

**Response by the Social Enterprise Coalition to the Principles of representation: A framework for effective third sector participation in Local Strategic Partnerships Discussion Document**

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## **The Social Enterprise Coalition's Response to the Principles of representation: A framework for effective third sector participation in Local Strategic Partnerships Discussion Document**

1. The Social Enterprise Coalition (the 'Coalition') welcomes the opportunity to respond to the *Principles of Representation* discussion document.
2. The Coalition was established in 2002 as the national voice of social enterprise. Social enterprises are businesses with primarily social or environmental objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners. The Coalition represents a wide range of social enterprises, umbrella bodies and networks, with a combined membership reaching over 10,500 social enterprises. These include co-operatives and mutuals, housing associations, leisure and football supporters' trusts and Social Firms. Social enterprises in the UK generate more than £27 billion in turnover, and contribute more than £8 billion per year to GDP. In preparing this response the Coalition consulted widely with its members.
3. The Coalition is supportive of the Department for Communities and Local Government's (CLG) work to ensure that the third sector is seen as a key and respected partner of the local authority, other public sector bodies and the private sector. We believe that social enterprises can make a real and sustained contribution to the department's objectives specifically with regard to creating thriving and cohesive communities, reducing disparities, tackling neighbourhood deprivation, improving the economic and environmental performance of cities and regions.
4. In addition, the Coalition is keen to ensure that social enterprise is adequately represented on local strategic partnerships (LSP). As it states in the department's guidance on LSPs, in order to enable the partnerships fulfil their objectives effectively, 'LSPs need to secure genuine involvement from all sectors and the local community'<sup>1</sup>. The guidance further highlights four core partners that should be included in LSPs to achieve these goals, namely: public sector organisations which serve the partnership area; community organisations and local people; voluntary organisations; and businesses.
5. The Coalition is concerned that these categories do not ensure that the full breadth of third sector organisations is represented on LSPs; in particular, none of these categories covers social enterprise specifically. The Coalition therefore strongly recommends that a new social enterprise category be added to the list of organisation types included in the list of core partners on LSPs.

### **Q1. Will a set of principles aid third sector participation in your local strategic partnership and its thematic groups?**

6. The Coalition is not itself a member of a local strategic partnership, but rather we represent social enterprise as a constituent of the third sector which the *Principles of Representation* are intended to aid.

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<sup>1</sup> p7 Department of the Environment, Transport and the Regions (2001), *Local Strategic Partnerships: Government Guidance*

7. The Coalition supports the development of a set of principles to provide a guiding framework for effective third sector representation on local partnership arrangements. Enabling meaningful third sector participation is essential in ensuring that the expertise of third sector organisations such as social enterprises informs the process of agreeing the local vision, setting priorities and delivering services to reflect the needs and aspirations of local communities.
8. In addition, the Coalition is supportive of the intention that the *Principles of Representation* should be a non-binding guiding framework in order to allow for local variation according to need and circumstance.
9. Whilst both the *Principles of Representation* and the Compact, which the principles are in part intended to supplement<sup>2</sup>, can indeed be used to encourage better communication between the third sector on one hand and the LSP and local public sector bodies on the other, the voluntary nature of both sets of guidelines means that further work is still required to assess and analyse whether meaningful engagement between public sector bodies and the third sector has been achieved and is ongoing.
10. The Coalition believes that CLG could play a key role in promoting social enterprise and good practice at a regional, sub-regional and local level. To complement voluntary guidelines such as the *Principles of Representation* and the Compact, the Coalition would urge CLG to develop a more meaningful and robust indicator of effective working between the third sector and public bodies.

**Q4. Do you agree with the benefits we have set out:**

- **for the third sector?**
- **for the local authority and its public sector partners?**

11. The Coalition believes that applying the *Principles of Representation* to third sector participation in LSPs would generate the range of benefits for the third sector that are set out in the discussion document.
12. In particular, implementing the principles of equality, openness, sustainability and accountability would support the development of stronger relationships and enhanced collaboration between third sector organisations. The inclusive form of representation resulting from this development, when driven by the principles of maintaining a purposeful and strategic stance, should itself lead towards the achievement of a range of benefits, including increased influence for the third sector and greater recognition of the added value of the third sector as a partner within LSPs.
13. The Coalition believes that social enterprises and other third sector bodies can and do make a real and sustained contribution to their local communities, and that public bodies stand to gain a great deal from working with third sector organisations with expert knowledge and understanding of the communities in which they work.

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<sup>2</sup> p10 CLG (2007), *Principles of representation: A framework for effective third sector participation in Local Strategic Partnerships Discussion Document*

14. Ensuring effective third sector representation would therefore deliver a series of benefits for local authorities and LSPs in accordance with those benefits outlined in the discussion document.

**Q6. Do you agree with the principles?**

15. The Coalition supports the *Principles of Representation* as outlined in the discussion document. Together, the principles provide a sound framework to guide third sector representation on LSPs and support a transparent, collaborative and egalitarian mode of working that is in line with the ethos of third sector organisations.

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