

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: Greater Manchester Social Enterprise Action Group

DATE: 21st January 2020

FROM: Sir Richard Leese, GM Portfolio Holder for Economy

1. PURPOSE OF REPORT

- 1.1 This report provides LEP Members with information about the establishment of a Greater Manchester Social Enterprise Advisory Group, including its Terms of Reference and the recruitment process which is proposed for the Group.

2. RECOMMENDATIONS:

The GM LEP is asked to:

- i) Note the establishment of the Greater Manchester Social Enterprise Advisory Group
- ii) Consider the selection made by the recruitment panel for membership of the Group, which will be circulated by email after this meeting, providing comments and endorsement of the recommendations.

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1. INTRODUCTION

- 1.1 This report provides LEP Members with information about the establishment of a Greater Manchester Social Enterprise Advisory Group, including its Terms of Reference and the proposed recruitment process.

2. BACKGROUND

- 2.1 Social enterprises are businesses that reinvest or donate their profit to create positive social change. This allows them to tackle social problems, improve people's life chances, provide training and employment opportunities for those furthest from the market, support communities and help the environment.

Social enterprises exist in nearly every sector from consumer goods to healthcare, community energy to creative agencies, restaurants to facilities management. Figures provided by Social Enterprise UK¹ show that there are now over 2,400 social enterprises in Greater Manchester which are investing between £45-90m back into the region every year.

In Greater Manchester, social enterprises are flourishing, not only in comparison to other social enterprises but also compared to other business. 57% of social enterprises in Greater Manchester reported that their turnover increased in the previous 12 months compared with 47% of UK social enterprises and 34% of small and medium sized businesses.

There is a long history of activism round social enterprise in Greater Manchester. Rochdale saw the birth of the first co-operative shop, and social entrepreneurship is strong across many districts. Salford has been credited by Social Enterprise UK as a Social Enterprise City.

- 2.2 Publication of the Greater Manchester Local Industrial Strategy has provided a strategic driver for the social enterprise and co-operative sectors, as it states that Greater Manchester will create the optimum conditions for these organisations in the Greater Manchester economy.
- 2.3 In November 2018, the Mayor of Greater Manchester launched a Vision for Social Enterprise in Greater Manchester. He described how social enterprises should be a key element in the Greater Manchester economy.

3. ESTABLISHING A SOCIAL ENTERPRISE ADVISORY GROUP

- 3.1 Following the publication of the Local Industrial Strategy, during the summer of 2019, GMCA hosted two round table events with representatives from the social enterprise sector, the Chamber of Commerce and the Growth Company to explore how Greater Manchester can support social enterprises to thrive.
- 3.2 There was general agreement from these round tables that action is needed in the following areas:
- **Research** – a clear mapping and understanding of the social enterprise 'sector' in Greater Manchester.
 - **Campaigning** – for consumers to understand social enterprise, 'buy social' and gather collective support from business, universities and the public sector.

¹ <https://www.socialenterprise.org.uk/>

- **A pathway of support** – business support that is available to social enterprises at all stages of their development, including succession support.
- **Public and business sector procurement** – to enable more purchasing from organisations which will generate more ‘social value’ including social enterprises.
- **Identification of the market opportunities** – linked back to the Local Industrial Strategy, but also looking at young people in social enterprise and intergenerational support, for example.

3.3 The round tables also identified a need for further work to clearly define the conditions which would be needed for social enterprises to thrive in Greater Manchester, and to advise on actions which are needed to achieve these conditions.

3.4 A proposal was made by the sector that Greater Manchester should have a Social Enterprise Advisory Group established to lead this work, having an aim to ‘help create a social enterprise sector which contributes towards greater productivity, flexibility and agility that will see Greater Manchester become more competitive locally, nationally and internationally’.

3.5 Several other networks and groups exist across the social enterprise sector, and in discussion with sector leaders it was agreed that it would be clearer if GMCA convenes the Advisory Group in the same manner as the Business Advisory Panel. A Terms of Reference was developed for the Social Enterprise Advisory Group, which is contained at **Appendix 1**. This will be ratified at the first meeting of the Group, which is planned for early February.

It is proposed that the Advisory Group will meet quarterly, initially for a 12-month period. The LEP will be invited to nominate a member to attend Social Enterprise Advisory Group meetings, and the Chair or a member of the Advisory Group will be invited to report back on the Group’s work to a future Greater Manchester LEP meeting.

3.6 In discussion with the Mayor of Greater Manchester and the Portfolio Leads for Economy and Co-operatives, Community and Voluntary Sector, GMCA officers are supporting the recruitment of social enterprise leaders to the Advisory Group. Applications closed on 31st December 2019 and are currently being assessed.

A shortlist of candidates will be scrutinised by a panel consisting of Sir Richard Leese, as GM Portfolio lead for Economy, and Peter Holbrook, the CEO of Social Enterprise UK. Their recommendations will be forwarded to all LEP Members by email for comment and endorsement.