

**A PROFILE OF SOCIAL ENTERPRISES
ON ALSTON MOOR
AND THEIR
ECONOMIC, SOCIAL & ENVIRONMENTAL IMPACTS**

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Background to research project

Business with Altitude was designed to build capacity and a community of support for social enterprises in the Alston Moor area. Alston Moor has been described as a hot bed of social enterprises with a relatively large number of active, established social enterprises and also new emerging ones.

High Row Research was commissioned by Cybermoor Services Ltd (CMSL) to undertake a brief study designed to achieve section 3.4 of the Business with Altitude Delivery Plan. Namely to undertake a baseline assessment of the impact that the cluster of social enterprises has made on Alston Moor community, economy and environment.

CMSL provided contact numbers & addresses for fourteen social enterprises located within Alston Moor to be contacted within the study.

Alston Craftworkers Co-operative
Alston Goods Shed Trust
Alston Moor Community Transport
Alston Moor Fitness Club Ltd
Alston Moor Partnership
Alston Wholefoods
Cybermoor Services
Moody Baker Co-operative
South Tynedale Railway Preservation Society
Nenthead Community Shop
North Pennines Management Services
North Pennines Heritage Trust
North Pennines Heritage Ltd
North Pennines Archaeology

Research Objectives

The research objectives for the study were:

- To examine the economic, social & environmental impacts of identified social enterprises in Alston Moor.
- To assess the experiences and expectations of those working in these social enterprises.

Research Methodology

All social enterprises listed above were contacted by telephone to arrange an appointment. Subsequent in depth one to one personal interviews were conducted with identified individuals from all fourteen organisations. The interviews utilised a semi-structured questionnaire that had previously been designed to successfully evaluate the impact of Cumbria Community Foundation's Strengthening Rural Communities fund.¹

¹ More than jobs & training – an evaluation of the first year of the Strengthening Rural Communities Fund. May 2005. High Row Research.

SECTION 1: PROFILE OF FOURTEEN SOCIAL ENTERPRISES ON ALSTON MOOR

1.1 Legal Structure of social enterprises

The following table illustrates that nine social enterprises are companies limited by guarantee. Two are registered with the Industrial & Provident Society (IPS), two as private companies limited by share and one as a public company limited by share.

Structure of social enterprise	Number of organisations
Company limited by guarantee & co-operative	3
Company limited by guarantee & charity	3
Company limited by guarantee	3
IPS co-operative	2
Public company limited by share	1
Private company limited by share	2

1.2 Date formed

The earliest date reported for the formation of the social enterprises was 1983 by the South Tynedale Railway Preservation Society. The most recent formation has been Nenthead Community Shop in January 2007 – the shop is still to commence trading.

Year Formed	Name of social enterprise
1983	South Tynedale Railway Preservation Society
1987	North Pennines Trust
1998	Alston Moor Craftworkers co-operative Alston Wholefoods
2000	Alston Good Shed Trust Alston Moor Community Transport
2002	Moody Baker Cooperative
2003	Alston Moor Fitness Club Ltd Cybermoor Services North Pennines Archaeology Ltd
2004	North Pennines Heritage Ltd North Pennines Management Services Alston Moor Partnership
2007	Nenthead Community Shop

1.3 Number of jobs supported by social enterprises

The distribution of jobs created is spread unevenly across the fourteen social enterprises. Two social enterprises – Alston Goods Shed Trust and Alston Community Transport - reported that they did not employ any staff whether full or part time, but relied on volunteer labour to staff their project.

Of the twelve who have staff, the number of positions supported range from one part time post within the Alston Moor Partnership to fifteen full time positions within North Pennines Archaeology Ltd. As the following tables illustrate the twelve social enterprises employ a total of 44 part time staff (30 females) and 36 full time staff (18 females)

Part time positions	Number of posts
Part time male	15
Part time female	30
Total number of part time jobs	44

Full time positions	Number of posts
Full time male	18
Full time female	18
Total number of part time jobs	36

1.4 Turnover

The social enterprises reported their most recently available annual turnovers. These are listed in the table below in descending order ranging from £1.2 million (North Pennines Heritage Trust) to £0 (Nenthead community shop who will commence trading shortly)

Name of social enterprise	Turnover £
North Pennines Heritage Trust	1.2million
North Pennines Archaeology Ltd	325,000
North Pennines Heritage Ltd	260,000
Cybermoor Services Ltd	250,000
North Pennines Management Services	240,000
South Tynedale railway preservation society	140,000
Alston Wholefoods	85,000
Moody Baker Co-operative	80,000
Alston Moor Partnership	50,000
Alston Moor fitness club	27,200
Alston craftworkers co-operative	11,000
Alston Goods Shed Trust	5,000
Alston Moor community transport	3,100
Nenthead community shop	0

The combined turnover of the fourteen social enterprises on Alston Moor is £2,676,300 although as the above table reveals, this figure is skewed by six high income organisations with turnovers between £140,000 to £1.2million.

When these six enterprises are excluded along with Nenthead community shop who have not commenced trading and report a turnover of £0, the seven remaining social enterprises have a combined turnover of £261,300.

1.5 Accredited & Non accredited training within social enterprises

All fourteen organisations were asked to identify the number of accredited & non-accredited training places that had been supported by their enterprise during the previous 12 months. In several instances respondents were somewhat ambiguous with their replies, as they were unsure when training had occurred and whether or not it was accredited or non-accredited. The figures below should therefore act as a guide to the level of training within Alston Moor social enterprises but can not be relied on for 100% accuracy.

Number of social enterprises	Number of accredited training programmes supported
5	0 places supported
5	2 – 10 places supported
1	11- 50 places supported
1	1,050

Number of social enterprises	Number of non-accredited training programmes supported
10	0 places supported
3	2 – 10 places supported
1	350

The enterprise reported in the tables above which supports large numbers of training places – 1,050 and 350 respectively - is North Pennines Management Services who stated:

“We are the accountable body for Cumbria Social Enterprise Partnership who provide training services to 400 business who employ over 3,000 people with a turnover of £232million between them. We have supported 1,400 training/learning places over a 12 month period, 75% of which were accredited”

SECTION 2 – IMPACT OF THE SOCIAL ENTERPRISES

2.1 Beneficiaries of the social enterprises

Respondents were asked to identify the beneficiaries of their project. The range of responses received indicates that the benefits of the social enterprises are broad and dispersed throughout all sections of the Alston Moor community and beyond.

“Apart from 22,000 visitors we provide activities for both retired people and the younger hobby market”

“We have 106 shareholders and will be used by all the community or people passing through”

“1,200 households received a P.C., 370 households have broadband. If there are an average of 3 people in each household, that is a lot of people of all ages and backgrounds”

“Last year we did 169 trips which equals 1,378 people and 18,146km. Many users are socially excluded and unable to use public transport”

“26 local craftworkers and those who buy the goods, locals and visitors”

“400 members and the general public across the North of England”

“600+ paying members of all ages, male and female, including those on Doctor’s prescription and young people sessions”

“Alston Moor residents. The partnership wants to invest in trading arms to generate capacity in skills and income”

“Anyone, local or visitor old or young”

“We provide income to the Trust through commercial aims”

“We carry out conservation projects and commercial work”

“Local people, visitors, staff, local producers, healthy eaters”

“Provide training services to 400 businesses who employ over 2000 people with a combined turnover of £232million.”

“Seasonal visitors and all year local trade”

2.2 What has gone well with the project

Respondents were asked to state what they believed had gone well with their project and to identify any positive effects and identified a range of features that had contributed to their project’s success:

“We have received the backing of the village”

“The project has been effective in community engagement. We have reached all sectors of the community, particularly low income groups who would not have had these services”

“It has enabled community groups to do what they would not have been able to do otherwise”

“All ages use the facilities, many of whom are economically or in some other way disadvantaged”

“We have responded to customers needs regarding diet and their healthy eating requirements. We adapt the stock and order anything that they need”

“We have gone from nothing to a very successful tourist attraction”

“It has been good to share equipment and link with Cybermoor”

“We have gone from strength to strength. We had very bare facilities when we started. Some people loaned items but mainly they have been donated by local people”

“We have a steady base of users who benefit from regular exercise. It is not just about fitness. The social aspect is a big draw. People come to see their mates not just exercise”

“We improve the quality of life for those who suffer various ailments”

“It’s brilliant for the staff”

“We provide nutritious, good quality food and use local suppliers when possible”

“The conservation & restoration of sites which are now open to all the public”

“The money we have raised goes back into the local economy. We employ local workers”

“The company is very profitable therefore the trust benefits”

“Job creation – we have taken on lots of extra staff”

“Outputs have been achieved as a result of training in terms of delivery of the Cumbria Social Enterprise action plan”

“The project has been used as an exemplar for use by other communities. It has had an effect on national and EU policy”

“People cement their relationships when they travel together and share experiences. They chat more to people they wouldn’t otherwise meet”

“On a wider scale we have been involved with high profile policy dealings talking to the Government to shape how to do this. We have also had dealings with the District & County Councils to see how they deliver services therefore everything is much bigger than the project itself. People have come to see what is happening. The Rural Development Agencies have looked at the model to learn from it”

2.3 Social, economic and environmental outcomes

Many social enterprises face a continuing problem demonstrating the success of their projects. Standard economic indicators such as those reported in section 1 regarding number of jobs supported and turnover, are often inadequate for measuring their value. Frequently, social enterprise activities have a range of unmeasured social, environmental or economic impacts, which are highly effective in producing a multitude of positive outcomes. Previous research evaluating the impact of Cumbria Community Foundation’s Strengthening Rural Communities fund identified a range of positive social, economic and environmental outcomes.

These outcomes were included in the questionnaire utilised in the interviews with Alston Moor social enterprises. All were requested to rate the impact of specified social, economic and environmental outcomes for their project on a scale of 1 to 5, with 1 indicating a considerable impact to 5 indicating no impact at all. The following tables present the outcomes and impact ratings using the statistics recorded for 1 or 2, which represent “a considerable impact”, and “somewhat of an impact” respectively.

2.4 Social Impacts

The figures in the three right hand columns present the percentage of social enterprises reporting their project had the specific social impact stated. The far right hand column totals the responses for 'considerable impact' and 'some what of an impact'. The figures highlighted in red are those with the largest number of organisations recognising the specific outcome. All of those interviewed believed they *'provided services that would not otherwise be accessible by local people'*. 92.9% considered that their social enterprise *'improves the quality of life for individuals'*.

Our project.....	Social Impacts	Level of impact		Total %
		Considerable Impact %	Somewhat of an impact %	
Provides services which would not otherwise be accessible by local people		85.7	14.3	100
Reduces the extent of social exclusion		50.0	28.6	78.6
Reduces the extent of rural loneliness and isolation		35.7	28.6	64.3
Improves social opportunities		28.6	35.7	64.3
Improves leisure & recreational opportunities		35.7	7.1	42.9
Improves levels of communication within the community		28.6	28.6	57.1
Develops networks across generations		50	14.3	64.3
Increases peoples confidence and sense of self worth		64.3	14.3	78.6
Strengthens community co-operation and networking		35.7	21.4	57.1
Helps people build new skills		71.4	7.1	78.6
Provides work experience		57.1	7.1	64.3
Helps people gain control over their lives		42.9	21.4	64.3
Helps people to remain independent		42.9	28.6	71.4
Improves the quality of life for individuals		64.3	28.6	92.9
Encourages healthy living		42.9	21.4	64.3
Creates a strong sense of community identity		21.4	28.6	50
Works closely with other social enterprises		42.9	42.9	85.7

2.5 Economic Impacts

The figures in the three right hand columns present the percentage of social enterprises reporting their project had the specific economic impact stated. The far right hand column totals the responses for 'considerable impact' and 'somewhat of an impact'. The figures highlighted in red are those with the largest number of organisations recognising the specific outcome. 92.9% of respondents believed their social enterprise *'increases spending in the local economy'* and *'increases income into the community'*.

Our project:.....	Economic Impacts	Level of impact		Total %
		Considerable Impact %	Somewhat of an impact %	
	Provides cost savings for the delivery of public services	28.6	7.1	35.7
	Increases local employment opportunities	64.3	7.1	71.4
	Increases local training opportunities	50	21.4	71.4
	Increases spending in the local economy	71.4	21.4	92.9
	Helps to develop local community enterprises	50	28.6	78.6
	Increases custom for local businesses	57.1	28.6	85.7
	Increases income into the community	71.4	21.4	92.9
	Challenges conventional service delivery	50	7.1	57.1

2.6 Environmental Impacts

The figures in the three right hand columns present the percentage of social enterprises reporting their project had the specific environmental impact stated. The far right hand column totals the responses for 'considerable impact' and 'somewhat of an impact'. The figure highlighted in red is that with the largest number of organisations recognising the specific outcome. In this case 85.7% of social enterprises reported that their organisation *'helped to improve the environment'*

Our project:.....	Environmental Impacts	Level of impact		Total %
		Considerable Impact %	Somewhat of an impact %	
	Helps to improve the environment	50	35.7	85.7
	Involves the community in environmental improvements	14.3	7.1	21.4
	Makes people feel more positive about where they live	28.6	21.4	50
	Raises enjoyment of local heritage	42.9	21.4	64.3
	Provides a quality of experience for visitors	35.7	7.1	42.9
	Develops a sense of local identity and belonging	14.3	50	64.3

2.7 Negative feature of projects

Respondents were asked if there were any negative effects associated with their project. The predominant issues reported which constrains projects concerns bureaucracy and funding when the organisation is reliant on grants.

“Funders are continually moving the goalposts”

“Bureaucracy is a nightmare. Red tape everywhere and you have to comply. You can’t get out of it”

“Battles with bureaucracy and funding”

“We were successful getting money from CRISP. Agreement was in December but we still don’t have the money in the bank”

“Grants are fine but getting them is a great problem”

“Although we don’t get grants, the carry on we have is the same. We have Service Level Agreements with the North West Development Agency. Our big problem is continuity of those contracts”

“The time span of funding. We have to claim retrospectively and for any small business this is horrendous”

A second problem identified by several respondents concerned project’s dependency on volunteer time and the lack of individuals prepared to get involved:

“The problem is that too few people end up doing too much”

“Volunteer burn out. They just get fed up of being taken for a ride”

“In small communities getting people to push things forward is a problem”

“We had lots more people involved but they have had enough over time”

“We need new people to invigorate the project”

2.8 Working in social enterprises

Respondents were asked to comment on their experiences and expectations working in social enterprises. The interviews explored opinions regarding the differences or similarities working in this type of organisation compared to a conventional business. In general respondents held positive views of working within social enterprises:

“It is much better experience. I work better in a co-operative because I don’t like being bossed around. We all have a hand in the business”

“People are more committed and it impacts on the effort they put in”

“I like the chance to mix with local people”

“The team feel they are doing stuff for the local community. It gives them extra incentive to work, not just for money. There is a lot of good will to what we do”

“The people involved are very committed on a voluntary basis and that speaks for itself”

“Social enterprises allow people not normally involved in business to do so”.

“Because they have social aims as well as economic aims they allow people to develop business skill”

Although the majority of comments regarding working in social enterprises were positive there were some critical observations:

“We have meetings to talk about what we are going to do but then things don’t get done”

“Things can be a bit indecisive and things don’t get done or changed”

“The downside of co-operatives is that we are all equal which means no boss tells us what to do”

“I would say there is often disorganisation and lack of foresight. A lack of drive which is possibly an organisational problem with a small project

Some respondents were critical at distinctions drawn between social enterprises and conventional businesses.

“We are a business like any other business and as such we are run as such”

“Why should we be different to other businesses? We put profits back into the community and that is what they are – profits”

“As we compete with other businesses we have to be more conventional in business terms and rebalance our social objectives against commercial ones”

“We must be more commercially focused even if it means charging at commercial rates. People now pay for services which used to be free”

SECTION 3 – SUMMARY OF RESEARCH FINDINGS

This report presents findings arising from a brief research project designed to achieve the following objectives.

- To examine the economic, social & environmental impacts of identified social enterprises in Alston Moor.
- To assess the experiences and expectations of those working in these social enterprises.

The results may come as a surprise to some who have a picture of the social enterprise sector as something 'unprofessional'. In fact, the social enterprise sector on Alston Moor emerges as a significant economic player. The number of social enterprises in the Alston Moor area has show significant growth since the year 2000. Several organisations employ growing numbers of staff, forecast increases in annual turnover, and have the capacity to pull financial resources into the area. In this respect the social enterprise sector has the same needs and responsibilities as conventional businesses, a point raised by several respondents who recognise the necessity for economic objectives to co-exist with social objectives. Other social enterprises remain small in size, many relying on committed volunteers but are equally successful in their own right.

The findings therefore reveal the diverse nature of social enterprises on Alston Moor in terms of activities, size and income. The broad range of legal structures adopted by individual organisations illustrates this aspect. Activities conducted by the social enterprises have broad ranging economic, social and environmental impacts for individuals, the Alston Moor community and beyond. One feature they have in common is that all fourteen social enterprises report they provide services which otherwise would not be accessible by local people

The number of jobs supported and combined turnovers provide quantitative indicators of the economic impact of the fourteen social enterprises on the area. However, whilst these standard economic indicators may be appropriate for assessing 'hard' economic impacts, they are inadequate for assessing the 'added value' of community projects.

In economic terms of 'added value' to the community, the vast majority of social enterprises reported that their organisation increases spending in the local economy and increases income into the community. Enterprises employ predominantly local labour, a significant proportion of which is spent locally. Income to the area is also increased from visitors who are attracted by the tourist focused social enterprises and then visit other commercial premises.

In social terms, the most widely reported impact is that the social enterprises improve the quality of life for individuals. When consideration is given to the broad range of activities and benefits provided by the social enterprises this is not surprising. As section two outlines, the beneficiaries of the projects are dispersed throughout all sections of the Alston Moor community and beyond. Those involved with social enterprises report positive experiences working within them, an additional factor influencing quality of life.

On the impact assessment scale utilised in this study, the social enterprises scored lower overall on environmental impacts than social and economic impacts. Nevertheless twelve organisations believe their project helps to improve the environment. Social enterprises can have environmental impacts in a variety of ways. In their activities they can change the way that people or organisations affect the environment, either in what they do, produce or consume.

This report has presented a profile of fourteen social enterprises and their combined impact on the Alston Moor people and community. Although it has been a small-scale study, the findings reveal a significant number of economic, social and environmental benefits for the area and beyond. It is hoped that their contribution to the sustainable development of Alston Moor will be recognised.

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