

**Response by the Social Enterprise Coalition to the Charity Commission
Public Benefit and Fee-charging draft supplementary guidance**

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The Social Enterprise Coalition's Response to the Charity Commission Public Benefit and Fee-charging draft supplementary guidance.

1. The Social Enterprise Coalition (the 'Coalition') welcomes the opportunity to respond to the Charity Commission Public Benefit and fee-charging draft supplementary guidance consultation.
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 of 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 £8 billion to GDP per year. In preparing this response the Coalition consulted widely with its members.
3. Although many social enterprises are charities, the specific guidance relating to Public Benefit and Fee charging is not applicable. Although many social enterprises have charitable status and do charge fees for certain services, there are no recognisable cases of the beneficiaries of the charity being the individuals paying for services that constitute the activity for the public benefit.
4. Similarly in the vast majority of cases when fees are charged they are for services that are separate to the services supporting beneficiaries of the Charity. This income funds free or cut price public benefit services for the target client groups. Therefore the for public benefit condition on being a charity is neither under threat or requires alternative activities to avoid exclusion.
5. The Coalition however notes that the charitable sector is very diverse and is constantly altering how it raises income and delivers services to fit the needs of its clients. The coalition recommends that that in light of this very fluid nature the Charity commission keeps the supplementary guidance under regular review. This will ensure that changes in the conditions applicable to charities are reflected in the guidance and the principles of providing public benefit and limitations on fee charging are not undermined.

Social Enterprise Coalition
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