



Research Summary

Research Project Summary

■ Number 3

Community Enterprise
Gloucestershire

Note: this is a brief summary of a detailed research document. To see the full research, please contact:

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Information contained in this document was correct at the time of the research being completed.

Waste Not, Want Not - supporting the development of waste-based social enterprises

Waste-based social enterprises are groups that are trading in waste products by reprocessing, recycling, refurbishing and reusing, collecting materials or making new products from waste materials.

They also have a social goal, either by providing work development for a particular client group, being owned by their employees or members, or being rooted within a particular community.

Research aims

To identify existing waste-based social enterprises in Gloucestershire, explore the potential to develop similar enterprises in the county and develop a way forward for the waste-based social enterprise sector.

Who carried it out and when

This research was carried out by Envolve Partnerships for Sustainability and Stroud Valleys Project between July 2003 and February 2004. It was steered by a group involving Gloucestershire County Council's Waste Department, Economic Development Unit and Social Services, Business Link, Co-operative Futures and the Furniture Recycling Project. It was funded by The Recycling Consortium (via Gloucestershire Waste Action Trust) and by the ACE Programme.

Research method

This included visits to existing waste-based social enterprises in Gloucestershire, discussions with support organisations and researching case studies from across the UK.

The analysis looked at this information from two sides – from the **waste-based markets** angle, and from the **social enterprise** angle:

Waste-based markets analysis looked at four broad types of markets:

1. Reprocess
2. Refurbish & Re-use
3. Service Provision
4. Manufacture

Social enterprise analysis looked at four broad groupings of social enterprise:

1. Day centres
2. Work skills development and training organisations
3. Community enterprise and voluntary schemes
4. Not-for-profit businesses

Bringing the two together to:

- Identify opportunities within existing social enterprises
- Match social enterprise types with market opportunities
- Identify opportunities for growth, where appropriate
- Analyse support and networking needs



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Research findings

There is a strong, diverse range of waste-based social enterprises in Gloucestershire.

They range from established and widely-recognised projects such as the Furniture Recycling Project to community-based composting schemes. They also include trading groups which are developing in Social Services Day Centres, which are not widely recognised as social enterprises.

Waste-based social enterprises rely on a spectrum of income, only some of which comes from trading in waste materials.

The impact on the waste stream varies greatly, but averages are fairly small (with some significant exceptions, especially community composting and furniture recycling). However, there is potential for significant impact through awareness-raising about waste **Reduction, Reuse and Recycling** (the 3Rs). Larger tonnage impact on the waste stream is possible through compost and furniture schemes and wood projects.

Inter-trading and clustering

Increased partnership working and intertrading between social enterprises themselves and with the wider community and business community provides an opportunity to scale up the impact, both socially and environmentally, of these enterprises. It also may provide the vital financial stability required, with each supporting the other through inter-trading.

The report outlines recommendations for increased joint working between social enterprises (both waste and non waste-based) and also with the private and public sectors.

The Waste Private Finance Initiative Contract (PFI)

Gloucestershire County Council has already made a commitment to support social enterprise within the Waste

Management PFI Contract and will be looking for tenders which also reflect this commitment.

Effective engagement with the PFI Contract and the sourcing and availability of waste materials will be essential in securing the further development of waste-based Social Enterprises within Gloucestershire.

Issues raised & market opportunities for different models:

Day Centres

Key Issues:

- Payment of clients whose ability to earn may be restricted by the benefits system
- Flexibility of relationship between social services and trading ventures
- scope for developing ownership and independence
- Networking and joint working between different day centres
- Joint working and clustering with other trading groups in the same geographical area
- Accessing local market knowledge and tapping into business planning support
- Opportunities to raise awareness among customers and clients of waste reduction, re-use and recycling

Market opportunities:

- Taking a key role in a clustering approach, especially within the Forest of Dean and Stroud areas, intertrading with other social enterprises (including day centres) and with local businesses
- Developing local markets, drawing on their diversity of materials and markets
- Getting paid (or increasing income) from the services offered
- Moving into manufacture, low skill

markets, such as packaging materials, briquettes etc

- Service markets (e.g. confidential shredding) – especially for the public sector
- Potential to provide additional services to existing customers, eg supplying office paper to those businesses from whom waste paper is collected

Work-skills development and training organisations

Key issues:

- Build on existing experience
- Develop greater security in accommodation and increase opportunities for urban shop outlets and rural workshops and warehousing
- Improve co-ordinated networking between the Furniture Recycling Project (FRP) and other furniture schemes and District and County waste departments
- Collection services carried out by the FRP are massively undervalued. The saving to District Councils is estimated at £65k+ for Gloucester City Council alone in the last year and £400k over 7 years since inception

Market opportunities:

- Increase turnover of furniture and electrical items through existing networks
- FRP has recognised the scope for expansion into IT/computers markets
- Significant potential for wood re-use and recycling along the Wildwood Project lines, a training and employment enterprise in Yorkshire – although this may be more appropriate through different/new organisational routes

- Other possible market areas are repairing/refurbishing of bicycles, linked to youth training and work placement schemes
- Some potential for expansion into manufacturing markets with a higher market value eg flat pack wardrobes (based on inter-trading with a wood group)
- Some scope to develop further capacity to increase bulk waste collections for Waste Collection Authorities, and for payment to reflect the true value of this service

Community enterprise and voluntary schemes

Key issues:

- The greatest value of these schemes is their awareness-raising role within a community
- Composting schemes which are often operated at this level have one of the largest tonnage impacts on landfill of all social enterprises
- Great potential for inter-trading and geographical links with other projects (cafés, craft projects, allotment and gardening schemes etc)
- Patchy coverage of co-ordinated support which links community development with possible enterprise development

Market opportunities:

- More community composting schemes. This approach would require committed support from the holder of the PFI contract
- Bicycles. Cycle refurbishment schemes have been seen to work well within youth schemes
- Re-usable nappy schemes
- Production of craft products

Recommendations:

1 Network Development

- Disseminate report to waste-based social enterprises and their support network
- Initial meeting of waste-based social enterprises to feedback results of the research and to discuss actions
- Carry out interim work to develop stronger links between waste-based social enterprise and the action plan
- Development of waste network for Gloucestershire
- Development of waste-based social enterprise network for Gloucestershire
- Waste-based social enterprise support worker
- Explore the potential of a wider regional or sub-regional support programme for waste-based or sustainability-focused social enterprises

2 Developing Clustering

- Ensure analysis is carried out to link this research project with the findings of the waste clustering research undertaken by Gloucestershire County Council
- Develop clustering approach ie partnership working and intertrading in order to increase support, impact and financial stability

3 Links with the waste contract and access to the waste stream

- Influence the Private Finance Initiative to ensure waste supply for existing and new social enterprises is protected, and that support to social enterprise work is in the contractor's favour

4 Other public procurement issues

- Explore opportunities for trading and enterprise grouping to develop

within a Social Services setting and ways of developing independence from Social Services where this would meet group needs

- Explore opportunities for public agencies to source products from waste-based social enterprise (e.g. packaging, furniture etc) and to use waste-based social enterprises for diversion of waste from landfill where possible
- Link waste-based social enterprises into existing research into public procurement

5 Enterprise development

- Development of a more detailed feasibility study with a view to establishing a wood project
- Improve the value of waste-based social enterprise services, including collection services _ Share good practice of market opportunities and approaches among existing and new waste-based social enterprises

6 Support for Waste-Based Social Enterprises (WBSE)

- Develop and share a pricing index
- Improved business planning advice
- Link effectively into a revitalised County-wide 3 Rs promotions scheme. Ensure that the promotion scheme/ campaign effectively promotes local solutions
- Carry out a cost benefit analysis of social enterprises and community schemes providing waste solutions. Use to promote their service and to attract funding
- Establish a business development loan or grant service, especially for help with equipment and premises ■

Community enterprises are organisations which employ business methods and an entrepreneurial outlook to achieve social and environmental aims.

This can include the delivery of public services and the regeneration of deprived areas. Well-known national examples include 'Co-op' shops, The Big Issue, Café Direct and Jamie Oliver's Fifteen restaurant.

In Gloucestershire, community enterprises employ thousands of people across a wide range of sectors including the arts, childcare, transport, recycling and village halls.

Many more people benefit from volunteering or training with them. Some are charities, some are co-operatives, but all share a different way of working.

Community Enterprise Gloucestershire brings together networks of hundreds of enterprises in the county to exchange information, share good practice, promote new ideas and present their views with a single voice. It is hosted by Co-operative Futures, an agency which provides specialist support to co-operative and community enterprises.



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