

3rd Annual upstarts awards

Rewarding the business of social enterprise

Ever wondered what social enterprise is all about?

According to the Department of Trade and Industry's Social Enterprise Unit: "Social enterprises are businesses with primarily social 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." Given the obvious benefits to society, it is understandable that increasing numbers of people in the UK are becoming excited and passionate about social entrepreneurs and their businesses.

The Upstarts Awards were created three years ago by the *New Statesman* to increase public awareness of the activities of social entrepreneurs and social enterprises, and to highlight and reward the best examples. Endorsed by the DTI, Upstarts is now a well-established feature in the social enterprise calendar.

As the minister for small business and enterprise, Nigel Griffiths, said at this year's awards ceremony: "The *New Statesman* and Co-operative Bank Upstarts Awards shine a spotlight on the strong social purpose and entrepreneurial drive of successful social entrepreneurs across the UK. By developing innovative solutions to the challenges faced by many communities across the nation, social entrepreneurs are a powerful driving force behind the achievements of the growing social enterprise sector. Social enterprises are an integral and dynamic part of the economy, creating new goods, services and jobs, as well as encouraging the growth of

entrepreneurship and empowerment in disadvantaged areas."

Past and present Upstarts winners prove that social entrepreneurs are very determined people who flourish against the odds. It is they who offer the best answer to the question of what social enterprise is and can be – it depends on their creativity.

The judges of this year's awards were: David Dickman, head of co-operative and sector development, Co-operative Bank; Andrew Hibbert, development manager and loans officer,

Industrial Common Ownership Finance Ltd; Spencer Neal, publisher, *New Statesman*; Dr Jessica Rafinski, assistant director, Social Enterprise Unit, DTI; MT Rainey, co-chief executive, Rainey Kelly Campbell Roalfe/Y&R; Andrea Westall, deputy director, New Economics Foundation; and Rowena Young, chief executive, School for Social Entrepreneurs.

Winning an Upstarts award has real benefits besides boosting a business's reputation. This year's

prizes included not only cash, but an all-expenses-paid trip to San Francisco to attend the fifth annual gathering of the Social Enterprise Alliance. The winners and those commended by the judges will also be invited to take part in a Business in the Community scheme, called "Partners in Leadership", to aid the development of mutually beneficial links, based on mentoring, between private sector companies and social enterprises.

See inside this special pull-out for details of this year's awards ceremony and the well-deserving winners.

James Cully, Upstarts Awards project manager



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Awards ceremony

The third Upstarts Awards, held at Interbrand in central London on Wednesday 11 February 2004, reflected the increasing diversity of companies that combine business structures with ethical goals. But the gravity of the winners' work did not stop the guests enjoying an entertaining evening. The compère, the television and radio presenter Adrian Chiles, set the tone by reassuring the audience: "I normally work for the BBC, but all the facts in this presentation are double-sourced."

Mervyn Pedelty, chief executive of the Co-operative Bank, and Geoffrey Robinson, chairman of the *New Statesman*, preceded the announcement of who had won the awards by praising the valuable work done by the sector. The minister for small business and enterprise, Nigel Griffiths, who presented the awards, described them as the "best so far" and praised the "heroes" of social enterprise, "the people who build on people and at the same time have created some of the most successful business ventures in Britain".

Yet Stephen Sears, the winner of the title Social Entrepreneur of the Year, was modest about his achievements. When asked how he resisted offers from capitalist competitors, he replied that he had had no such offers. "They obviously don't think I'm that good," he said. Sears stressed that social enterprises can pay well and still compete with the private sector.

Suzanna Jacoby, Young Entrepreneur of the Year, had to convince Chiles that the parents she works with at Community Foster Care are not "in it for the money". "Anyone who is a parent must know it is a difficult job," she explained. "The children have mainly had very difficult backgrounds and are very challenging to look after."

Graham Bell, chief executive of the Kibble centre, the winner of the Social Enterprise of the Year Award, staked its claim to be the UK's oldest social enterprise, established in 1859.

Bell attributed the success of more-than-profit businesses to finding a gap in the market. "We found a niche working with the youngsters whom no one else wants and who are so difficult that other people cannot work with them."

Stephanie Sturrock, managing director of Shared Interest Society Ltd, which won the Best Revenue Model Award,



admitted that investing in the society "won't make you rich". Describing how, if Chiles invested £500, it would be ethically invested, Sturrock explained: "We send it out to help people in poorer countries finance the goods that are going to richer countries like ours. We are giving people a huge social return on their investment."

Mike Storey, the leader of Liverpool City Council and winner of the Best Elected Advocate for Social Enterprise Award, strongly denied that using social enterprises to deal with waste disposal meant rubbish piled up in the streets. He explained how the council believed in the social economy as the real "third way" between public and private.

James Cornford, receiving the Upstarts Achievement Award, used his speech to warn against neglecting the education of the "next generation of social entrepreneurs". The audience made clear their agreement when he welcomed the Millennium Commission's grant to the fund for social entrepreneurs as reversing the trend of the Lottery "taking from the poor to give to the rich".

Cornford was less complimentary about the educational achievements of his former university student Nigel Griffiths. He revealed that the minister's limitations as a student had been "reading and writing mainly", but conceded that "he was always a good talker". Griffiths took it in good grace and there are no signs of the funding for social enterprise being cut next year.

Simon Ellis

The Winners



Social Enterprise of the Year

Kibble Education and Care Centre, Paisley

The Kibble centre is one of Scotland's largest social enterprises. Working with young people who have severe social, emotional, educational and behavioural problems, the centre offers different types of services to meet their needs. The social enterprise structure has enabled Kibble to be a social business incubator, and each year since 1996 two new social businesses have been launched.



Social Entrepreneur of the Year

Stephen Sears, chief executive, ECT Group Ltd

Stephen Sears has been the guiding light at ECT since 1980. Today ECT is the UK's largest community recycling organisation, providing services to around two million people in partnership with 18 local authorities. Sears established ECT's first community transport service and he led the development of the business as it expanded into recycling and engineering.



Young Social Entrepreneur of the Year

Suzanna Jacoby, Community Foster Care

Suzanna Jacoby established Community Foster Care in 1999, when she was in her twenties. This social enterprise has placed 200 children with foster families as well as creating 100 jobs in Gloucestershire, where it is located. CFC is widely viewed as a model for independent fostering agencies. Jacoby has plans to offer CFC's services in neighbouring counties, as well as launching a new remand foster scheme.



Upstarts Achievement Award

James Cornford

James Cornford has an impressive track record of supporting UK social enterprise. Most recently, he worked with the late Michael Young to establish the first School for Social Entrepreneurs in Bethnal Green, east London, which has blossomed into six regional schools. He is a trustee of the Institute of Community Studies, the School for Social Entrepreneurs and the Foundation for Social Entrepreneurs (UnLtd).



Best Revenue Model Award

Shared Interest Society Ltd

Shared Interest raises money from those who wish to invest to help people in the developing world improve their quality of life. Established in 1990, Shared Interest today has a total share capital of £18m and 8,350 members. Members pool their investments and share the risks to lend on fair terms to support producers of fair trade goods. The model enables producers to pay wages and so on until these costs can be recovered from sales to consumers.



Best Elected Advocate for Social Enterprise

Mike Storey, leader, Liverpool City Council

In 2000, Mike Storey pioneered the creation of Bulky Bob's, a subsidiary of the Furniture Resource Centre, which collects bulky household waste in Liverpool. The creation of the business was made possible by a six-year contract with an annual budget of £500,000. Storey also instigated the creation of Liverpool Plus, which is responsible for driving forward the city's social business agenda.

HELPING COMMUNITY BASED CO-OPERATIVES GROW AND FLOURISH



Co-operative Action seeks to promote the development of replicable co-operative, mutual and social enterprise solutions to challenges that communities throughout the UK face.

It has touched dozens of communities in many different ways, from working with co-operatives to protect the environment and encourage sustainable business to providing employment through employee-owned businesses so that people can truly play their part in keeping their community alive for the benefit of everyone.

If you think Co-operative Action could help your organisation with a grant or loan please get in touch.

E-mail info@co-operativeaction.coop or call 0161 827 5879.

Co-operative Action is proud to be associated with the Upstarts Awards.



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