HR) are the people that staff and operate an organisation. In the broadest sense managing human resources includes the following:

- Resourcing people – recruiting, redeploying or downsizing.
- Motivating people to perform, for example through appraisal.
- Rewarding people through pay, benefits and other means.
- Ensuring appropriate learning and development.

All of this activity has to be implemented within the framework of UK and European employment law.

Checklist for compliance

- New employees, including part-time or casual workers, should be issued with a statement of terms and conditions within two months of their start date.
- If you engage people to work with vulnerable adults, young people and children, use the Criminal Record Bureau disclosure system. Have a policy to ensure fair treatment in this area and make sure you comply with the requirements of the Independent Safeguarding Authority (ISA).
- If you offer work to volunteers, issue a volunteer agreement setting out expectations and stressing there is no mutuality of obligation between your organisation and the volunteer.
- Pay volunteers for genuine expenses only – never make a set payment for attendance.
- Create job descriptions for employees and role descriptions for volunteers. Keep these updated, agreeing any changes as they become necessary.
- Ensure employees take breaks in line with the Working Time Directive.
- Set objectives for both employees and volunteers and review progress against these.
- As the number of people you employ grows, (or sometimes to secure funding or to satisfy commissioners), you will need a range of basic human resources policies to ensure fair treatment and consistency of approach. Roots HR recommends as a minimum: Health and Safety (if five employees or over); Equal Opportunities and Anti Discriminatory



Photo: © Karen Kilbride

“People are often the most important asset a social enterprise has, yet most third sector organisations cannot afford a dedicated human resources practitioner.”

Procedure for handling dismissals

In view of the current climate, social enterprises may be forced into cost cutting by reducing workforce via redundancies, performance management or natural wastage. Dismissal, for whatever reason, carries the risk of being found unfair by an employment tribunal, with associated distress and cost. Ensure you dismiss legally, in every situation.

- Follow an appropriate, fair and reasonable process, before making a decision – take advice if you do not have a current policy or require training in this area.
- Ensure your decision cannot be construed to be influenced by any discriminatory factors, such as age or race.
- Confirm the decision in writing and offer the right to appeal.
- Learn from events for future situations.

Practice; Absence; Maternity, Paternity and Adoption; Disciplinary; Grievance; plus Data Protection, Acceptable IT Usage if these apply to your work and Employment of Ex-Offenders, if you work with vulnerable adults and children.

- Avoid making ad hoc arrangements with individual employees about start and finish times, working from home, breaks, job content, payment etc unless you could offer the same arrangements to all employees. Such arrangements often result in allegations of favouritism and even discrimination, leading to grievances, disputes and risk.
- Advertise all vacancies, even if only internally – and never appoint an employee without a selection process to test them against the minimum criteria for the role.
- Forecast now for pension requirements when Personal Accounts are introduced in 2012 – any three year contracts

you may bid for will need to take the cost of these into account.

- Keep clear records of all decisions taken about individual employees and keep your personnel records filed in accordance with the Data Protection Act, whether manual or electronic – in a locked file or password protected. **se**

MAKING CONTACT

Roots HR CIC | 01562 632626 | www.rootshr.org.uk

i **Jan Golding** established Roots HR CIC in January 2009. It is the first, and currently only, specialist provider of human resource services on a not-for-profit basis in the UK. Roots HR's social purpose is the improvement of people management within the third sector, with an overall aim of reducing the tribunal rate and freeing up management time and financial resources for service delivery and beneficiaries. Jan is a Fellow of the Chartered Institute of Personnel and Development, an approved consultant to the National Council for Voluntary Organisations and an approved supplier on Business Links West Midlands' Supplier Register.

Start-up HR packages: consultation

Roots HR is currently consulting about the provision of a cost-effective, standard human resources and health and safety package for start-up or very small organisations, tailored to individual requirements. This package will be presented in a 'ready to use' format.

If you would like to take part in the consultation go to www.rootshr.org.uk/index.php?id=46 and complete the online questionnaire. Everyone who does so will be entered into a draw for an organic fruit and vegetable hamper from Goodness Direct.

“Generating trade income through our social enterprise services is crucial to us.”

Sporting ambition

Trading to achieve sustainability

Sport 4 Life UK, which delivers sports and exercise programmes for disadvantaged communities across Birmingham, is looking to seriously scale up in size, income and scope and is using social entrepreneurship to make it happen. **SE talked to James Forrest, its founder, to find out more.**

Sport 4 Life UK (S4L) exists to change lives through the power of sport and it was established, as many value-driven organisations are, in response to a clear need for its services. James Forrest, one of two brothers that now run S4L, explains how it came about: “Post-University, I was adamant that I didn’t want to join, sheep-fashion, the flocks of corporate graduates in London. I had a Dragon’s Den-fuelled curiosity about the challenge of business, and I was passionate about sport. And then all it took was seeing two kids kicking a cola can around a local park’s dilapidated sports pitches to push me over the edge into the world of social enterprise.”

As the lack of sport provision for disadvantaged communities was a

citywide issue, James, along with brother Tom, was determined to address the problem by setting up an enterprise that would make organised sport available to all. In 2006, S4L was registered as a company and charity, and it went on to successfully win several grants enabling it to deliver numerous sport and exercise activities in areas right across the city. It is now looking to diversify its income to help it achieve long-term sustainability.

James says: “I always wanted S4L to be able to grow, to extend its reach and influence, and to benefit more and more people every year, although in the early stages I didn’t really have a specific plan on how to achieve this. Grants and donations proved a really good starting point – they enabled us to ‘find our feet’, to start up small-scale activities and to build a reputation – however I quickly discovered the pitfalls of the grant system: the short-term nature of funding, the difficulty in achieving full-cost recovery let alone a mark-up, and the never-ending cycle of constantly writing application forms. From that point on we explored options for trading, and took small-steps towards setting up our social enterprise services. The services are by no means fully developed and we still have a long, long way to go, however they have enabled us to increase our turnover, diversify our income streams, and bring stability to our financial position.”

Despite enjoying success, James knows that securing contracts to create trading income isn’t an easy task. “Our main challenge is the lack of large-scale contracts for the type of work we do,” he says, “if there aren’t any contracts how can you win them? Instead we have acquired lots of smaller scale contracts, which on the one hand have been easier and less bureaucratic to win, while on the other they have been time-consuming and logistically challenging to organise and maintain.

“We plan to always earn income from both grants and trade income. However, our approach towards grants has changed significantly over time – we now focus very clearly and specifically on achieving the ACEVO (Association of Chief Executives of Voluntary Organisations) model of full cost-recovery, ensuring all budgets are robustly priced, and we shy away from grants that require services delivered to be subsidised with one’s own finances. In this way we are able to sufficiently cover our company’s core expenditure, while simultaneously achieving our charitable outcomes – a win win scenario!

S4L has found generating trade income to be a really rewarding path to go down. James says: “It has helped us to begin to hone our skills in marketing, sales, and customer service, it has forced us to learn



Photos courtesy of Sport 4 Life (photographer unknown)

Sporting chance: Young footballers benefit from a coaching session courtesy of Sport 4 Life UK

more about market position, competitor analysis, and business planning, and it has taught us to not be afraid of the financial value of the social enterprise (and charitable) services we provide. It has also helped us diversify our income streams and increase our turnover."

Starting to generate trade income is a big strategic step for many organisations and, as for S4L, will involve a steep learning curve. However, as James says: "If an organisation wants financial stability and to expand, trading seems a natural choice to make."

S4L now employs four full-time and three part-time members of staff. Its

board is currently developing a four-year strategy in line with the development of the London Olympics, which will inform a coherent and ambitious business plan. One of the key targets is to generate a turnover in excess of a quarter of million pounds for 2009.

He adds: "We have a range of different strategic ideas for the future and it is difficult to say at this stage which will prevail, as we are still in the research and brainstorming stage. Nonetheless one thing is sure – we have set our sights on further excellence, further growth, and ultimately more sport for more people in Birmingham." **se**

MAKING CONTACT

Sport 4 Life UK | www.sport4life.org.uk
ACEVO | www.acevo.org.uk

S4L's social enterprise services include...

- **Smoothie Bike Hire** – an innovative initiative offering the rental of an exercise bike that powers a fruit smoothie blender – which has proved particularly popular with schools.
- **Sports coaching services** to bodies including councils, primary care trusts, housing associations and charities.

"Generating trade income through our social enterprise services is crucial to us," says S4L's founder James Forrest. "It enables us to reduce our vulnerability to funding cuts, it provides an avenue for expansion that grants can't provide, and importantly it means that we can supplement charitable income from donations and grants with income from trading, meaning we can do more with the money we are donated."

**Team player:** Member of the All Nations Football League, run by Sport 4 Life UK

On the right route

Boosting the BME third sector

At the end of March 2009, the Routes to Opportunity (R2O) programme came to a close but it will leave a lasting legacy within the West Midlands' BME third sector. **SE** talks to Joy Warmington, Chief Executive of brap, which delivered the successful programme.

The R2O programme was launched in 2007, with £1 million of funding from Advantage West Midlands, and the aim of boosting black and minority ethnic (BME) third sector activity in the West Midlands. It has delivered tailored and culturally sensitive support to BME owned, managed or focused organisations with social aims, to enable them to compete more effectively for public sector contracts and ultimately become more sustainable.

The programme reached a tremendous number of BME voluntary and community organisations and assisted 500 with bespoke support, including help with finances, system development, business planning, policies and procedures, market analysis, and leadership and governance. As part of the programme, brap also delivered leadership mentoring, networking opportunities, and one-off events covering issues including full cost recovery, tendering, marketing and impact.

Joy says: "The key success of R2O has been in understanding the sector and the environment in which BME third sector organisations operate – this is brap's core business.

"Recent research conducted by brap has revealed that if BME third sector organisations – which for the most part have been grant funded – do not develop the skills and partnerships to tender for new and existing opportunities, they will disappear. This would be catastrophic given the vital role BME organisations have in delivering services to the most disadvantaged communities.

"Through the programme we've been able to provide crucial support for many BME organisations and we hope that this will help them achieve sustainability and growth," says Joy, "but there are significant challenges still facing the BME third sector. One of the key lessons from the programme is that organisations are seeing a real difference between traditional 'capacity building' and this timed, goal orientated and structured business support.

"We have been encouraging our clients to think more like a business, to diversify income generation streams and focus on service delivery and tendering for contracts. What we are finding, however, is that commissioners would still prefer to offer contracts to one large body – as opposed to a plethora of smaller delivery organisations – which means that the BME third sector needs to focus on developing partnership and consortia bidding."

Although the R2O programme has come to an end, brap will continue to work with BME third sector organisations. It has recently developed a booklet, entitled *State of the BME Third Sector: Critical Issues*, which draws on its own research and gives a very immediate overview of its headline findings. The booklet places focus on issues relevant to third sector funders and commissioners of services, and highlights key facts including the shortfall between numbers of BME

organisations and the proportion of BME people in the West Midlands region.

brap is also supporting the development of a new network of BME social businesses in the West Midlands – the Collective. This will enable its members to connect with organisations doing similar work and take joint action to help excluded groups. It will also enable members to represent issues faced by excluded groups that they work with, share expertise and experience, stay informed about relevant policies and opportunities. Ultimately it will aim to enable members to drive the network, influence and change regional policy to ensure that BME social businesses and the people they work with are considered. **se**

R2O facts & figures

- 162 organisations supported with one-to-one intensive business support.
- 50 leadership interventions – 37 through leadership training and 14 through leadership coaching.
- 10 projects supported with one-to-one intensive marketing support.
- 12 one day workshops delivered.
- 5 rural networks created and 14 rural organisations supported.
- 5 organisations assisted to be BEST Network ready (Birmingham Education Skills and Training network).
- One regional network assisted.
- One consultancy network established.
- Over 500 organisations engaged.



Above: Child care nursery at Community Integration Partnership (CIP) in Birmingham. **Below:** A fitness session at Chinese Community Centre – Birmingham

Enterprises that have directly benefited from the R2O programme include...

Community Integration Partnership (CIP) – a charity based in Birmingham that provides support to women newly arrived in the UK to help with employment, training, computer literacy, parenting, language skills, and self-confidence. Previously CIP's main source of funding came from the European Refugee Fund, however this ended in December 2008 and so the charity had to look at ways to diversify its income in order to survive. Support from R2O has enabled CIP to develop a new business plan, portfolio of services, and a future direction, which will include the development of Ikike Women – a small social enterprise that manages bookings and conference facilities while providing placements and a learning environment for women.

OSCAR Sandwell – a pioneering organisation, based in West Bromwich, that offers support to those suffering from sickle cell anaemia, which particularly affects people whose families originate from the malarial parts of the world including Africa, the Caribbean, the Mediterranean, South East Asia, the Middle East, and the Far East.

The R2O programme has helped the organisation to implement software that helps it calculate full cost recovery. Sonia Lindsay, Chief Executive of OSCAR Sandwell, says: "Full cost recovery is increasingly the basis for all of our work and if we can get this right then we can improve our tenders and bids, our budgeting and income, and our overall business planning."

Chinese Community Centre – Birmingham (CCC-B) – the centre, run as a charity, has provided a focal point for Birmingham's Chinese community for over 30 years. It delivers services including advice and advocacy, health promotion, interpretation and translation, fitness and cultural activities, a homework club for 7-14 year olds, and training and education. Business support from R2O helped the centre to develop an understanding of what social enterprise is and how it can achieve sustainability as grant funding dries up. As a result it is now developing a health and social care social enterprise which will aim to generate income via public sector commissioning.



“Recent research revealed that, if BME third sector organisations – which for the most part have been grant funded – do not develop the skills and partnerships to tender for new and existing opportunities, they will disappear.”

RESOURCES

A range of R2O publications – including guidance for commissioners and case studies – are available free of charge at www.brap.org.uk

MAKING CONTACT

brap | brap@brap.org.uk | 0121 456 7400 | www.brap.org.uk

i brap is a charity concerned with equality and human rights. It works locally, regionally and nationally with individuals, communities and the organisations that service them to tackle racial discrimination, disadvantage and social exclusion.

In the current economic climate it is reassuring to know that you don't have to use sophisticated and expensive presentation techniques to get your message across. **John Chubb**, voice coach and speech writer, explains to **SE** that a few low key and user-friendly approaches could be just what presenters and audiences want.

Imagine this scene. You are attending a training or business event. You have signed in, had the coffee, got the name badge, scanned the goodies folder and you're ready for the off!

The presentation begins and the focus is a computer-generated set of graphics. The presenter talks you through the pages. He/she is fixed to the podium and moves only to work the keyboard. You spend a lot of time watching the back of a head. You can read the presentation faster than it is read out. Adding insult to injury, you have been given a copy of it. All of a sudden the attendance list becomes a fascinating item to peruse.

Familiar? Well it has become the industry standard, is predictable and unless the presenter is ace you are going to be bored out of your mind. Surely, there must be a better way?

Yes... and here are a few ideas to help social enterprises who may have a tight budget, staff nervous about giving presentations, and who want some ideas which are powerful, practical and persuasive – the rule of three!

Remember that *you – yes you* – are the presentation. Be yourself and build on this rather than being someone that you are not. A couple of hours of preparation and advice can make the world of difference, so that your gesture clusters and voice work for you.

Using objects as visual aids

We learn in different ways, but with presentations, we forget the potential 3D objects have to illuminate a message. I had the challenge of helping a client

promote insurance policies to the logistics industry. It is not easy to make such policies riveting, but I entered the meeting with a model Eddie Stobart truck. Here is how it went:

"I've got something for you which will stop this truck becoming this." I revealed a piece of mangled metal which I had retrieved from a scrap yard. The audience had a visual focus they could relate to. The insurance policy, in my hand, was the link connecting the truck to the scrap and the point was made. Simple but effective. It works particularly well if you have three items to tell your story.

Using stories to make your point

They say a picture is worth a thousand words. Taking it further, a story is worth a thousand pictures.

I was invited to give a presentation to a business meeting and the aim was to catch the audience's attention in twenty seconds. So this is what I did. A hundred people had walked in and were expecting a PowerPoint extravaganza. Instead, they were surprised to see a budget wooden easel purchased from IKEA. I pulled a cloth off the easel revealing a picture...

"Hi – bet you know who this

is! – (picture of Marilyn Monroe)

"Do you know what she did in 1952?

– pause pause pause (then revealing a high heel shoe from behind my back)

"She cut off a quarter inch of the left heel to exaggerate her walk.

"She died in 1962 in suspicious circumstances, but do you know what?

(revealing a mug with her picture on it from my behind my back again)

"I bought this in a department store in Wolverhampton last week.

"This lady, who maximized her walk in 1952, is still going strong on a mug in 2008 – welcome to *branding*! As Coco Chanel once said, "In order to be indispensable – you have to be different."

Phrasing – getting the best from the voice

It is often said that with first impressions, 55% comes from our appearance, 7% from what we say and 38% from how we say it, ie pitch, accent, resonance, intonation and phrasing. Try this simple exercise to see how you can work on delivery and become an Obama...

Normal delivery: "Anyone can become a successful manager. But, of course, the unprepared, the untrained, and those given too much responsibility before they are ready, will fail. That's what this morning's presentation is all about."

Now the professional delivery (chunking):

P = pause. **Bold print** = strong delivery.

"**Anyone** can become a successful manager. **P.....** But of course, **P..... the unprepared, P..... the untrained, P.....** (speed up) and those given too much responsibility before they are ready **PP..... will fail. P...** (really strong)... **That's** what this morning's presentation is all **about.** (raise voice)"

Rhetorical devices to sharpen the speech

Obama has raised the bar with public speaking, but he and his speech writer (aged 27 and drafting in a branch of Starbucks) know about rhetorical devices, which you can apply yourself. Here are a couple:

"What makes us free is what makes us safe, and what makes us safe is what will make us free."

Diane Abbott, Parliamentary debate on detention, 11 June 2008 – an example of reversal imagery.

"I didn't do that... You did that... And you should be proud of yourself."

David Cameron, Conservative Party conference, October 2007 – an example of the rule of three and puzzle-solution technique.

These devices give a punch to a presentation, are easy to deliver, can be used as publicity sound bites and can be motivational.

Using a few quotations

A few well-chosen quotations add an extra dimension to your presentations and some of the aura might rub off on you. Take care to choose them carefully so that they accord with the tone of what you want to achieve. Here are a few:

"Training is useful, but there is no substitute for experience"

Rosa Klebb – From Russia With Love

"Real integrity is doing the right thing, knowing that nobody's going to know whether you did it not."

Oprah Winfrey

"Hell – if that is all that is holding us up – I'll drive the rig."

Yul Brynner – The Magnificent Seven

"A gossip talks to you about other people. A bore talks to you about himself. A brilliant conversationalist talks to you about yourself."

W King – Canadian Prime Minister

A piece of cardboard and walking around the audience

Presentations come in all shapes and sizes and you may be asked to deliver in a location having few facilities and resources. This limitation can be turned into a powerful opportunity. Take an A3 cardboard sheet and print out a few key points. Now move around the room sharing the board with the audience. The communication becomes more intimate and powerful – almost a conversation rather than a presentation. The reverse side of the board acts as a crib sheet to remind you of what comes next.

It is cheap, can be readily made, is ideal for meetings and negotiations, won't break down and, of course, the attention is on you rather than a screen at the front. You want to have the impact and glory, not a gizmo from PowerPoint. This technique breaks down barriers between you and the audience. They feel more relaxed and you are more like yourself, rather than being a distant figure at the front.

Bringing it all together

So some final points to help make it all work. Catch the audience with a strong introduction – 'The Splash'. Don't put too much stuff in, have one key point, repeat it frequently, think about the concentration and energy levels of the audience and smile with the eyes.

Don't worry about forgetting things, don't talk too quickly and use the pause to add impact to your messages.

Help the audience to concentrate and remember that words to be heard are not the same as words to be read. That's the difference between constructing a presentation as opposed to drafting a report.

Have a strong final call to action, exude enthusiasm, be prepared to take risks and take confidence in that you have a good story to tell. Above all, think of the audience's perspective which is, "What's in it for me?"

Maximising what you say and how you say it



“You are the presentation. Be yourself and build on this rather than being someone that you are not. A couple of hours of preparation and advice can make the world of difference.”

Going forward

Verbal communication skills underpin everything we do in social enterprise, whether it be negotiating, marketing, meetings, customer care, appointments, tendering or staff development.

We tend to prepare for presentations by focussing on content, with delivery being the poor relation. Get the second wrong and the first is wasted. A couple of hours of professional support can give you the edge in your presentations and, like riding a bike, once you have learned it the skill stays with you forever. **se**

MAKING CONTACT

John Chubb | jc@younevercantell.co.uk | 07884 212 925 | www.younevercantell.co.uk

i John Chubb, from the motivational presentation company You Never Can Tell, gave one of the workshops at the Social Enterprise Fair in Birmingham in February 2009. He is a presentation specialist, based in Wolverhampton. His company has worked with social enterprises and regeneration projects on presentation skills for tendering, securing funding and developing community leaders.

Re-offending prisoners are a huge expense to the taxpayer, yet many ex-offenders find it difficult to get the training and employment opportunities they need to get a job and stay on the right side of the law. Social enterprises could be the answer, and the West Mercia Probation Trust is eager to work with them. **se** reports.

Many social enterprises provide employment and training opportunities to those disadvantaged in the labour market and this has captured the interest of organisations working with offenders. The West Mercia Probation Trust is one such organisation – it already has links with social enterprises across the West Midlands, and is keen to forge more.

The Trust operates across Herefordshire, Worcestershire, Telford & Wrekin and Shropshire. It supervises offenders who have been given a community order by the courts as well as those released on licence from prison. It seeks to protect the public, but also exists to rehabilitate offenders and delivers a range of behaviour programmes and specialist support services to help people stop committing further offences.

One way in which the Trust aims to reduce re-offending is through the employment of Community Link Workers. They carry out holistic assessments of offenders, looking at education, training, employment, housing, debt and motivation issues.

The Trust is also eager to help offenders secure training and employment opportunities, and like many other probation services across the region, believes that working with social enterprises will help it meet this aim.

Chandry Mistry, Employment Development Officer at West Mercia Probation Trust, says: "West Mercia Probation became a Trust on 1 April 2008. As a Trust we have greater independence and flexibility in the way we deliver services to meet local needs. We want to work with social enterprises locally that can help us support our core task of offender management and reduce re-offending.

"Re-offending costs the tax-payer thousands of pounds a year and this doesn't make commercial sense. We believe that by helping individuals to realise their potential and get



Straight and narrow: Scott Ward (left) and Treana Boden (near right) from 2nd Avenue recruitment with Sally Edwards (far right) from the West Midlands Probation Trust

Breaking the cycle of crime

Is social enterprise the key?

back into the labour market, we can not only benefit them, but also their families and their local communities.

"For many offenders, crime becomes the norm and offending behaviour works like a revolving door. When leaving prison, if they have no prospect of gaining a job or qualifications, they get back into debt and re-offending.

"We work to combat this by helping individuals gain qualifications and training, and change their behaviour and attitudes. We aim to offer a seamless progression into work experience placements then employment and this is where social enterprises can help."

The Trust has secured training, placement and employment opportunities with social enterprise Pack-IT in Hereford. It is also working with 7Y People and is in discussion with Adullam Homes Housing Association based in West Bromwich. "We're looking to create links with further social enterprises across the West Midlands," says Chandry, "to help us offer more opportunities for our clients. We believe that social enterprises are ideally placed to lead the way in supporting ex-offenders into work because of their commitment to social values and community benefit. We would like any enterprises interested in our work to get in touch."

The Trust has recently helped to set up a social enterprise in Shropshire called

2nd Avenue, which is mainly run by four former offenders whom the Trust has helped to rehabilitate. The enterprise, which is currently in the process of securing premises to operate from, will act as an employment agency for people with criminal convictions and will help them to start their own self-employed businesses. It will also aim to line up work for ex-offenders with employers and, ultimately, it is hoping to break the cycle of re-offending and make it easier for ex-offenders to become valuable members of their local communities. **se**

MAKING CONTACT

Chandry Mistry | chandry.mistry@west-mercia.probation.gsi.gov.uk | www.westmerciaprobation.org.uk

Pack-IT Hereford | 01432 351589 | info@pack-it-hereford.com | www.pack-it-hereford.com

i **West Mercia Probation Trust** works with people who have committed different types of offences such as burglary, violence, car crime and sex offences. It provides probation supervision, offending behaviour programmes and specialist support services which can stop people committing further offences.

Pack-IT in Hereford is the newest licence initiative of the Pack-IT Group, an award-winning social enterprise and social firm that offers storage, distribution, fulfilment and mailing services while employing people disadvantaged in the labour market. It is offering training, placement and employment opportunities for ex-offenders.

Legal structures explained

The choice of legal structure for a social enterprise depends on a number of factors: what the enterprise is set up to do, who will be involved in running it, whether or not those managing the organisation are to be paid, and the level and type of regulation to which it will be subject. These are the most commonly used structures for social enterprises:

Company Limited by Guarantee

Creating a limited company under UK law makes it a legally separate entity from its directors or owners, limiting their liability for debts in most circumstances should the company fail.

There are three types of limited company: private company limited by shares, private company limited by guarantee and public limited company. Social enterprises are usually private companies limited by guarantee, though some are limited by shares.

In the case of a company limited by guarantee the directors do not make any contribution to the capital of the company as they do not buy shares. Rather, their liability is limited to the amount that they each agree to contribute to the company's assets if it is wound up. This can be set at £1.

Limited Companies must be registered with Companies House and have a Memorandum of Association and Articles of Association. A company may be able to stay as it is, or to register as Community Interest Company or a charity (see below).

Companies' legislation generally allows one or more persons to form a company for any lawful purpose by subscribing to its Memorandum of Association.

Community Interest Company

A Community Interest Company (CIC) is a comparatively new type of limited company designed specifically for people who want to conduct a business or other activity for community benefit, not purely for the benefit of the members of the company. It is an optional 'add on' to the types of company referred to above, and so can be limited by guarantee or by shares.

The CIC Regulator must approve applications to form a CIC and has a continuing monitoring and enforcement role. A company cannot become a CIC if it is, or intends to be, a political party or a political campaigning organisation (or a subsidiary of either). Neither can it be a charity. It is possible for a CIC to convert to a charity, or vice versa, but the process can be complicated.

Community Interest Companies must be registered with the CIC Regulator and have a Memorandum of Association and Articles of Association. What differentiates them from other limited companies is that they must satisfy the 'community interest test' and have an 'asset lock'. The 'asset lock' prevents 'asset-stripping' or assets being passed as a 'windfall' to a private company, directors or members.

As with other forms of company Community Interest Companies can be set up by one or more persons.

Existing private companies limited by guarantee or by shares can apply to the CIC Regulator to be converted to a CIC, subject to fulfilling the necessary legal requirements.

Industrial and Provident Society

Industrial and Provident Societies (IPSs) are corporate bodies, with specific rules, which must be registered with the Financial Services Authority. Many IPSs are co-operatives as the structure incorporates statutory protection of the co-operative principles – for example, one member one vote. It is also a popular choice for Community Development Finance Institutions.

A minimum of three members is required to register and maintain an IPS, unless all members are themselves IPSs, in which case the minimum is two.

IPSs are permitted to issue shares to the public, so if a co-operative – particularly a community co-operative – wishes to raise funds from the public then the IPS legal form may well be the most appropriate one to choose.

Charity

A charity must have a purpose that is defined as 'charitable' in law and be set up exclusively to benefit the public.

Charities have a Governing Document, stating how they are to be run. They must be registered with and regulated by the Charity Commission if they have an income exceeding £5,000. Charities may be able to benefit from certain tax breaks.

To set up a charity you need to find a Board of Trustees, who will not normally be paid, to take legal responsibility for it.

Charities can only trade within certain limits. For that reason, and because a charity which is not also a company does not offer its Trustees limited liability, many choose to also become limited companies and their Trustees become Directors.

Some charities deal with the restrictions on trading by setting up a separate, but linked, trading subsidiary which can pass surpluses to the charity by way of Gift Aid.

Charitable Incorporated Organisation

The Charities Act 2006 introduced a new legal form of incorporation which is designed specifically for charities – the Charitable Incorporated Organisation (CIO).

At present charities which are also limited companies have to be registered with both Companies House and the Charity Commission. This means submitting accounts and returns to both. The CIO will combine the advantages of a corporate structure, such as reduced risk of personal liability, without the burden of dual regulation – only needing to register with the Charity Commission.

The Office of the Third Sector is currently in the process of consulting and agreeing the precise framework for CIOs and they are expected to become available in 2009. **se**

RESOURCES

Companies House | www.companieshouse.gov.uk
The Charity Commission | www.charitycommission.gov.uk
The CIC Regulator | www.cicregulator.gov.uk
Anthony Collins Solicitors | Simon.Lee@anthonycollins.com

trading knowhow



Knowledge is power

Social Enterprise West Midlands has launched an exciting new project called Trading Knowhow. Trading Knowhow will capture and share good practice in relation to the development of social enterprise in the West Midlands.

We are inviting social enterprises and other members to participate in the project and share its benefits...



study visits

Boost your profile and be one of ten social enterprises to host structured study visits for visitors from across the country. We're looking for inspiring examples to share their stories and insights.



picture library

Take advantage of free professional photography to better promote your business. We're compiling a royalty free picture library for our members to use and would like to hear from social enterprises that would like to be featured.



summer school

If you've been trading for more than two years, and are preparing for future growth, then our two day Social Enterprise Summer School for business leaders is designed for you. Taking place in late September, full details are available on our website.



good practice forums

We're looking to establish five good practice forums for our members to join and shape, bringing together valuable experience and expertise for others to learn from and adapt for their own use. Put forward your suggestions for topic areas.



flagship social enterprises

Be the cornerstone of our national PR campaign to raise the profile of West Midlands based social enterprises. If you're ambitious and see your business eventually joining the ranks of The Big Issue or Eden project we want to hear from you.



socialenterprise
WEST MIDLANDS

For more details on how to get involved in Trading Knowhow visit:

www.socialenterprisewm.org.uk

or call 024 7663 3911