

**Response by the Social Enterprise Coalition to the Department for Communities and Local Government's Eco-towns – living a greener future consultation**

The Coalition was established in 2002 as the national voice of social enterprise. 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, development trusts, housing associations, leisure trusts and Social Firms. 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.

While the Coalition has no particular stance on the eco-towns project or individual bids, we are pleased that the guidance recognises that environmental and social benefits should be combined and that community development trusts should be part of the venture. We believe that social enterprises can make a real and sustained contribution to achieving a society which is environmentally, socially and economically sustainable.

Eco-towns will be a small portion of the total housing stock, population or carbon footprint of the UK. In order to substantially contribute to climate change mitigation targets, it is important that they are not only genuinely environmentally sustainable but also that they can help the rest of the nation to make the transition to environmentally sustainable living by demonstrating profoundly improved models of behaviour and organisation, combining social and technological innovation. Social enterprises with environmental aims are the most suitable business model to address many aspects of climate change which Stern has called the 'greatest market failure in history'.

In order to be environmental guide communities, eco-towns must offer social as well as environmental sustainability to the people who will live in them. Social enterprises working for social purposes providing employment, housing, and public services and using communal assets for social benefit should be central to making new eco-towns socially sustainable communities.

We hope that successful eco-town bids will make the most of the opportunity and support social enterprise solutions in to ensure that these new communities are genuinely different exemplars of sustainable development, socially, environmentally and economically. Innovative social enterprises that simultaneously produce environmental and social benefits operate across the country. The advantages of these models could be enhanced by their complimentary integration. Examples include not only affordable low carbon housing but management of natural green space that is environmentally sustainable and provides employment and training, community public transport, community recycling and re-use enterprises, development and land trusts, and socio-technical innovations such as renewable energy co-operatives that provide wind power and a community asset. By using business models for social and environmental purposes, social enterprises can make environmental and community action economically sustainable; by using their business practice and surplus for social and environmental ends, they make economic activity socially and environmentally sustainable.

Should you wish to discuss this matter further please contact:

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Social Enterprise Coalition - Consultation Response to the Department for Communities and Local Government's Eco-towns, living a greener future – 30<sup>th</sup> June 2008

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**June 2008**