

**Measuring the Impact of the Social Economy in
Merseyside**

**Thesis submitted in accordance with the requirements of the
University of Liverpool for the degree of Doctor in Philosophy
by Sarah Louise Brennan**

September 2004

Abstract

Measuring the Impact of the Social Economy on Merseyside

Author: Sarah Brennan

The aim of this research was to measure the impact of the social economy. Until recently the social economy was under researched. Many claims had been made about the potential of the social economy such as its role in helping to combat social exclusion, create locally cohesive economic development, create employment and provide holistic sustainable development. Yet there has been very little substantive research to back these claims up.

The social economy is the term used to encompass a range of organisations that utilise economic means in order to produce social benefit or added value. It is argued that social economy organisations provide socially useful goods, which are not provided for by the state or private sector (Amin et al 2002: 7). It is argued that the social economy generates jobs and entrepreneurship by meeting social needs by deploying the socially excluded. Linked to this the social economy has become of increasing interest to those seeking policies with which to address social exclusion (Geddes 2000). The social economy has also been incorporated into new government led approaches to modernising public services (SentU 2003).

This thesis aims to critically explore the impact of the social economy. It assesses the holistic impacts or what have been termed the 'added value' of the social economy i.e. beyond the numbers (Turok 1991). The thesis therefore incorporates exploration of both the more tangible impacts such as numbers of jobs created along with the less tangible impacts such as increases in self confidence and it explores the way in which these are related to wider academic debates such as the formation of social capital (Mohan and Mohan 2002).

This thesis provides a unique insight into the impact of the social economy, which builds upon an in-depth ethnographic approach to research. The main part of this work draws upon the results collected from three case study organisations. Linked to this, the thesis presents an analysis of the impact of the social economy in relation to area based initiatives, gender and opportunities for job creation within the environmental sector.

The thesis uses Merseyside as the research base linked primarily to the areas local economic background as Merseyside was categorised as the UK's poorest urban area both in 1993 and 2000 and was therefore given European Objective 1 status. The area has a well documented history of community based economic development (Leeming 2002) and some notable examples of social economy organisations now held up as national examples of best practice such as Bulky Bobs (SentU 2003). The thesis has therefore also made original contributions relating to the specificities of the social economy within Merseyside.

Acknowledgements

I firstly want to thank all those closest to me for their help and support throughout this research especially Andy.

I have found that the social economy is filled with inspiring people and there are too many to mention here, Alison Ball of the Furniture Resource Centre, Maggie O' Carrol in Train 2000 and many others have all played significant role in this research.

I must also thank the many research participants who agreed so willingly to take part in this process. Without them the research would not exist.

I want to thank Dr Peter North for taking the role of supervisor and Dr Dave Featherstone for his advice in the last few months.

Special thanks must also go to Sandra Mather the Departmental Cartographer who has provided invaluable expertise and hard work. I must also acknowledge the support provided from the rest of the team in the Geography Department at the University of Liverpool.

The research would not have been possible without the financial help from the Economic and Social Research Council to whom I am very grateful. I must also thank the members of the Community Based Economic Development team within Liverpool City Council who played a significant role as the CASE partners.

Thanks must also be given to Richard Meegan and John Duncan for conspiring the idea of a collaborative piece of research in the first place.

Contents

<u>Part 1 Research and Theory</u>		Page Number
Chapter 1 Introduction		1
Chapter 2 The Social Economy: Context, Definition and Theoretical Background		14
2.1 Context and Definition		15
Approaches to Local Economic Development		16
Local Economic Development, Social Exclusion and the Social Economy		20
Outlining the Definitions of the Social Economy		23
Complex Structural Arrangements		26
The Development of Community Businesses		28
The Social Enterprise Discourse		32
Beyond Social Enterprises and Community Businesses		35
2.2 Discourses of the Social Economy		44
New Right / Entrepreneurial		46
New Labour and the Social Economy		47
Critiques of the New Right		48
European Approaches		50
Third Sector Approaches		53
Market Failure and Community Need		55
Critiques of the Market Failure Approaches		57
Alternative Green		57
New Left / Communitarian		59
2.3 The Place of this Thesis		61
2.4 Placing the Social Economy		62
<i>The Social Economy a New Panacea</i>		64
<i>Place Dependency</i>		65
<i>Limited Activities and Ghetto Economies</i>		66
<i>Some Potential Impacts</i>		68
<i>Future Prospects</i>		70
2.5 Summary		71
Chapter 3 Measuring Impact in the Social Economy		74
3.1 Alternative Approaches to Evaluation		75
Establishing Community Involvement		75
Theories of Change		78
Democratic Evaluation		80
Participatory Evaluation		82
The Considerations of Evaluation		83
Problems with the New Alternative Approaches to Evaluation		84
3.2 Measuring Impact in the Social Economy		86
Concerns Over the Social Audit Model		89
3.3 Approaches to Evaluation Used within this Research		91

Chapter 4 Developing a Research Framework	95
Formulating the Research Questions	96
Chapter 5 Research Methodology	99
5.1 <i>Mapping the Social Economy in Merseyside</i>	99
5.2 <i>Rich and Detailed Research in the Social Economy in Merseyside</i>	105
5.3 <i>Becoming a Participant Observer</i>	109
5.4 <i>Positionality and a Reflection on the Research Process</i>	111
5.5 <i>CASE Research; A Reflection</i>	116
5.6 <i>Holistic Approaches to Researching the Impact of the Social Economy in Merseyside</i>	119

Part 2 The Baseline

Chapter 6 The Social Economy on Merseyside: The Supporting Bodies	121
6.1 <i>Merseyside an Objective One Area</i>	121
6.2 <i>Community Based Economic Development in Liverpool</i>	125
6.3 <i>Social Economy Support in Merseyside</i>	127
6.4 <i>The Liverpool Social Audit Initiative</i>	129
Chapter 7 The Social Economy and Community Based Economic Development in Merseyside: Size and Structure	131
7.1 <i>The Community Based Economic Development Programme</i>	131
7.2 <i>Mapping the Social Economy in Merseyside</i>	134
7.3 <i>The Geography of the Social Economy in Merseyside</i>	138
7.4 <i>Results from the North West Development Agency</i>	142
7.5 <i>Summary</i>	148
7.6 <i>Problems with Mapping the Social Economy: Lessons Leant</i>	149

Part 3 Findings

Chapter 8 Measuring Impact in St Mary's Area Regeneration Trust	151
8.1 Background to St Mary's Area Regeneration Trust	152
The Changing Economic Context	155
Measuring Impact in Community Businesses	162
The Focus of Research in St Mary's Area Regeneration Trust	163
Exploring the Outputs	164
St Mary's Area Regeneration Trust and Social Audits	166
Outline of methodologies Used	167
8.2 St Mary's Area Regeneration Trust: Results	169
The Emerging Geography	169
Is St Mary's Area Regeneration Trust Exacerbating Local Uneven Development?	172
8.3 Unpacking the Impact on Individuals	177
Limited Growth of Community Organisations	182
Exploring the Impact of New Business Start Ups	188
Benefits of St Mary's Area Regeneration Trust to those who set up in Business	193
Is Self-Employment Enough?	195
Start Up Struggling	196
Using Self Employment as a Safety Net	198
The Impacts of St Mary's Area Regeneration Trust on those who do not set up	204
Pre pre start	204
Pre start	206
Impact of Self Employment	207
8.4 Conclusion	209
Chapter 9 The Social Economy and Women's Empowerment in Train 2000	215
9.1 Background to Train 2000	216
Focus of Chapter	217
Establishing Baseline Data	220
Social Audits in Train 2000	221
Identifying Gaps: Developing a Research Methodology in Train 2000	223
Identifying the Wider Impacts	226
Exploring the Outputs	228
9.2 Train 2000: Results	231
The Emerging Geography of Train 2000	229
Looking Beyond the Outputs for Alternative Outcomes	236
The Non Actives Categories	238
Pre pre start	238
Delayers	242
Pre Start	245
The Active Categories	246
Start Up	246

Added Value?	247
Opportunists	249
Formalizers	250
Development	252
9.3 The Social Economy and Opportunities for Women's Empowerment	254
9.4 Using the Social Economy to Create a Gendered Space for the Promotion of Women's Empowerment	260
9.5 Conclusions	266
Chapter 10 Exploring the Potential of Social Enterprise in the Furniture Resource Centre	272
10.1 Background	272
Social Audits	282
Environmental Impact	286
Intermediate Labour market Employment	289
10.2 The Furniture Resource Centre: Results	290
Measuring the Impacts of the Intermediate Labour Market Employment Programme	290
Individual Stories and Impacts of Intermediate Labour market Employment	300
Exploring the Wider Impacts of Intermediate Labour market Employment	309
Experiences of Unemployment	312
Negotiating a Way Back into Work	314
Impacts of Intermediate Labour market Employment	315
Why are Intermediate Labour market's different?	318
Pressures of Working to meet market needs	320
10.3 Conclusion	321
Chapter 11 Conclusions	326
11.1 The Added Value of Ethnographic Approaches to Researching the Social Economy	326
11.2 Selection of Case Study Organisations	330
11.3 Application of Case Studies to Theoretical Framework of the Social Economy	331
11.4 Complex Legal Structures and Problems with Finding Support1	338
11.5 Measuring Impact in the Social Economy: Some Conclusions	339
11.6 The Community Based Model of the Social Economy: The Case of Merseyside	345
11.7 Contributions to Policy	348
11.8 Future Research	350
11.9 Summary	351
Bibliography	353

List of Tables

	Page Number
Chapter 2	
2.1 Approaches to Local Economic Development	17
2.2 Combination of Approaches to Local Economic Development	20
2.3 Structures Used by Social Economy Organisations	26/27
2.4 Types of Social Economy Organisation	40
2.5 Continuums Used by the New Economics Foundation to Identify Social Economy Organisations	42
2.6 Five Claims of the Social Economy	69
Chapter 3	
3.1 Process of Social Auditing	88
3.2 Theoretical Framework for Evaluation Methodology	94
Chapter 5	
5.1 Stages of Mapping May 2001-March 2002	104
5.2 Case Study Criteria	107
Chapter 6	
6.1 Spend Allocation for MSEI 2002-2008	128
Chapter 7	
7.1 Costs of the CBED Programme	133
7.2 Table to Show Key Outputs of the CBED Programme	134
Chapter 8	
8.1 Objectives of St Mary's Area Regeneration Trust (SMART)	154
8.2 St Mary's Area Regeneration Trust (SMART)	161
8.3 Recorded Outputs from SMART 1998- 2003	164
8.4 Categories of SMART Service Users	179
8.5 Key Characteristics of Business Starts Recorded in SMART	189
8.6 Comments from Respondents who had Set Up in Business about SMART Enterprise	192
8.7 Comments About Lack of Grant Funding	193
Chapter 9	
9.1 Objectives of Train 2000	220
9.2 Outputs for Train 2000 1999-2001	221
9.3 Comments from service users	222
9.4 Comment from funding body	223
9.5 Samples Taken within Train 2000	226
9.6 Quotes about Confidence	263
9.7 Quotes about Working with Women	265
Chapter 10	
10.1 Growth of turnover and staffing and grant/sales ratio from	277

1993 to 2004

10.2 Objectives Of the Furniture Resource Centre	279
10.3 Table to Summarise the Main Developments in FRC 1988-2004.	280
10.4 Table to Show Central Points of Change in the use of the Social Audit Model	285
10.5 Bulky Bob's Collection Statistics	288
10.6 Table to Show Figures for ILM Employment in FRC 2000-2004	292
10.7 Table to show the Categories into which ILM employees can be divided	306
10.8 Background to each of Focus Group Participants	311

List of Figures

	Page Number
Chapter 2	
2.1 Continuum of Potential Social Economy Organisations	43
2.2 Framework to Illustrate the Discourses of the Social Economy	45
2.3 Model of the Community Based Strategy for Alternative Economic Development	60
Chapter 5	
5.1 Pathways Areas of Liverpool	108
5.2 Framework to Show Approach and Methods Used	120
Chapter 6	
6.1 GDP Merseyside and other UK Regions	122
6.2 Pathways Areas of Merseyside	124
Chapter 7	
7.1 Number of Social Economy Organisations Mapped	136
7.2 Types of Social Economy Organisations in Merseyside	137
7.3 Distribution of Social Economy Organisations Throughout Merseyside	139
7.4 Density of Social Economy Organisations Throughout Liverpool	141
7.5 Areas of Social Economy Activity	143
7.6 Types of Employment	144
7.7 Turnover of Social Economy Organisations in Merseyside	145
7.8 Percentage of Grant Income	146
7.9 Recorded outputs	147
Chapter 8	
8.1 Map of Speke	153
8.2 Unemployment Rates in Speke	156
8.3 The Development of Major New Retail Park	158
8.4 The Introduction of Cash Machines (outside the estate in the retail park) -ten years after the last bank closed because the area was seen to be an economic loss	158
8.5 St Mary's Area Regeneration Trust (SMART)	159
8.6 Parade of Shops in Speke	159
8.7 Location of SMART clients by Ward	170
8.9 Location of SMART Business Start Ups	173
8.10 Age and Sex Distribution of Beneficiaries in SMART	175
8.11 Recorded Status of Beneficiaries	176
8.12 Business Types in SMART	180
8.13 Business Types in SMART	190
Figure 8.14 Sign Advertising Taxi's to Liverpool Airport Customers	197
8.15 Distance Travelled	202
8.16 Three Best and Worst Things about Self Employment	209

Chapter 9	
9.1 Business Types in Train 2000	229
9.2 Map to Show all women who used Train 2000	232
9.3 Map to Show Business Start Ups Train 2000	233
9.4 New City Centre Base of Train 2000	235
9.5 Break down of Categories	237
9.6 Distance Travelled	239
9.7 Distance Travelled	240
9.8 Formation of a Support Group	257
9.9 Women's Action Group	258
9.10 Youth and Community Work	259
9.11 Gendered Spaces and Quotes Taken from Interviews with Women in Train 2000	261
9.12 Quotes about the Perceptions Women's Roles	263
9.13 Diagram to show three main impacts of Train 2000	269
Chapter 10	
10.1 The Bulky Bob's Collection Van – depicting the partnership arrangement between the social economy and the local authority	276
10.2 Turnover in FRC	277
10.3 Growth in Profit	277
10.4 Grant to Traded Income	278
10.5 How the Furniture Resource Centre Began – the original sign	281
10.6 The Furniture Resource Centre – the new front entrance	281
10.7 Graph to show Percentage of ILM employees into Employment	294
10.8 Length of Unemployment of ILM Participants	295
10.9 Funding of ILM Programme	298
10. 10-12 Specimen Interview Sheets	302
10.13 Group 1 Case Example Jimmy	307
10.14 Case Example	308
10.15 Impacts of ILM employment	323
Chapter 11	
11.1 Progression of Case Study Organisations Over Time in Relation to the Theoretical Analysis of the Social Economy	332
11.2 The Vans Outside FRC	345
11.3 Summary of Policy Recommendations	349

Chapter 1 Introduction

The social economy is the term used to encompass a range of organisations that utilise economic means in order to produce social benefit or added value. The social economy is held up as an alternative, inclusive type of development in contrast to mainstream economic development, which some argue is inherently individual and exclusionary (Fasenfest et al 1997). The social economy is said to produce wider benefits for society. Amin et al (2002: 7) argue that the;

“...social economy encompasses non profit activities designed to combat social exclusion through socially useful goods sold in the market and which are not provided for by the state or private sector. The social economy generates jobs and entrepreneurship by meeting social needs and very often by deploying the socially excluded”

The concept of the social economy has also gained increased recognition through the development of community-based approaches to economic development implemented through programmes such as the National Strategy for Neighbourhood Renewal (SEU 1998). As a consequence of this there has been an emerging elision between policies designed to address social exclusion, community economic development and the social economy (Amin et al 2002: 19-20). This is based upon the belief that the social economy can create socially useful production, humanise the economy, enhance democracy and participation, help to formulate a more coherent local economy (Amin et al 2002: 19-20).

Since 2000 the social economy has also been supported by the Department for Trade and Industry and in 2001 the Social Enterprise Unit was set up (DTI, 2001). The recent strategies, however, suggest that the approach used by the DTI differs

significantly from the original community-based visions. In contrast the new approach, adopted by the DTI, appears to draw upon more market oriented approaches to the social economy. The approach appears to draw upon a vision of financially self-sustaining organisations, that are able to create added value and social benefit. Some argue that the new DTI approach represents a reflection of ‘third way’ approaches to enterprise development (Giddens 1998). This approach draws upon the potential role of social enterprises as a way of combining both competitiveness and cohesion as shown in the extract below. The extract has been taken from the opening of the National Strategy for Social Enterprise, it states;

“Social enterprises can play an important role in helping deliver on many of the Government’s key policy objectives by:

- Helping to drive up productivity and competitiveness
- Contributing to socially inclusive wealth creation
- Enabling individuals and communities to work towards regeneration their local neighbourhoods
- Showing new ways to deliver public services and
- Helping to develop and inclusive society and active citizenship

The Government’s vision is of dynamic and sustainable social enterprise strengthening an inclusive and growing economy”

(DTI 2003: 1)

As part of the government strategies many of the regional development agencies (RDA’s) are now formulating their own social enterprise programmes and interest in the potential impact of these types of organisations is high. In contrast, however, the amount of research available on the social economy is limited. Many of the studies that do exist draw upon practice led evaluations. They are formulated to boost support and as a result they do not critically assess the role of the social economy. Added to this there are difficulties associated with knowing the size of the social economy or the numbers it employs, who it employs, where it is located, for example, is it being

developed in deprived communities does it represent latent capacity for local economic development? Or is it an alternative form of mainstream economic development? This thesis therefore seeks to critically and academically explore the impact of the social economy and its relationship to wider economic development.

In seeking to explore the impact of the social economy the thesis aims to look beyond traditional output led approaches to evaluation (Turok 1991). Social economy organisations exist in order to produce social or in some cases environmental benefits. There have been claims that the social economy has the capacity to develop local economic development (Meegan 1999), increase capacity building (Morris 2000) and develop individual impacts, such as, increased self-confidence (Littlewood and Moran 1995). Amin et al (2002) were able to illustrate some impacts of the social economy by comparing a video of a group of local women from a community in Northern Ireland who had been involved in the development of a local childcare project with a video after the project in which the women demonstrated how their lives had changed and showed how they had felt more empowered as a direct result of the project (Amin et al 2002: 42).

In order to fully comprehend these types of impacts the evaluation of social economy organisations necessitates a unique approach. Some social economy organisations have begun to utilise social audits (Mayo 1996). Although these are only in the developmental stages and there are problems associated with them. In parallel to this there have been developments in the use of alternative forms of evaluation in community development projects (Townley and Wilks Heeg 1999 and Anastacio et al 2000). Drawing upon both of these developments the thesis explores ways in which

to measure the holistic impact of the social economy i.e. beyond the numbers. The thesis seeks to explore the added value provided by social economy organisations? How does the social economy impact upon beneficiaries? What role does the social economy play in relation to local economic development?

In order to do this the thesis draws upon an in-depth case study approach based in Merseyside. Merseyside was categorised as the most deprived urban area in the UK both in 1993 and 2000. As a result of this Merseyside was given European Objective 1 status in both years (1993 and 2000). Part of the reasons for this have been linked to the de-industrialisation processes set in motion throughout the 1970s which saw many of the traditional shipping and dockland industries closed down. The following quote was taken from a passage written in 1986 about Liverpool;

“unemployment has become the pattern of life...the death of the city is obvious. One can drive past miles of deserted dockland and acres of dereliction, empty warehouses, unused land and gutted council housing. These areas are unlikely to revive because they are surplus to requirements.”
(Ridley 1986: 128-129).

The quote illustrates the feeling that parts of Merseyside were considered to be abandoned, no longer of economic utility. The quote depicts the feeling that there was never going to be an opportunity for economic revival. Unemployment levels were as high as 32% (LCC 1993). In response to this in the late 1980s there was recognition that some of the communities of Liverpool and Merseyside had been able to create alternative locally led economic development such as the Eldonians development (Lloyd 2000, Leeming 2002).

The Eldonians is a community owned housing association. It was developed by a group of local residents who had opposed the building of the entrance to the Mersey Tunnel as it threatened their homes. The group went on and managed to raise the necessary finances and gained political support (after years of struggle) to develop one of the largest derelict industrial sites within Liverpool into community owned housing. The organisation not only developed new houses they also developed a number of community owned businesses which included a local sports centre, a local childcare nursery and neighbourhood warden scheme (CBED 1998). This development is not unique there are others throughout Merseyside (CBED, 1998).

A significant factor in the development of community based economic development in Merseyside has been the financial support made available to organisations through the Objective 1 programme and more specifically the funding priority which gave communities significant leverage in locally led economic development called the Pathways initiative (Lloyd 2000). The Pathways Initiative was one of four priorities laid out under the regions European Objective 1 programme introduced in 1995 (Boland 1998). The Pathways initiative was considered to be unique as it was based around building social and economic development within the region's most deprived areas and centred upon supporting and building the role of communities (Lloyd 2000). A key part of this initiative in Liverpool has been the development of the Community Based Economic Development (CBED) programme.

The CBED programme was considered to be unique because it was developed to stimulate alternative economic development within eleven of the most deprived areas of Liverpool (CBED 1998). In the first two phases (1995/96 and 1996/98) the strategy

assisted over forty community businesses, created 1,012 jobs and 614 small and medium sized firms. The impact of these outputs was made more significant by the fact that the jobs were created within Liverpool's most deprived communities (CBED 1998).

In addition to the development of community based economic development organisations in Merseyside there has been development of some notable examples of social enterprises, such as those espoused to by the DTI, this includes Bulky Bobs who were the first social enterprise to negotiate a contract for the delivery of a public sector service which incorporated the valuation of social benefits such as the employment of long term unemployed and increased recycling figures under the new Best Value guidelines (SenU 2003). Merseyside therefore provides a unique base from which to carry out this research based upon the historical development of community based economic development and new developments in social enterprise such as Bulky Bob's.

This research was developed as part of a Collaborative Awards in Science and Engineering (CASE) research studentship sponsored by the Economic and Social Research Council (ESRC) which brought together the Community Based Economic Development (CBED) team within Liverpool City Council and the Geography Department within the University of Liverpool. The research relationship between the two organisations had developed a number of years prior to this research linked to a preceding research project that had focused upon evaluating the Pathways initiative. My interest in regeneration and economic development within Merseyside came not only from my own experience of growing up and living in the area, I had also worked

upon the Pathways research project funded under the European CITIES programme and carried out my own research concerning the experiences of children within the Pathways communities. These experiences gave me prior knowledge of the CBED programme and the areas in which the programme had been based as well as experience of alternative approaches to evaluating urban regeneration using participatory research methods. This has been augmented by my own personal interest in the local development of Merseyside as well as the growing relationship between myself and practitioners within the social economy developed through the period of the research and has most recently been demonstrated in my contributions to the social economy through my role as an associated researcher for Liverpool Plus. The thesis brings together four years of research based upon personal experience of and commitment to the social economy.

The following section outlines the structure of the thesis. The discussion includes an outline of the key themes of each chapter from the theoretical perspective of the social economy, through the background to measuring impact and finally the results and conclusions.

The second chapter of the thesis forms the basis of the main theoretical approaches to the social economy. The chapter includes an outline of how the social economy has developed within academic led literatures utilising approaches to locally led economic development (Boothroyd and Davies 1993) and social exclusion (Geddes 2000). The discussion traces organisations associated with the social economy from community businesses through intermediate labour market programmes (ILMs), community development trusts, credit unions and local exchange trading systems (LETS). The

main contribution of this chapter is the development of a framework used to illustrate the discourses of the social economy and review of the pioneering work of Amin et al (2002).

Chapter 3 sets the case for measuring impact within the social economy. The chapter argues that the social economy exists to produce social or in some cases environmental impacts. The chapter explores why conventional approaches to evaluation have failed to adequately capture the impacts of the social economy. The chapter brings together literature which stresses that there are alternative approaches to urban programme evaluation (Townley and Wilks Heeg 1999, Anastacio et al 2000) with the growing policy led or 'grey' literature based around the process of social auditing which are increasingly utilised by social economy organisations (for example, CBS 2001).

Chapters 4,5,6, and 7 outline the background to the research questions and local context. For example, chapter 4 outlines the way in which the research adds to current discourses and illustrates the main research aims. Chapter 5 illustrates the way in which different methodological approaches have been triangulated. Chapter 6 delineates the context in which the research has been carried out and draws in particular upon the background to Merseyside's Objective 1 programme (Boland 1998) and recent developments in relation to the growth of a number of support bodies focused upon the social economy such as the Merseyside Social Enterprise Initiative (MSEI). Chapter 7 outlines the results of the mapping exercises and provides the most up to date indication of the size and structure of the social economy in Merseyside.

Chapters 8,9 and 10 draw upon the in-depth research and results collected from the three case study organisations; St Mary's Area Regeneration Trust, Train 2000 and the Furniture Resource Centre. The choice of case studies reflects the breadth of activities within the social economy. For example, the first case study was chosen because it was an area based CBED enabling body. The second case study was chosen because it was gender based. The third case study was chosen because it was environmentally based.

Each of the chapters details the background to the organisations, their current means of evaluation, analysis of the recorded outputs, and in-depth analysis of research which has drawn upon a rich ethnographic, beneficiary based methodology and evaluation. Chapter 8, which details the results taken from the area based CBED enabling body, St Mary's Area Regeneration Trust (SMART) provides an example of a social economy organisation set up in response to market failure by a group of local residents in out of city housing estate over fifteen years ago. The case study organisation was incorporated into the Liverpool CBED programme in 1994. Since the organisations inception there has been massive economic and social change within the city which many thought would be impossible as little as five years ago (Burnell 2003). Despite this the chapter outlines why the estate in which the organisation is based is still regarded as one of the most deprived wards within the city. In this context the chapter explores the development of the organisation. This includes a brief overview of the latest developments which indicate the organisation is beginning to adopt a market led approach to the social economy i.e. seeking to generate income

and delocalising their activities. The chapter therefore explores some of the implications this has.

The chapter goes on to address the current means of evaluation and seeks to build upon the identified gaps, for example, lack of beneficiary engagement. The research findings focus upon the micro business and community business development function of the organisation. It explores the geography of the impacts recorded. It analyses the dynamics of the beneficiaries using the services in order to assess whether or not it is reaching the 'hardest to reach' as well as demonstrating how impacts have to be understood in relation to wider processes such as labour market change. The main body of the chapter, however, focuses upon the impact of the organisation upon individuals utilising ideas and models presented within chapter 3 such as Kubicsh et al's (2001) theory of change.

Chapter 9 outlines the results of the second case study organisation, Train 2000. Train 2000 was set up in the mid 1990s by a group of women from Merseyside who felt that the mainstream enterprise support services were not adequately providing for, or addressing the under representation of women's enterprise development. In contrast to the first case study this chapter addresses the impact of the social economy in relation to gender issues. The chapter outlines the organisations development. In contrast to both the first and third case studies, however, the chapter shows that Train 2000 have not sought to become financially self sustainable. The case study provides an example of a social economy organisation, which relies upon public sector support. A distinguishing factor of this cases study is the organisations increasing role in seeking to affect wider institutional and political change in areas related to women's

empowerment and economic development. In outlining the current means of evaluation the chapter demonstrates that Train 2000 have made more use of social audits than the first case study. The social audits completed have highlighted that there are intangible benefits, which the organisation felt unable to measure adequately. The research draws upon these findings and builds a research methodology designed to engage beneficiaries into the evaluation process. The chapter explores the role of the organisation in individual outcomes of women who have used the services and a number of key themes emerge from this, not least, the recognition of the added value provided by the creation of a unique gendered space (McDowell 1999). As part of the chapters findings there are some important cross cutting themes such as the relationship between gender and ethnicity, the emerging geography of impacts and role of Train 2000 in relation to local economic development.

Chapter 10, has an environmental focus. The chapter outlines the results collected from work carried out in the Furniture Resource Centre. The Furniture Resource Centre was set up originally in the 1980s as a charity. In 1994 the organisation began to trade. Since then the organisation has grown into a multi million pound group of social enterprises. The group employs over 100 people and has been held up as national best practice example for social enterprise development (SentU 1998). The chapter therefore outlines the organisations growth and development. It explores some of the issues this raises, such as the development of partnership with both the public and private sectors. The case study is also used to build upon the theory that there are alternative sources of employment as outlined in the Delors (1994) report, Growth Competitiveness and Cohesion and work of researchers such as Lloyd (2000).

In comparison to the preceding two case studies the furniture resource centre has carried out the most social audits and in 2002 won a national award for the quality of the social audit over competitors such as the Co-operative bank. The chapter focuses upon the added social and environmental impacts created by one of the organisations subsidiary social enterprises, Bulky Bob's. Bulky Bob's is contracted to collect bulky household waste such as beds, sofas, wardrobes, washing machines, refrigerators and freezers for Liverpool City Council. The agreement between Bulky Bobs and Liverpool City Council is considered to be unique because it incorporates what has been termed a 'social economy contract' i.e. on top of the conventional agreement to collect the household rubbish there are added targets which include the recycling of the collected bulky household goods and employment of long term unemployed. The chapter brings together the results of data collected regarding the recycling of goods. However, the main body work centres upon the impact of the employment created for the long term unemployed. The chapter seeks to explore what impact the organisation has had upon individuals. It goes on to explore the longer term impacts i.e. what happens to people one, two years after they have left the organisation. Do they find alternative employment? What quality is that employment? Have there been so called intangible benefits? The results of this chapter have particular significance as the social economy contract has been held up nationally as a potential model for future local authority procuring methods and draws upon the guidelines set out for Best Value.

By exploring the impact of the social economy the thesis seeks to make an original contribution to the current discourses. The thesis brings together an in-depth insight about what the social economy is and what impact it has had within Merseyside. It illustrates the difficulties associated with measuring impact and argues that the impacts are complex and relate to a range of both tangible and in some cases intangible benefits for which there is a lack of appropriate evaluation methods. By utilising an in-depth and ethnographic approach to evaluating impact within three case study organisations the thesis illustrates the wider impacts of the social economy i.e. the traditional more tangible outputs such as jobs created, intangible impacts such as increases in self confidence and much more significant impacts such as the creation of alternative spaces for economic and social empowerment. In doing so the thesis explores the suitability of current policy approaches to the social economy such as the belief that social economy organisations can become financially self sustainable, the belief that the social economy is a potential source of new jobs, and way of tackling social exclusion.

Chapter 2 The Social Economy: Context, Definition and Theoretical Background

The social economy has been relatively under researched. Previous studies have had to rely upon the unification of multiple strands of literature. In seeking to present a clear definition of the social economy, the following chapter brings together both academic and policy-related literature. This includes academic discourses surrounding local economic development, community economic development, and the third sector, as well as academic critiques of processes associated with the neo-liberalisation of public sector services, and alternative models based upon neo-communitarianism and policy related literature from a local, national and international perspective including European employment policies and recent UK government-led policies on social enterprise.

The chapter has been broken down into four parts: context and definition, discourses of the social economy, the place of the thesis, and the final section reviews the work of Amin et al (2002). The first section begins, however, by outlining approaches to Local Economic Development (LED), as well as the relationship between the social economy and discourses of social exclusion. This is followed by an outline of the way social economy is defined, which includes a typology of social economy organisations. The next section is a framework of the varying discourses of the social economy. It presents approaches from the New Right, based upon entrepreneurialism, to New Left approaches based upon collective ownership of economic development. The penultimate part of the chapter seeks to bring together some of the key themes of the chapter and relates these to some of the contributions that will be made by this

thesis. This culminates in a review of the work of Amin et al (2002) whose work represented the most up to date work on the social economy during the period of this research.

2.1 Context and Definition

Local Economic Development (LED) became a key element in British urban policy in the 1990s, in response to the growing dissatisfaction with previous approaches to regeneration and economic development which had largely been based upon the interests of the private sector throughout the 1980's. These included the enterprise-orientated policies supported, which were typified by the Urban Development Corporations (UDCs) and Employment Zones (EZs) (Haughton, 1999). For example, UDCs, were primarily tasked with the regeneration of land. New local economic development approaches as seen in the 1990's were introduced through programmes such as City Challenge. City Challenge was introduced in 1991 and designed to bring together a range of partners into the local economic development process. The new partnerships formed under programmes such as this were supposed to include local groups and communities, as it was felt by policy makers that locally-led plans would be better equipped to meet the needs of communities and places seemingly left behind by the mainstream market economy. Despite the rhetoric, however, both City Challenge and the later Single Regeneration Budget (SRB), which were designed to engage communities, experienced problems in securing community participation. Some, such as Parkinson (1998), argued that such programmes only offered tokenism to communities. In response to these types of contrasting perceptions, there are

different perspectives on the types of local economic development, differentiated by the degree of community involvement, some of are presented below.

It should be noted, however, that there had been developments in community economic development prior to this. In the 1960s developments such as the Community Development Projects (CDPs) sought to bring together a range of bodies and organisations which would have included local government and voluntary groups at a neighbourhood level in response to growing urban deprivation and increasing racial tension (Millar 2001). Yet these initiatives were subsumed throughout the 1970s and 1980s by the growth of enterprise-led initiatives and policies, which evidently served to separate urban regeneration, from discourses of community development and public participation (Byrne 1999: 124). Programmes such City Challenge therefore represented a re-introduction of communities into mainstream British Urban policy (Haughton et al 1999).

Approaches to Local Economic Development

Approaches to Local Economic Development (LED) can be divided into two main categories. The first of these categories centres upon those approaches that, despite conscious efforts, remain characteristically 'top down', reliant upon technological innovation, large enterprise, and trickle-down processes (although such processes are now largely discredited). This category incorporated the types of partnerships critiqued by researchers such as Parkinson (1998). The second approach to local economic development can be categorised as 'bottom up'. It is based upon sustainable

approaches to local economic development. This category is supportive of the role of small firms, the importance of social networks, shared community values and trust (O'Doherty et al, 1999). Table 2.1 illustrates these two main approaches.

Table to Show Central Characteristics of the Two Approaches to Local Economic Development (LED)

Mainstream	Alternative
<ul style="list-style-type: none"> • Top Down • Reliant Upon Technological Innovation • Large Enterprise • Innovation hubs • Trickle Down 	<ul style="list-style-type: none"> • Bottom Up • Place importance upon social networks • Small Firms • Community Values • Trust

Table 2.1 Adapted from the work of O'Doherty (1999).

This second, bottom-up approach to local economic development can be associated with the development of discourses of Community Economic Development (CED). The objective of Community Economic Development (CED) is to take some control of the local economy back from the market and state (Boothroyd and Davies 1993: 230). Community economic development was rapidly developed as a mainstream regeneration concern throughout the UK through the mid to late 1990s (Haughton 1999a: 872). For example, community economic development measures were inserted into virtually all British regional plans for European Social Funds (Haughton, 1999). These approaches draw upon the earlier developments such as the formation of the Community Development Projects (CDPs) from the 1960's onwards which sought to bring together bodies and organisations, such as local government and voluntary

groups, at the neighbourhood level in response to growing urban deprivation and increasing racial tension (Millar, 2001).

Haughton et al (1999) present a continuum of approaches to community economic development that vary from more 'localist' approaches, done by and for local people, to cases where communities are brought in as a result of 'bending' mainstream programmes. Localist development approaches revolve around the empowerment of local communities who are then able to engage in locally devised and controlled regeneration programmes using local resources. Under this approach it is argued that the rise of urban grassroots movements and projects, such as Local Exchange Trading Systems (LETS) and Community Businesses, demonstrate the power local people have to tackle issues and provide for communities. In contrast, the mainstream approach address social exclusion by building bridges between excluded communities and the mainstream economy. The latter approach is not about setting up alternative markets as a way to address private and public sector abandonment of areas. It stresses the importance of linking local people to local jobs, rather than indigenous alternative economic development within communities and deprived areas.

Building upon this dichotomy, Boothroyd and Davies (1993), whose work focuses on developments in the US, state that there are three possible approaches to community economic development: 1) those that endorse growth promotion 2) those that involve structural change and 3) those that focus on communalised approaches to alternative economic development. The first 'growth promotion' approach is used to describe the development process, and is synonymous with promoting growth in jobs, income, or business. It is concerned with boosting local image and attracting inward investment

into localities. It relies on the 'trickle down' of wealth and success to reach the most disadvantaged areas. Similar to the mainstream approach presented above, Boothroyd and Davies (1993: 235-237) argue that cultural, social and environmental costs of increased employment are seen to be secondary concerns. The second 'structural change' approach has developed in parallel to the above by community-based organisations. The structural change approach can be seen as a reaction to the growing reliance on external investors and employers. It can be exemplified by the formation of organisations such as producer and consumer co-operatives and credit unions. The main objective of this approach is to retain and increase local ownership and control. As Boothroyd and Davies explain:

“...monetary flows into and through the community should be stabilised through local and diversified ownership, local resource control, diversification of exports and import replacement.” (1993: 234)

The third 'communalisation' approach combines the economic, social and environmental objectives:

“ ...All community members must be empowered to participate in planning and decision making processes that shape the community's economy”.

Table 2.2 summarises the approaches to Community Economic Development described by Boothroyd and Davies (1993) and Haughton (1999).

Approaches to Community Economic Development

Mainstream / Enterprise Led	Structural Change	Alternative Approaches
<ul style="list-style-type: none"> • Emphasis upon linking communities to mainstream economy • Linking local people to local jobs • Growth promotion • Attracting inward investment • Boosting local image 	<ul style="list-style-type: none"> • Taking community ownership of economic development • Often a reaction to reliance upon external investors • Do not discount the market economy • Operate in areas abandoned by the private sector 	<ul style="list-style-type: none"> • Combines social, economic, and environmental objectives • Based upon community empowerment • Values social justice • Based on alternative systems to the market economy

Table 2.2 Adapted from work by Boothroyd and Davies (1993) and Haughton (1999).

Local Economic Development, Social Exclusion and the Social Economy

In the UK, community economic development has become a key regeneration concern. It has been implemented through national government regeneration programmes such as the National Strategy for Neighbourhood Renewal (SEU 1998). Of increasing significance, however, is the connection made between the promotion of community economic development and the social economy and policies designed to address social exclusion. The following section outlines the background of the links between the social economy and social exclusion. The relationship is based foremost upon the claims that the social economy can reintegrate the socially excluded at a lower cost to the state than public sector institutions (Geddes, 2000).

The term 'social exclusion' was first used by René Lenior, the French minister for social action, in 1974. The minister had used the term in order to refer to a percentage of the French population, who, he claimed, existed outside of civil society. This group of people included the mentally and physically handicapped, the elderly, single parents, drug addicts, abused children, multi problem households and other vulnerable groups (Amin et al, 2002: 17). The term was later appropriated by the French Left during the recessions of the late 1970s and 1980s to describe the growing numbers of unemployed (Silver, 1994: 534-5). The term is now used widely throughout European and British regeneration policy discourses.

The term social exclusion is used to describe the processes by which aspects of social marginalisation are intensified over time, rather than poverty as an object. It is argued that social exclusion is a product of cumulative disadvantage (Atkinson, 1999: 65-77).

Madinipur defined social exclusion as a:

“...multidimensional process, in which various forms of exclusion are combined: participation in decision making and political processes, access to employment and material resources, and integration into common cultural processes. When combined they create acute forms of exclusion that find a spatial manifestation in particular neighbourhoods.” (1998: 22 in Byrne; 1999).

The single most commonly cited source of social exclusion remains unemployment. Although other forms of social exclusion are reducible to a lack of waged work, there is no doubt that they are often linked to it. Furthermore, social exclusion has been most visible within particular spaces. For example, where somebody lives determines access to crucial social goods, such as education, which have enormous significance for future life trajectory (Byrne, 1999: 109). It is argued that urban regeneration

strategies should tackle the multifaceted problems faced by residents in ways which incorporate local peoples perceptions and needs within such spaces (Bergham 1995: 71). With social exclusion scaled in these ways the 'local' has become equated with community. As a result, it is argued, the word 'community' has almost become a synonym for social exclusion (Geddes, 2000: 783).

Within European policy it is claimed that social exclusion is caused by 1) lack of adequate training and education 2) lack of jobs and income 3) lack of resources and 4) lack of social participation (Bergham 1998: 10-28).

In 1998, the Social Exclusion Unit launched the National Strategy for Neighbourhood Renewal. A key part of this strategy was the argument that previous policies had focused too much attention on the physical regeneration of areas rather than creating opportunities for local people (SEU, 1998). As a result there was a specific focus upon tackling social exclusion within Britain's 'worst estates' (SEU, 1998: 7). The causes of social exclusion have been linked to the failure of the one of the following four systems; 1) democratic and legal systems which promote civic engagement 2) the labour market which promotes economic integration 3) the welfare state system, which promotes social integration and 4) family and community systems, which promote interpersonal integration. As a result, the social economy comes to be seen as providing a holistic solution for social exclusion by 1) encouraging collective self-help, confidence and capacity building and nurturing collective values of the economy via socially useful production; 2) humanising the economy via emphasis upon autonomy, associational values and organising the economy on a 'human' scale; 3) enhancing democracy and participation via a decentralisation of policy to local

communities and places; 4) bringing a greater degree of coherence to the local economy via local production and consumption of goods and service; 5) acknowledging the relationships between economy, environment, politics and society (Amin et al, 2002: 19). The following section illustrates what is meant by the term social economy. It includes examples of studies into the social economy in the UK and aims to give an insight into the types of organisations that form the basis of this research.

Outlining the Definitions of the Social Economy

Definitions of the social economy are varied and as yet there is no one standard. The following section outlines some of the different definitions used.

When this research began, any work regarding the social economy had, for the most part, been completed by regional or citywide bodies set up to support the community and social economy sector. The majority of the research was not academically-led. In fact, many of the accounts had been produced as a direct result of organisations trying to build support for themselves. This meant that it was necessary to consider the purpose and intended audience of each publication. This early work, however, forms an important backdrop to the discourses of social economy now so widely used within policy. The following section therefore outlines some of the different definitions used by some of these agencies. The discussion illustrates some of the differences between definitions and illustrates the types of problems faced in trying to gain a coherent picture of what the social economy was prior to the development of more academic research such as that produced by Amin et al (2002).

The first, most established piece of work I was able to find included the results of a survey given out to over 800 organisations. The work was completed by an organisation set up in mid-1980s in Scotland called Community Enterprise in Strathclyde (Ceis, 1997). Ceis said that the social economy was complex and hard to define. They reported that the social economy was extremely diverse in terms of types of organisation, size of enterprise and in its choice of goals and activities (Ceis, 1997: 2). As a result, they concluded that the social economy was essentially a 'small business' service sector, which directed its resources and activities towards disadvantaged areas and groups. In 2001 Social Economy Bristol attempted a similar exercise. However, this study portrayed the social economy as a much broader and inclusive sector based upon local empowerment as opposed to just locally-led economic development. They stated that

“...[The social economy] consists of enterprises that empower local people to improve their wealth and well being including community businesses, cooperatives, credit unions, development trusts, LETS schemes, charities and housing associations”

(Social Economy Bristol, 2001: 3).

Both of these definitions illustrate the diversity of meaning attached to the term social economy. The first definition concentrates upon the enterprising nature of the organisations, while the second concentrates upon the empowerment of disadvantaged people.

A similar exercise to those in Bristol and Scotland was carried out in the Northwest on behalf of the North West Regional Development Agency (NWDA) by a private sector consultancy firm and the New Economics Foundation, a key policy think tank. This study was to form the basis of work planned to support and grow social economy organisations. However, the results of the study were never published, as a result of

many disagreements over the types of definitions used. For example, the findings of the consultancy organisation contracted to complete the exercise about the types of organisations that constituted the social economy were found to be inconsistent with the beliefs of those working within the NWDA. It was reported that the consultants had included all charitable organisations as potential social economy organisations. The consultancy firm had also included a range of companies limited by guarantee, which were, to all intents and purposes, private sector. The estimates of size and structure were therefore felt (by members of the NWDA) to be unrealistic and over represented the true contribution of the sector.

Two further mapping exercises were attempted in the East and West Midlands by their respective development agencies, the results of which were also ambiguous. These reports contained very little detail and failed to illustrate either the size or local economic impact of the social economy. Both studies called for priority to be given by the relevant governing bodies to the allocation of appropriate resources to enable mapping exercises to be undertaken (notes from launch of SEEM¹, November 2001). Since 2002 national guidelines on mapping social economy organisations² have been published by the DTI. However, as stated above, there are no national pieces of work that can be used to accurately quantify the size and structure of the social economy. There are plans to bring together work collected within the regions into one study. The results, however, will not be available until 2005.

Complex Structural Arrangements

¹ Social Economy in the East Midlands (SEEM) is a social enterprise support agency.

² The DTI uses the term social enterprise to refer to the type of organisations classed as the social economy in this research.

The lack of research on the social economy within the UK at the time this research began meant that it was difficult to ascertain the exact scope, nature or size of the social economy. Of the studies that could be traced it was apparent that they were based only on survey and case study material from a limited range of regions and cities. The lack of studies was compounded by the absence of any one body or organisation from which data or information about the social economy could be sought. This is partly because of the complex structural arrangements adopted by many social economy organisations. This complexity is caused in part by the lack of one suitable legal entity for social enterprises. The table below illustrates the five different legal identities that a social economy organisation can use within the UK. The table outlines the differences between each of the legal structures.

Structures Used by Social Economy Organisations

- **Trust**

A trust is an organisation which is, or intends to be: engaged in the economic, social and environmental regeneration of an area or community. Independent and aiming for self-sufficiency. Not for private profit. Community based and owned. Actively involved in partnerships between the voluntary, public and private sectors.

- **Unincorporated Association (charity)**

To be a charity an organisation must have aims – charitable purposes- that are exclusively charitable. These can be the relief of hardship, advancement of education, advancement of religion, or certain other purposes that produce benefit for the community. Charities have a wide range of tax benefits and business rate discounts, their status helps them raise funds more easily than non-charitable bodies.

- **Company Limited by Guarantee.**

This structure protects any individuals or community members from personal responsibility for business debts. The organisation must submit annual accounts and tax returns to the Inland Revenue and Companies House. Accounts must be audited. To set up a limited company, you need to create a memorandum of association and articles of association.

- **Friendly Society**

Friendly societies are mutual organisations providing a wide range of savings, assurance, insurance and healthcare products, often tax-free. They offer investment and protection to people in all walks of life. A society can be either an

unincorporated body of persons (or since the 1992 Friendly Societies Act may now incorporate as a legal entity in its own right), unlimited in number, who join together to achieve a common financial, or social purpose or both. The members voluntarily bind themselves to rules which are capable of variation in the future, subject to a majority of such members agreeing.

- **Industrial and Provident Society**

An industrial and provident society is an organisation conducting an industry, business or trade, either as a co-operative or for the benefit of the community, and which is registered under the Industrial and Provident Societies Act 1965. Co-operative societies are run for the mutual benefit of their members, with any surplus usually being ploughed back into the organisation to provide better services and facilities. Societies run for the benefit of the community provide services for people other than their members. There need to be special reasons why the society should not be registered as a company.

-

Table 2.3

It is not uncommon for one organisation to choose more than one structure. For example, a social enterprise (the definition of which will be discussed in more detail further on) can be registered as a company limited by guarantee and also claim charitable status. In some cases profits and turnovers of social economy organisations can be well below the minimum required for the records to be made available publicly through organisations such as Companies House. As a result, all the current work or mapping exercises are based solely upon arbitrary amalgamations of data and local knowledge. Whilst the Department for Trade Industry (DTI) and the Social Enterprise Unit (SentU) are currently seeking to build a national mapping database, there are many deliberations amongst local policy makers and practitioners alike as to its suitability. The essence of these debates are the disagreements about whether the social economy is a small business sector or means by which to empower people who are disempowered. The difference in opinion affects the types of organisation one includes in the definition of the social economy. The following section seeks to provide a background to the development of the different approaches to the social

economy within the UK. It draws on literature from the early developments of community businesses in the 1970s and 1980s throughout Scotland, by authors such as McArthur (1986a, 1986b, 1987, 1993), Hayton (1983, 1995, 1996, 2000, 2001) and Pearce (1993, 1997, 1998,). This is followed by an overview of some of the more recent literature which draws on new government support for the development of social enterprise (SEU, 2001, 2003, SEL 2001).

The Development of Community Businesses

In the UK, the development of social economy organisations can be partially traced back to the development of community businesses. The term ‘community business’ was first used within government policy in 1980 by Jim Prior, then Secretary for State and Employment (Pearce, 1993). The term community business had been used in the formation and development of the community business discourse and practice that came out of the formation of the Highlands and Islands Board and the Local Enterprise Action Project (LEAP) in 1977 (see for example, the work of McArthur [1987: 106], Pearce [1998: 84-93] and Hayton [1996: 1-19]).

The Local Enterprise Advisory Project (LEAP) was set up as a temporary project with support by the Strathclyde Regional Council. It employed a small number of staff recruited in order to work with local community groups and other agencies within western Scotland looking to improve the quality of life and environment for local people (Hayton 1983: 39-52). From this initiative came Strathclyde Community Business Ltd, the first dedicated agency for the promotion, development and funding of community business. This was followed by the development of eight other

specialist support units, set up in all but one of the Scottish Regions to take forward business ideas and to establish companies owned and controlled by their members. All this activity was supported by public sector funding.

LEAP stated that:

“A community business is a trading organisation, owned and controlled by the local community which aims to create ultimately self supporting and viable jobs for local people in its areas of benefit, and to use any profits made from its business activities either to create more employment, or to provide local services, or to support charitable work. A community business is likely to be a multipurpose enterprise and may be based on a geographical community or on a community of interest. It will have limited liability and in some cases will acquire charitable status.”
(McArthur 1984: 2)

Community businesses were set up as companies limited by guarantee. The community businesses traded through subsidiary companies and any profits made were covenanted back to the holding company, which had charitable status therefore removing any requirement to pay tax. The profits were used as a means of increasing job creating activities and benefits to the community. An elected board of directors, would then appoint a management and staff team. Examples included Govan Workspace Ltd, a managed workspace project established in an abandoned school building, Castlemilk Community Business Group, a community business developed on a post-war housing estate to provide security services, community shops, a cleaning company and a furniture recycling project, and the Glasgow Wise Group - recognised as a national best practice example for providing intermediary employment for long term unemployed (Ceis, 1997).

Throughout the 1980s, research and publicity literature suggested that community businesses were adept in providing training and employment for long-term unemployed people (Caldwell & Pearce 1998: 84-92). Studies indicated that the cost per job was lower than many other methods of creating employment. At the peak of their success there were in the region of 200 community businesses (in communities of locality and interest) operating throughout Scotland providing managed workspace and work-based training for those most disadvantaged in the labour market; providing local services such as childcare and local transport; and stimulating further local economic development by actively getting local people back into employment, encouraging new business start ups and increasing local spending power (Caldwell and Pearce, 1998: 84-92). Importantly, the community business model was held up as a means of enabling communities to take control of local economic development. It provided a means through which people considered to be marginalised, could get back into work and community life (Pearce, 1993).

However, despite community businesses being held up as a panacea for the problems experienced in deprived areas both in rural and urban Scotland throughout the 1980s, an analysis of the literature in the early 1990s reveals a more sceptical analysis. For example, in 1993 McArthur wrote about 'Community Business Failure'. In 1996 Hayton presented a critical discussion of the role of community business in urban regeneration using problems experienced in community businesses set up in the North East of England. The problems were linked mainly to difficulties associated with the lack of finance and skilled management in local communities.

Towards the end of the 1990s it was argued that the jobs being created by community businesses were low- paid and low-skilled (Pearce, 1997, 1998: 84-93). It was argued that there was little hope of community businesses ever becoming economically sustainable without substantial amounts of public sector funding. There was also a growing pressure for community businesses to seek alternative means of funding as changes within the public sector revenues meant that many community businesses had had their funding budgets cut. It was reported that many community businesses had difficulties associated with balancing social aspirations and commercial viability and some community businesses had faced difficulties in retaining active community membership and problems with internal democracy.

As a consequence of these concerns the community business discourse has been used less and less by practitioners. In contrast to this there has been a rapid growth in the use of the term 'social enterprise'. For example, in Liverpool some organisations which had been previously defined as community businesses called themselves social enterprises. In 2000 over 100 locally based social economy organisations made up the Merseyside Social Enterprise Network (SEN). Many of the 100 member organisations appeared to fit more readily with the descriptions of community businesses outlined above (West, 2001: 12).

Over the course of this research the term 'social enterprise' has become used in place of the term community business and in cases been used interchangeably with the term social economy. The following section therefore traces the development of the term social enterprise and seeks to explore why the term has been utilised by organisations that once categorised themselves as community based organisations. The shift in the

use of terms appears to follow the current policy assumption that social enterprise is in some way more efficient – that it is enterprise-orientated, not tied to communities, and that these characteristics produce wider social benefits.

The Social Enterprise Discourse

Recently organisations such as Social Enterprise London (SEL) a body which has been set up to develop the social economy in London have been tasked with encouraging and developing social enterprises. They state that:

“Social enterprises are competitive businesses, owned and trading for a social purpose. They seek to succeed as businesses by establishing a market share and making a profit. Social enterprises combine the need to be successful businesses with social aims. They emphasise the long term benefits for employees, consumers and the community...They are businesses that combine the entrepreneurial skills of the private sector with a strong social mission” (SEL, 2001:1).

Social enterprises are considered to be different from community businesses because they are not restricted to any one community. They are regarded as models of the social economy that focus on establishing a competitive market share in order to help achieve ‘wider’ social objectives. Social enterprises seek to generate profit.

In England, SEL was the first body dedicated to developing and initiating new social enterprises. SEL’s first conference in 2001 attracted national attention with over 800 delegates from around the country attending³. Similar organisations have since been opened throughout the UK in cities such as Liverpool, Manchester, Birmingham, and

³ I attended this conference. There were at least twelve other people on the same train as myself heading down to London from Liverpool in order to attend the conference. This included a senior regeneration manager from Liverpool City Council and members of the team from Bulky Bob’s.

Sheffield, as well as other regional and sub regional bodies such as Social Economy in the East Midlands (SEEM), and the Merseyside Social Enterprise Initiative (MSEI). In 2002 a national body called the Social Enterprise Coalition was developed by SEL in response to the growing demand for a body to represent the sector's interests, particularly at a governmental level.

Most recently SEL and the Social Enterprise Coalition have been involved in the deliberations over the creation of a new legal status of 'Community Interest Company' (CIC) which is being considered by the government (SentU, 2003). CICs will be a new type of company structure that may be used by social enterprises that want to use their profits and assets for public benefit. This will mean that social enterprises are easier to set up. It will also mean social enterprises will have the security of a limited company with some special features to ensure they are working for the benefit of the community. CICs will eventually report to an independent regulator on how they are benefiting the community and how they are involving stakeholders in the business.

SEL categorise social enterprises into four areas of activity. These include those that focus on job creation and retention, new and improved local services, economic development, and those that tackle social issues. The scope of services and goods provided range from those that focus on the environment, care provision, ICT, food, tourism, arts and media, transport, childcare, housing and fair trade. The range of markets is therefore much wider than those that were traditionally associated with community businesses. Social enterprises are said to have three common

characteristics: they are enterprise-oriented, they have social aims and they have social ownership (SEL, 2001: 3-5).

As examples of social enterprise, SEL cite Traidcraft, Café Direct and Greenwich Leisure. Traidcraft and Café Direct promote the development of fair trade of goods such as coffee, tea and cocoa. Greenwich Leisure took over 300 leisure services whose existence had been threatened by funding cuts by the local authority. Greenwich Leisure was established as a non-profit co-operative organisation. Each member of staff was offered the chance to buy one share of the organisation at a cost £1. A board made up of employee representatives, council members, beneficiaries, union representatives and members of the management team govern the organisation together. Since the organisation's inception Greenwich Leisure has reported that the costs of running the organisation have been reduced by 35 per cent and its income has doubled. This had allowed the organisation to re-invest £4.5 million into three new leisure centres. As a direct result this has increased the levels of local employment and created opportunities for greater community usage within the local areas.

These types of organisations are much larger than those incorporated into the community business literature. They are of comparable size to larger organisations that would be more traditionally associated with either the public or private sector. It is argued, however, that the inclusion of these types of organisations is a sign that the social economy can represent a more viable, market-led and economically sustainable route of alternative socially-based economic development (SEL 2001).

Other examples of social enterprises include the Ealing Community Transport Group (ECT) ECT developed from a small community business providing local community transport using one minibus. The group now runs one of London's major bus routes. The group has also diversified its activities and holds a number of major local authority contracts in and around London for door-to-door recycling. In Cardiff a social enterprise called Pack-It provides paid employment for people with disabilities. It has grown from a voluntary sector organisation based within a day centre funded by grants from the social services department of the city council to a business that now has a turnover of over £1.4 million per annum.

In 2001, the Department for Trade and Industry launched its National Strategy for Social Enterprise, inaugurated the Social Enterprise Unit (SentU) and appointed a Social Enterprise Minister, Steven Timms. As a result, the support for social enterprises has reached higher political levels than support for other kinds of social economy organisation. This does not mean, however, that the other types should be disregarded. The following section details other types of organisations, which have also been traditionally been associated with the discourses of the social economy.

Beyond Social Enterprises and Community Businesses

Although much political attention has been given to social enterprises and community businesses, the discourses of the social economy include much broader categories of organisation such as development trusts, intermediate labour market programmes

(ILMs), Local Exchange Trading Systems (LETS) and credit unions. The following sections describe each of these in turn.

There are over 160 development trusts in the UK. The highest number of these can be found within the Northwest (Spear 2001: 260). Development trusts are defined as enterprises with social objectives, which are actively engaged in the regeneration of an area whilst ensuring that the benefits are returned to the community. Once called community development trusts, they have promoted and managed a variety of projects including managed workspace, environmental improvement, community transport, training and advice to small businesses and housing improvements. The loss of the prefix 'community' could be a reflection of the neo-liberalisation or delocalisation of social economy discourses, which will be discussed within the later section on neo-liberalisation debates. Development trusts can be run in partnership between local authorities, the community public and private sectors (SEL, 2002c).

Secondly, intermediate labour markets (ILMs) have arisen out of a need to provide an intermediary labour market service, which can offer the chance of a real job as opposed to another training contract (usually on a twelve month basis, in the UK) to the long-term unemployed. This means that employees are given contracts of employment rather than training. They are expected to work within the social enterprises and have to conform to working practice. This means turning up on time, clocking in and out, and meeting production targets. ILMs provide the experience, support and qualifications to local people who have been excluded from the mainstream labour market in order to give them a chance of getting back into the employment. For example, Create provides training and employment to long-term

unemployed in Liverpool. It reuses and recycles white goods such as washing machines, fridges and freezers.

Create was set up as part of a partnership arrangement between an existing social enterprise, the Furniture Resource Centre (one of the cases studies in this research), and a private sector manufacturer Thorn Plc. The original concept was taken from a French organisation called ENVIE. ENVIE was opened in 1984 by the co-operative religious charity EMMAUS and a number of other non-profit organisations in order to recycle electrical appliances, provide organised work routines, vocational training and work experience for young people (Lloyd, 2000: 10-32). In Scotland 'Nailed To' (North Ayr Initiative Local Economic Development and Training Organisation) was set up as part of the North Ayr Priority Partnership Area (funded by the Scottish Office). Nailed To was established as a small ILM scheme in partnership with IBM in order to provide jobs and training for local unemployed people to recycle and refurbish computers for resale and distribution to local schools and voluntary organisations. Nailed To has also established childcare facilities to help women back into the labour market and has an IT centre where people can access computer training and careers databases (Amin et al, 1999: 2049). In Sheffield, Reclaim provides ILM places through plastic reclamation and preparation of materials and textiles for recycling.

Thirdly, Local Exchange Trading Systems (LETS) enable a network of people to set up alternative trading systems. A LETS would normally involve the introduction of an alternative form of currency which would enable people to trade skills, time and

products such as typing skills, painting and decorating even organic fruit and vegetables (North, 1999). LET'S are normally community-based.

Finally, a credit union is a co-operative, non-profit corporation created by and for people affiliated by a common bond for the purposes of promoting thrift among its members and of loaning funds to its members at reasonable rates (Imbroscio, 1997: 103). Some argue that that credit unions are part of a survival mechanism spawned as a response to the experience of unemployment and welfare withdrawal (Fuller and Jonas, 2003). Credit unions enable people to save and borrow money whilst paying a low level of interest on the money they owe. Credit unions can be described as customer-owned banks. They exist to pool the savings of members of a community to lend those savings to each other in times of need (Donnelly, 1998: 81). They are organized democratically i.e. one member, one vote. People are encouraged to pay in to the system on a regular basis and credit unions often provide an alternative to other credit providers, who can charge high rates of interest to people on very low or limited income. The members of credit unions have a common bond such as the place in which they live, work or worship. For example, a credit union in Kirkby, Merseyside has run a scheme in which members of staff visit local schools to encourage children to start saving money in junior accounts. This helps to tackle some of the cultural issues concerned with debt and borrowing money within the local area where the average household incomes are very low and many local families have no financial stability. One of the best known credit unions is the Derry credit union which is believed to be the biggest non-industrial credit union in the world (Donnelly, 1998: 82).

The Derry credit union was founded in 1960. It now has over 13,000 members and 18 full-time staff, and it has lent over £20 million to members, all of whom have been local residents. Members finance their borrowings and those of other members at a much lower cost than would be possible without the credit union. It is believed that the customers using the credit union would have few other sources of credit except high cost sources, such as the Provident cheque systems⁴ or high street hire purchase deals, which can charge annual percentage rates (APR) of charge of anything up to 35 per cent. The maximum a credit union can charge is 12.68 per cent (or 1 per cent per month on the declining balance). A community-based credit union, such as Derry Credit Union can help local people to save money. Any interest charged is used to create local jobs or reinvest into the local area. For example, in 1998 it was estimated that £5,464,000 could have been saved by local people not having to borrow from other high cost sources. In 1998 there were 98 credit unions in Britain, 29,000 members and total savings of £6.6 million and loans of £6.3 million (Donnelly, 1998: 92-93).

Table 2.4 summarises the different types of organisations along with their purpose and key characteristics. The definitions are taken from work completed by Social Enterprise London (2003).

⁴ A credit system where people borrow money to help pay for expensive outlays and then pay off the debt weekly

Table to show Types of Social Economy Organisation

Social Firms

Term sometime use by social enterprises where there is a small core of members who act in a similar way to trustees. These social businesses often focus on providing an income or employment opportunity for disadvantaged groups, or providing a service to the community.

Local Exchange Trading Systems (LETS)

Local Exchange Trading Schemes are community-based mutual aid networks in which people exchange all kinds of goods and services with one another, without the need for money. They are an organised form of barter.

Credit Unions

A financial co-operative, which is owned and controlled by its members. As well as being a good savings option, with successful credit unions paying an annual dividend of up to 8%, the money saved can be used to make low interest loans to other credit union members. Only people who come within the common bond of the credit union can join it and make use of its services. The credit union is directed and controlled by a volunteer Board of Directors.

Community Businesses

A trading organisation which is set up, owned and controlled by the local community and which aims to create ultimately self supporting jobs for local people and be a focus for local development. The term Community Business is normally used for social enterprises that have a strong geographical definition and focus on local markets and local services.

CBED Enabling Bodies

Community-based economic development enabling bodies are based upon the Development Trust model (see below). Part of the Liverpool-based CBED programme.

Development Trusts

Defined as organisations, which are: engaged in the economic, environmental & social regeneration of a defined area or community; independent and aiming for self-sufficiency, not for private profit, community-based and owned; actively involved in partnerships between the community, voluntary, private and public sectors.

Social Enterprises

Term sometime used by social enterprises where there is a small core of members who act in a similar way to trustees. These social businesses often focus on providing an income or employment opportunity for disadvantaged groups, or providing a service to the community.

Intermediate Labour Market Companies

Provide training and work experience within the supportive structure of a community business. The work experience, often a year in length, provides a stepping stone to employment.

Table 2.4

Adapted from work by SEL (2003) see www.sel.org.uk

Since the mid-1990s, the role and support of bodies such as the New Economics Foundation (NEF) and SEL have greatly increased the amount of research into the social economy (see for example, publications produced in 1997, 1998, 2000, 2001 and 2003). It should be noted, however, that the majority of this work is carried out largely outside of traditional academic arenas. The New Economics Foundation was set up in 1986 to demonstrate 'real' economic well-being. Their work has been of particular significance as they have developed a number of key pieces of research related to the sectors development and policy.

Under the heading of 'social economy', the New Economics Foundation include a broad range of organisations which include many of the organisations detailed in table 2.4. However, the New Economics Foundation also include co-operatives and fair trade organisations. They do not dismiss any one kind of organisation, but have divided the different types of social economy organisations into a series of spectrums concerned with; ownership (social business managed by trustees to co-operatives), income (grants and donations to profit-based), purpose (social to economic) and market focus (community-based to sector-focused). These have been summarised in table 2.5. The range of spectrums means that NEF are not tied to one perspective, i.e. adopting the perspective which argues that the social economy can only be community-based over an alternative approach which argues that the social economy must engage fully with the market. There is a disadvantage to this type of approach. The lack of boundaries means that there are many debates over what organisations are and are not social economy based. For example, I have had heated debates about whether or not co-operatives such as the John Lewis stores can be included as part of

the social economy. I argue that the John Lewis stores like many other retail based co-operatives are not social economy organisations if there is no benefit outside of the shareholders or staff. All other types of social economy organisation produce added benefits beyond their own membership. So whilst it is an inclusive model there are problems in having open boundaries.

Table to Show Continuums Used by the New Economics Foundation to Identify Social Economy Organisations

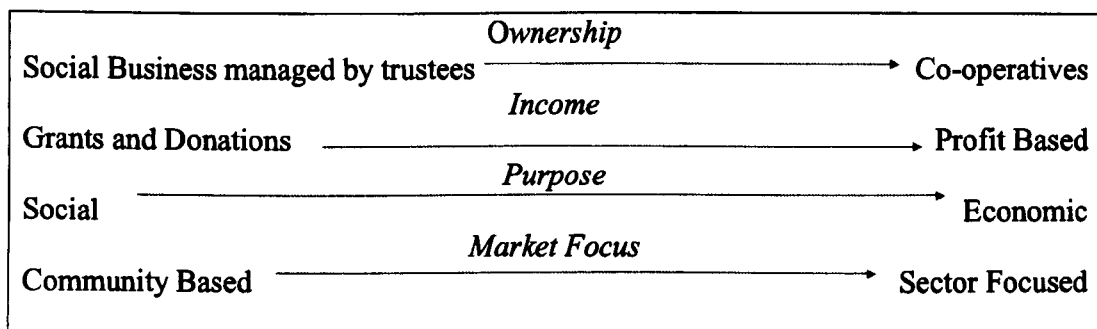


Table 2.5 Adapted from work of NEF (2001)

Drawing on these ideas, I have devised a continuum of the organisations that I believe to constitute the social economy. Figure 2.1 shows a continuum of organisations that runs from organisations considered to be most socially orientated, i.e. to have primarily social objectives, to organisations that appear to be more economically orientated i.e. those that aim to make profit. Those in a grey typeface are organisations that traditionally may have been more readily associated with either the community or voluntary sector (shown to the left of the diagram) or even the private sector (shown to the right of the diagram), yet are increasingly included into developing discourses of the social economy.

Continuum of Potential Social Economy Organisations

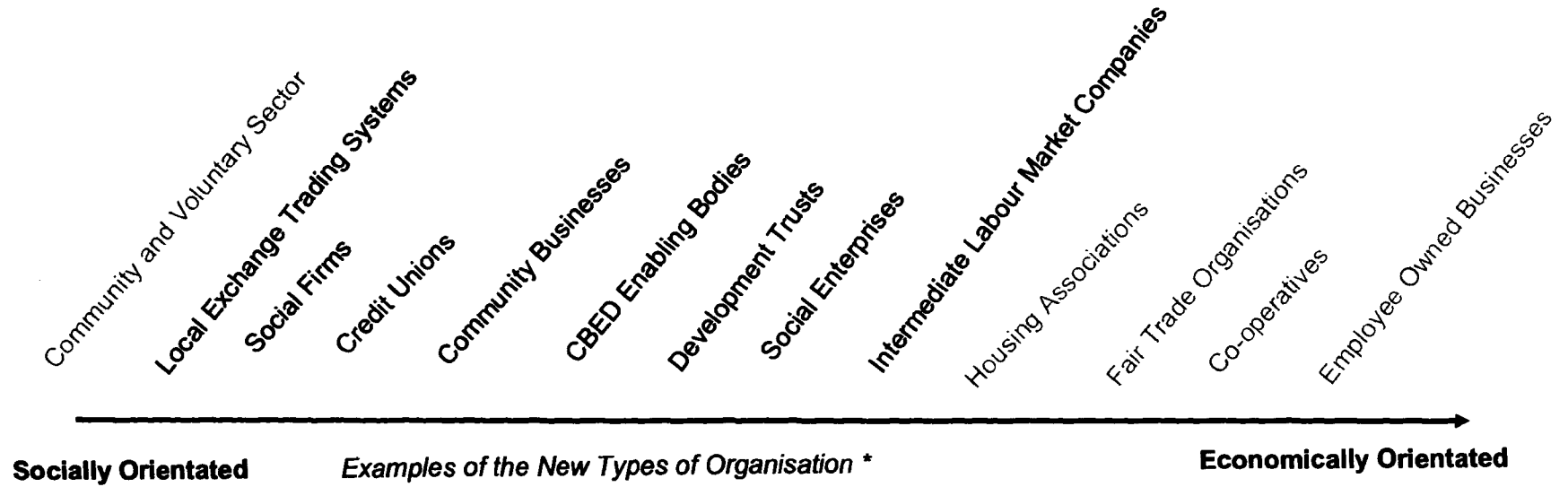


Figure 2.1

Having established a clear understanding of the types of organisations referred to when using the term social economy, the following section seeks to develop a comprehensive analysis of the approaches and discourses of the social economy. It builds upon the notion that there are two contrasting views; the first of which is more market focused, the second of which is opposed to the market. The discussion is broken down into six parts - new right/ entrepreneurial, European, third sector, market failure, alternative green and new left/ neo-communitarian.

2.2 Discourses of the Social Economy

The following framework brings together a number of growing bodies of literature into one approach to the social economy (see figure 2.2). It should be noted that the categorisation of these discourses is only provided as a guide. The boundaries of the categories are by no means fixed. In some cases the approaches are mixed. However, this typology of discourses serves as a key analytical tool in increasing the understanding of the social economy and the views upon it. The discussion which succeeds the framework explores each of the six approaches individually.

Framework to Illustrate the Discourses of the Social Economy

New Right / Entrepreneurial

- Promotion of entrepreneurialism in deprived communities and groups
- See the social economy as a means to provide services
- Key tool in addressing social exclusion
- Supports the development of new social enterprises
- -Critique of this is that it is part of a new kind of neo-liberalisation
- Developed since 2000

European

- Source of job creation
- Linked into the mainstream economy
- Means of reducing inequality
- Way of tackling social exclusion
- Developed in the late 1990s

Third Sector Approaches

- Range of organisations that do not fit within traditional conception of state or market
- Based upon new forms of ownership and social purpose
- Incorporate a wider range of organisations than the other approaches
- Brings together literature on the non-profit sector and European social economy
- Developed in the early 1990s

Approaches based upon Market Failure / Community Need


- Response by people and places left behind by the market economy
- Localised solutions
- Acts as a shock absorber
- Draws on the Community Business Model
- Developed in the 1980s

Alternative / Green Approaches

- Based on discourses of Sustainable Development
- Incorporates social, economic and environmental factors
- Developed in the 1990s

New Left / Communitarianism

- Collective ownership of the three means of production land, labour and capital
- Re-embeds the importance of place based relations
- Developed in the Late 1990s



Support the role of the social economy as a means of supporting the market

Based upon critiques of the market

Figure 2.2

New Right/ Entrepreneurial

The new market-orientated approaches have developed from critiques of community-based approaches to local economic development. For example, in 1996 Porter, argued that community-based approaches to the economic development of the American inner cities had not achieved the intended results. He argued that many of the community-based organisations were under-funded, had limited economic impact, and were costly to run (Porter, 1996: 43). He argued instead that the inner cities needed an alternative enterprise-orientated approach based upon unrecognised competitive advantages such as the strategic location, local market demand, possibilities of integration with regional job clusters and industrious labour force. In the UK the development of Inner City 100 index in 2001, appeared to embrace these types of ideals.

The Inner City 100 is a yearly business index and research initiative, which locates and celebrates the 100 fastest growing inner city enterprises in the UK. The initiative recognises the contributions made by enterprise within the inner city (SEL, 2001). In its first year a large proportion of the organisations were categorised as social enterprises. Merseyside had two of the top ten of these organisations. By chance both of these were chosen as cases studies for this research – Train 2000, a women enterprise development agency, and the Furniture Resource Centre.

New right approaches emphasise the role of 'social entrepreneurs' (Leadbetter, 1997). The term 'social entrepreneur' is used to describe those people tasked with developing new socially-orientated business models. Since 2001 there has been a national Social Entrepreneur of the Year Competition sponsored by the New Statesman magazine. In

its first year this title was won by the chief executive of the Furniture Resource Centre. Of significance here, is the finding of Amin et al (2002: 115) that many of the social entrepreneurs they interviewed in cities such as Bristol were not members of the local community. Instead it was found they were more likely to be middle class professionals who had forfeited the salaries of the private sector and chosen to work within the social economy because it formed part of their own belief systems (Amin et al, 2002: 6). This observation delineates one of the key differences between the community-based approaches to the social economy and new right / entrepreneurial approaches i.e. the new right's acceptance that the development of the social economy does not have to be rooted within communities. In fact, the new right / entrepreneurial approaches argue, social economy organisations need to delocalise activities, critically assess their true capabilities and acknowledge areas in which they are having limited impact for relatively high public sector cost.

The following section outlines the new approaches to the social economy as set out by the Department for Trade and Industry. The section highlights how the new assumptions associated with the social economy i.e. that the social economy can be enterprising and financially self-sustaining; appear to differ from the community based programmes, which were supported under programmes such as the National Strategy for Neighbourhood Renewal.

The following quote was taken from a speech made by Patricia Hewitt the Secretary for Trade and Industry in 2001 at the first national UK conference for the social economy. It demonstrates how the government supports social enterprises as part of its drive to modernise public services, develop public/private partnerships and promote social inclusion.

“We have a real opportunity to create a much larger mainstream social enterprise sector in Britain. We made it very clear in the election manifesto that we are going to be radical about public services reform. We said that we would bring in alternative providers to help improve quality. We said we want to encourage a spirit of enterprise in public services as much as in private business. But there is no reason at all why the partners in public service provision should come only from the private sector. In a second term we ought to be seizing the opportunity as a Labour government to promote social enterprises, to promote not for profit businesses committed to social goals as an essential part of a modernised public service. ...Firstly they're much more likely to experiment and innovate...[they are] created often because people have seen a gap in statutory provision or because people are impatient with the established way of doing things...Secondly, I think social enterprises can often find it much easier to attract and retain highly motivated staff. And then thirdly, social enterprises offer a way of involving excluded groups, including people with disabilities, people who are often very vulnerable in the labour market...They provide services that are often in desperately short supply in disadvantaged neighbourhoods...” (SEL, 2001: 5).

Links have been made between the social economy and New Labour's 'Third Way' (Amin et al, 2002: 24). Central to the Third Way is the revival of civic culture; the concern with social inclusion; the creation of synergies between public and private sectors; and renewed democracy (Giddens, 1998). The social economy is therefore supported for its entrepreneurial capacity and for its commitment to engaging communities. However, the support for the social economy from New Labour appears to be divided into two parts. On the one hand New Labour appears to support community-based social economy development through the implementation of

programmes such as the National Strategy for Neighbourhood Renewal (SEU, 1998). However, as Hewitt's words illustrate, on the other hand, within the New Labour project there is a belief that social exclusion can be addressed through markets.

Critiques of the New Right

It has been stated that the new right approaches to local regeneration and economic development are no more than new forms of neo-liberalisation. Throughout the 1980s neo-liberalisation in the UK was associated with the Thatcher government, the privatisation of public services, drawing back of welfare services, and rolling back of the state (Peck and Tickell, 2002). In contrast the neo-liberalisation of the 1990s and years since 2000 has been directed at critiques of the Third Way or what has been termed rolling out of the state (Peck and Tickell, 2002). Under these approaches it has been argued that New Labour has taken on an enabling role as opposed to being a provider or direct supporter of welfare services.

It is argued by some that the government has tasked itself with using communities and therefore the social economy in the battle against social exclusion, because they have accepted that adaptation to global economic forces is the only feasible option. This approach implies that government spending must be reduced in response to rising state costs which are no longer seen as sustainable (Amin et al 2003: 27-55). At its most extreme the emphasis of upon citizen responsibility and the role of communities in local economic development, especially within deprived areas, has been translated into community responsibility for individuals finding employment and getting people off benefits. Critics argue that the social economy might become 'a poor form of

welfare for the poor', under-funded, under-resourced, supported by policy expectations of far greater success than can be realistically achieved (Amin et al, 2003: 27-55 and Defourny, 2001:8). In some cases it is argued that the social economy offers a route to a world of survival via nothing more than sequential training schemes, temporary employment and the possibility of work in alternative community based organisations (Amin et al 2002: 24). From this perspective the social economy is hardly an alternative, more egalitarian option for a better society.

In summary it appears as though the development of the new right approaches open up new fields of struggle between those who believe that the social economy can open up democratisation through community empowerment and those who believe that the social economy is just state accumulation on the basis of low cost social cohesion (Graefe, 2001: 53). Duncan (2001), writing from practitioner's perspective, raised concerns about the way in which he thought the social economy was moving further away from the bottom-up, communitarian goals aspired to by smaller community-owned organisations in the push towards economic sustainability. There have been concerns raised about the displacement of jobs from the public sector into the social economy. For example, Duncan (2001) asks whether social economy organisations are capable of providing the benefits and security that public sector firms would be able to offer their employees (Duncan, 2001).

European Approaches

The first European social economy conference was held in 2001. The strongest representation came from Italy, France, Belgium, Spain, Sweden and Poland.

Delegates of the conference came together to consolidate national experiences and signed up to an agreement which defined the social economy by three central characteristics: 1) it is not based on capital but upon participatory democracy 2) its aim is not profit but mutual solidarity and 3) the social economy can contribute to the integration of disadvantaged persons of various categories into society (Prague Social Economy Group, 2002: 13).

Interest in the social economy within Europe developed throughout the 1990s in response to growing concern that the increasing intensity and localisation of unemployment threatened economic development and social cohesion (Haughton, 1999). For example, unemployment in Merseyside reached 32 per cent in 1993 (Boland, 1999). These concerns were illustrated within reports such as the Delors White Paper *Growth, Competitiveness and Employment*.

In response to these concerns reports such as 'The era of Tailor made Jobs' (EC 1998) argued that there was value in combining the local demand for more employment with needs and markets not yet being fully exploited. A pan-European study called the *Local Development and Employment Initiative (LDEI)* carried out by the European Commission in 1995 set out to look at the needs and desires of European society. It concluded that there were at least nineteen possible fields where it believed that a strong possibility existed for new sources of jobs to be created (Lloyd, 2000: 1-6). Eight of these were environmentally focused, and included activities such as the development of energy efficiency, improved public transport, conservation, urban renewal and waste management. Other areas included a range of care and welfare services.

It was argued that the social economy could not only create new employment within these developing areas, but could also be used to address social exclusion by employing and providing services for those considered to be marginalised – the long term unemployed, the disabled, and under represented groups (Archambault, 1997: 1-16; Birkholzer, 1997). In France, Archambault (1997) reported, social economy organisations were offering services such as adult training programmes; school help to children of immigrants; sports and recreation clubs; activities with those from minority backgrounds; mutual help for women; and legal assistance to those who would not normally have access to those types of services. Archambault (1997) also reported that social economy organisations were increasingly introducing, shaping and implementing social, cultural, environmental, health, employment and Third World aid policies.

The European approaches to the social economy are increasingly based upon the growing role of social enterprises. The European approaches would argue that social enterprises are a new type of organisation that are able to combine both market and public service attributes (Kendall and Knapp, 1997). Borgaza and Defourny (2001: 362) argue that social enterprises represent a strong example of how civil society can directly and autonomously deal with some of the problems shared by the community without necessarily relying upon public funds. They go on to argue that social enterprises fall into neither the state the public sector, and therefore need to be analysed as new form of entrepreneurship Borgaza and Defourny 2001: 4). It is stated, for example, that:

“...the main innovation introduced by social enterprises in the economic and social arena is that they are neither outside of the market, as are most public and traditional non-profit organisations, nor

outside of the public system or resource allocation, as are for profit enterprises. Rather, they use the reasons and the rules of both the market and the state, though not identifying themselves with either of them” (Borgaza and Defourny 2001: 362)

In 1996 a cross-European study concluded that social enterprises could be categorised into two main fields: work integration and social and community care services provision (Borgaza and Defourny, 2001: 12). The first group, those that had focused upon work integration, had shown signs that they were looking to be less dependent upon public funds and were paying more attention to market dynamics (Borgaza and Defourny 2001: 353). In seeking to integrate people into work social enterprises focused upon employing very specific groups, such as the long-term unemployed, and the disabled. It was also found that social enterprises were increasingly operating in direct competition with traditional private sector companies (Borgaza and Defourny 2001: 15). As a result they were looking to new management systems used traditionally within the private sector.

Third Sector Approaches

The third sector has become an area into which people have placed any organisation that does not fit with either traditional conceptions of the market or the state (Morris, 2000). The third sector approaches are based upon a tripartite system which consists of the market, the state and the third sector. The following section outlines how some of the third sector discourses relate to discourses of the social economy.

The third sector encompasses a much broader set of organisations than just the social economy. The third sector includes the voluntary sector, co-operatives, and mutuals in

addition to the types of organisations already outlined, such as community businesses, and social enterprises more readily associated with the social economy. Salomon and Anheier (1997: 7) argue that the third sector includes everything from soup kitchens to symphony orchestras. As a result, some of the literature within this approach may not be entirely relevant to the social economy. The following section therefore draws only upon those parts of the discourses which are relevant.

Cross-nationally, the John Hopkins Comparative Non-profit Research Project, inaugurated in 1990, is reported to have provided the most in-depth insight into the third sector. The project was set up to find a usable and workable definition of third sector organisations. The project concluded that there were five main characteristics: 1) that they are set up on a formal basis 2) they are privately owned 3) they are self-governing 4) they have no profit distribution (to members or directors) and 5) they must involve some voluntary input either donations of labour (Salomon and Anheier, 1997).

The third sector became the focus of intensified attention during the 1990s as a response to rising unemployment and crisis within the welfare state in the work of researchers such as Salomon and Anheier (1997), Kendall and Knapp (1997), and later work from Morris (2000), and Kramer (2000). A key part of this was the argument that the third sector represented a potential untapped source of supplementary employment and entrepreneurship able to reach marginalised groups (Solomon and Anheier, 1997). This research made a number of significant observations some of which are outlined below.

In the face of increasing grant cuts it was evident that a rising number of voluntary based organisations were looking to profit-making activities in order to sustain their charitable activities (Archambault, 1997). Similarly, it was found that voluntary sector organisations were increasingly moving into the provision of personal welfare services, such as care, education and employment services (Kendall and Knapp, 1997). These are areas which are now more readily associated with the social economy.

A second observation concerned the increasingly complex institutional environments in which third sector organisations worked. In the UK Saxon Harold found that there were over 127 bodies involved in the strategic decision-making around these organisations. Governing bodies ranged from local authorities, to the Charities Commission, and range of central government departments (Saxon Harold, 1990). In the light of this growing complexity, some researchers have actually argued that the demarcation between three separate sectors is artificial. For example, James (1990) argued that third sector organisations were in reality public-private hybrids and Kendall (2000) argued that the third sector was actually constantly changing. They stated that organisations were more likely to move between the three sectors - the public, private and third sector.

Market Failure and Community Need

Under the market failure approach it is argued that the social economy is used to counteract the impacts of market failure. For example, Vaillancourt and Levesque state that:

“In the face of economic globalisation the social economy plays the role of shock absorber, re-embedding economic activity through joint construction of supply and demand and mobilising community resources to satisfy unmet needs”

(2001: 42 quote in Graefe, 2001:42).

It is believed that communities can re-embed economic activity through the joint construction of supply and demand (Graefe, 2001: 35). The community business literature of the 1980s epitomised these types of approaches. For example, it was argued that community businesses represented new forms of economic organisation based upon community ownership.

Fasenfest et al (1997) argue that there is potential for an alternative social economy paradigm based upon deficiencies of the market economy. They claim that the social economy sets new boundaries within which the social and economic well being of local communities, effective co-operation, interdependence and active participation of citizens become the main priority. In line with this approach the success of an enterprise is judged on the benefits projects have for the wider community, in terms of the number of jobs created, the number of people involved in a voluntary or learning capacity, the benefits to producers and users, and in a project’s ability to generate income for and within a community. This approach would also fit with those who believe that the social economy aims to create an egalitarian, inclusive and more fully democratic society that values social justice, fundamental equality, and equality of opportunity (Molloy et al, 1999).

Critiques of the Market Failure Approaches

These approaches have not been without criticism, for example, Fillion (1998) argues that the impacts will be restricted to a limited number of localities, social groups and sectors, which he terms 'islands of regulation in a sea of deregulation'. Furthermore, he argues that community economic development ventures encounter serious difficulties linked to their small scale and high failure rate and therefore marginality of movement. The high failure rates are linked to the lack of appropriate markets, lack of demand for the goods and services they provide, and the lack of access to investment capital (Fillion 1998: 1111).

Alternative/Green Approaches

In part, the alternative green approaches to the social economy can be linked to developments in the environmental discourses of the early 1990s, such as the policies and partnerships of Local Agenda 21, which came out of agreements made at the Rio Earth Summit in 1992. Agenda 21 was the pact which 170 governments signed in order to commit to more sustainable forms of development (Seyfang, 2001: 975-996). All UK local authorities had to sign up to Local Agenda 21 as a consequence of which locally-based plans for sustainable development would be formulated with local communities. Some of these plans incorporated social economy organisations such as community businesses. The degree to which these plans have been implemented successfully has, however, been open to question. Although there is no need go into this here (as this requires much more discussion than can be included in this thesis). The example should, however, illustrate that the alternative green approaches to the social economy are grounded in the belief that a local economic strategy based upon

indigenous development is more likely to achieve the broader social and environmental objectives of a local community (Roberts et al, 1990).

These approaches draw upon the of researchers such as Ekins and Newby (1998: 867) who argued that the social economy could provide better work, increased wealth and improve the local environment, strengthening communities, neighbourhoods and localities whilst consolidating local social purpose and identity (Ekins & Newby 1998: 867). Newby (1999: 67) argues that community enterprises are a key part of sustainable local economic development, which also includes measures, such as sustainable approaches to inward investment, responsible business practices, local business development and more even distribution of work.

The alternative approaches to the social economy are likely to focus upon more alternative forms of development, such as, the role of Local Exchange Trading Systems (LETs) see for example, North (1999) and Seyfang (2001). In seeking to find out whether LETs were likely to be a useful strand of community economic development, O'Doherty et al (1999: 1639-1653) identified the social base of LETS less in terms of economic development but as part of a creative social margin and part of an alternative milieu, rich in cultural capital and capable of vital cultural innovation. He concluded that the prime contribution of LETS is strengthening an energetic, local or regional civil society (O'Doherty et a.,; 1999). It is argued that Local Exchange Trading Systems are social movements, which correspond with both post-materialist values and left libertarian values which are united in their suspicion of the market. These approaches are therefore less about focusing upon deprived communities than about building alternatives to market-orientated approaches to

development based on more sustainable local forms of development (O'Doherty, 1999: 1644).

The final approach is based upon neo-communitarian discourses. It draws, for example on the work of Bruyn (1987) and Imbroscio (1997). The discussion sets out the case made for alternative community-based economic systems, which would theoretically be able to exist independently of the market.

New Left / Communitarianism

The New Left approaches to the social economy support the idea of independent economic systems based upon collective organisation. These approaches have been termed neo-communitarian. These approaches place emphasis upon the importance of place-based relations. For example, Imbroscio (1997) presents the idea of community-based economic development. He argues that community-based economic development is built upon a communities' indigenous capacity to achieve economic vitality. Most importantly it has at its heart the notion that urban economic development is to be a collective affair involving efforts by and for members of the community.

Under this approach community-based economic development is held up as a new radically different mode of political and economic organisation for society (Imbruscio, 1997: 97). It is argued that this mode of organisation departs in meaningful ways from the two dominant forms of modern political economic organisation i.e. capitalism and bureaucratic socialism. The ideas presented suggest that the nature of ownership and control of productive assets in the economic

development process can be re-orientated in order to favour the increased power of community-based institutions.

Community-based economic development downplays individualistic conceptions of wellbeing and achievement. Under this approach the social economy is based upon mutual aid, co-operative and voluntaristic forms of interaction (Imbruscio 1997: 98). Key decisions regarding economic development lie in the hands of an active and informed local citizenry.

Imbruscio presents the Bruyn model which revolves around the three main components of production: land, labour and capital (Bruyn, 1987: 8-18). The Bruyn model consists of five component parts of which the Community Development Corporations (CDCs) are a central component. A Community Development Corporation is a democratic firm designed to be accountable to all residents of the community. Residents become members for a small fee and may participate equally with one vote in shaping community policy (Imbruscio 1997: 105). The Community Development Corporations are then supported by a system of land, work, finance, and markets that are community-owned.

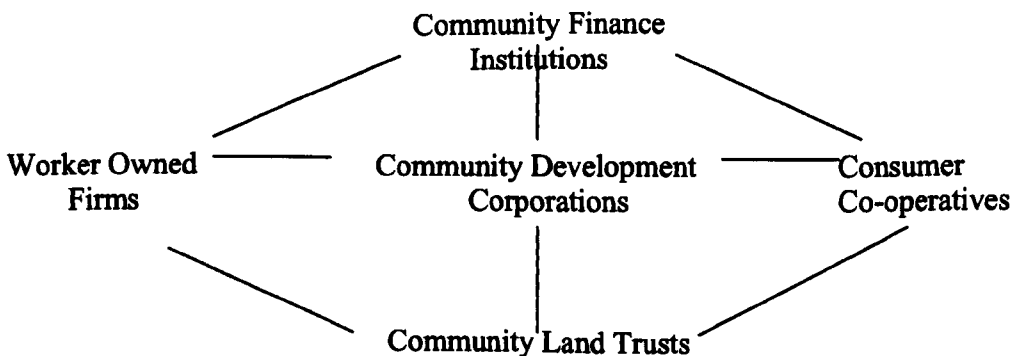


Figure 2.3: Model of the Community Based Strategy for Alternative Economic Development (Imbruscio 1997: 105) developed from work of Bruyn 1987: 17)

2.3 The Place of this Thesis

The basis of this chapter has been the growing recognition that there is a dichotomy between approaches to the social economy - one approach revolves around support for the market, while the other based upon the belief that alternative economic systems can be created. Academically the discourses of the social economy have developed out of the study into local approaches to economic development. Linked to this, there has been a recognition that many social economy organisations are locally-based and as a result the social economy, particularly within other EU member states, has been held up as one of the policy solutions to problems of social exclusion (Geddes, 2000). There are, however, a range of alternative approaches to the social economy and these have been summarised in figure 2.2. The recognition that there are multiple approaches to the social economy is key contribution of this thesis. The framework of the different approaches to the social economy brings together a range of sometimes disparate literatures, yet each of the approaches has helped to increase the analysis of the data and contextualise the research findings.

There are variations in the utilisation of definitions of the social economy, some of which have been explored within the earlier parts of the chapter. Many of the difficulties associated with defining the social economy relate to the complex institutional structures which govern them. The complexity of definitions used, is made additionally difficult by the varying perceptions of the social economy. The framework in figure 2.1 was used to illustrate the way in which different organisations may, or may not be included within these shifting definitions: the diagram ran from those that are more socially-based to those that are more-economically based. The

organisations illustrated in black fit within the definition used by Amin et al (2002: 7)

that:

“...social economy encompasses non profit activities designed to combat social exclusion through socially useful goods sold in the market and which are not provided for by the state or private sector. The social economy generates jobs and entrepreneurship by meeting social needs and very often by deploying the socially excluded”

The chapter has shown that there are difficulties associated with finding a suitable definition linked to the complex institutional structures. These difficulties have meant that there have been no significant developments in seeking to map or measure the social economy. The thesis therefore brings together one of the first academically based mapping exercises of the social economy based upon the experiences of Merseyside.

As part of the discussions the chapter has outlined some key processes associated with the social economy. It has argued that the social economy can provide socially useful goods and services. The discussion has shown that many organisations, that were once community-owned businesses, are increasingly adopting more marketised processes. The discussion has argued that there are signs that the social economy can combine the attributes of the public sector and private sector, yet is differentiated from both public and private sector organisations primarily by the fact that social economy organisations are democratically owned and work towards wider social objectives.

2.4 Placing the Social Economy

The following section focuses upon Amin et al's (2002) account of the social economy in the UK. Their work presents the most in-depth insight into the sector currently available and forms the basis of the most up to date published research. The work raises some serious concerns about the social economy and as a result some of the findings are built upon within the research. It should be noted that this work was not published until after the field research had been completed. The findings have therefore only been considered in relation to the analysis rather than the conduct of the research.

'Placing the Social Economy' (Amin et al, 2003) provides the most up-to-date insight into the social economy sector in the UK. It attempts to deal in more depth with the issue of how the social economy fits with existing policy frameworks, including the Third Way of New Labour and the concern for tackling social exclusion. Additionally it analyses the sector's different geographical manifestations, contrasting, in particular, the experiences of Glasgow and Middlesbrough (described as having a corporatist social economy) with those of Tower Hamlets and Bristol (which are said to have a distributed economy). The contrast in experiences is used illustrate the problems associated with holding up the social economy as a panacea for urban regeneration. The following section therefore highlights some of these problems.

The Social Economy; the New Panacea?

The social economy has been held up as a way of creating jobs, tackling social exclusion, providing training, developing local services and local markets and countering the effects of years of under-investment and disengagement by the public and private sectors. Amin et al (2002), however present a cautious critique of these current aspirations. They argue, for example, that there are only a limited number of successful projects and organisations within a sector in which failure rates are high, there is low quality entrepreneurship, dependence on public sector funding, chronic undercapitalisation, modest job creation, unstable and underpaid employment, and limited community involvement (2002: 116). They state:

“The evidence tells a story of struggle and limited achievement, set against high policy expectations which place the social economy at centre stage in the battle against social exclusion... The powers of the UK social economy taken as a whole do not stack up anywhere close to the policy desiderata.”

(Amin et al, 2002: 116)

Their concerns centre upon the evidence that suggests that there are major differences between the successes of the social economy in different places. The following discussion outlines some of their concerns. The discussion begins by highlighting ways in which the social economy appears to be place dependent. Their analysis suggests that the social economy is characterised by inherent localism and that this hinders its development. This is followed, however, by discussion, which indicates some of the potential roles of the social economy, and ways in which the social economy can be developed more successfully. These include improved leadership, clear goals and identified markets.

Place Dependency

Amin et al (2002) argue that the capacity to develop social economy organisations varies enormously between places. This leads to a ‘geographical mismatch’ in that the intended outcomes, such as increased social inclusion, job creation and local economic development are rarely produced in areas that are arguably in most need. This is because the more disadvantaged areas rarely have the networks, skills, resources, level of market demand and vibrancy needed to support the social economy (2002: ii-iii). Amin et al (2002) found that the most successful examples of social economy organisations had been able to draw on resources, markets and people from outside local areas and were often juxtaposed to more successful economies. Examples include Coin Street Builders in London who have benefited from having a city centre location.

Coin Street Builders (CSCB) was established as a management and development company for a 14 acre site in the centre of London after the local community won a long campaign to prevent the area being sold to commercial developers for office buildings. The land was sold to CSCB for a fraction of its market value and its status as a community-owned asset was protected through a series of covenants. The result has been the creation of a varied development scheme that has incorporated tenant owned and managed social housing schemes. CSCB has also looked beyond the local community and developed workspaces for private sector designers, retail and catering outlets, exhibition spaces and public parks, training and employment services and annual community arts festivals. The activities provide CSCB with the revenue to grow as an independent organisation (Amin et al, 2002: 380). The work indicates that

the ability of an organisation to reach beyond the local area is critical to the prospects of the social economy.

The results from the work of Amin et al (2002) suggest that within areas of marked social exclusion the social economy is either 1) a mixture of highly precarious and short-lived ventures that fail to meet local needs or ventures that are reliant upon public sector leadership or 2) social economy organisations that are run by peripatetic professionals and social entrepreneurs, dedicated organisations such as religious or minority ethnic bodies. It is argued that in Bristol, for example, the successful development of the social economy has been augmented by the presence of a supportive and vibrant civil society, animated by alternative community and or faith based political movements, which encouraged people to work within the sector linked to their own personal, religious, political or environmental commitments. These experiences are contrasted to examples within Glasgow where the development of the social economy is argued to have been state led and described by one interviewee as run by 'men in suits'. Consequently the social economy in Bristol seeks to serve particular communities, whereas in Glasgow it appears as though communities are fitted into a particular model of business enterprise (Amin et al, 2002).

Limited Activities and Ghetto Economies

It is argued that there is an increasing trend for organisations to replicate best practice examples without consideration of whether or not the models work within different contexts. This could be reflected in the increasing number of local maintenance community businesses regardless of the market need for these. In Liverpool, for example, there are multiple furniture recycling projects and community owned

managed work space. Part of the blame for this lies with the influence of a growing number of semi-public bodies set up to develop these types of organisations. Amin et al state:

“The use of best practice examples tends to lead to two crucial assumptions; first, that particular projects with identifiably successful outcomes define what is possible and through slippage what is needed; second, that best practice is replicable elsewhere.”

(1999: 2046)

It is argued that this trend means that the full ranges of trajectories are not being fully explored. For example, their observations revealed that there were growing similarities between many of the activities and objectives of social economy organisations in different places. In addition to this the areas of employment were largely neighbourhood-based services, such as garden maintenance and household repairs, which meant local labour markets could become saturated. They argued that:

“local labour markets can only absorb so many people being trained in the same skills which often do not reflect the needs of the formal labour market” (Amin et al, 1999:2043).

The concentration of social economy initiatives in areas already both physically and financially separate from the core of the mainstream economy may reinforce existing geographies of uneven development. In some cases it is argued that social economy organisations can do little more than ensure the short term re-circulation of grant funding and ensure only limited disposable income to local people (ibid: 2043). The joint construction of supply and demand within defined geographical areas could potentially create ‘ghetto economies’ in areas already cut off from the mainstream labour market (Amin et al, 2002: 27-55). They argue therefore that the social

economy cannot constitute a viable alternative to the conventional economy in poor areas, which has significant consequences for programmes such as the CBED programme in Liverpool and is one of the points that will be addressed by this thesis. Ultimately it is argued that the social economy should not be used to change poor people in poor places, rather, it should be used to connect people to the opportunities often within the mainstream economy.

Some Potential Impacts

Although much of the work questions the true potential of the social economy, some of the work indicates that in cases where organisations have been successful there are important local and social impacts. For example, it has been claimed that the social economy can combat social exclusion by encouraging self help through collective action, mutual aid, confidence and capacity building, and socially useful production; humanise the economy through autonomy, associationalism and organising economic activity at a human scale; become part of enhancing democracy and participation and decentralisation to local communities and places; bring a greater degree of systematic coherence to the local economy via local production and consumption of goods and services (a fortiori if linked to the creation of a local currency); and develop more coherent local economies through localisation, linking production and consumption by acknowledging relations between the economy and the social and environmental (Amin et al 2002:19-20). These claims have been summarised in Table 2.6.

Five Claims of the Social Economy

Combat Social Exclusion
Create Socially Useful Production
Humanise the Economy
Enhance Democracy and Participation
Help to Formulate a more Coherent Local
Economy

Table 2.6 Source (adapted from Amin et al 2003: 19-20).

Tentative links have also been made between the possibility that participating in the social economy might afford the building of, or renewed commitment to, local politics and civic engagement amongst disadvantaged communities. These claims have, however, remained largely unsubstantiated. The amount of research into the impact of the social economy has been minimal and restricted to quantified outputs and outcomes required by the funding bodies. The research of Amin et al (2002) has indicated that the impacts of social economy can be divided into tangible and intangible impacts. The tangible impacts include easily quantifiable outputs such as job creation and childcare places. The intangible impacts, such as increased confidence and capacity building, and wider democratisation are more difficult to measure (Amin et al, 2003: 32). Utilising the example of Green Castle Women's Group in north Belfast, Amin et al set out to demonstrate the types of intangible impacts that social economy organisations could have (2003: 42).

The Green Castle Women's Group project is situated on a predominantly Catholic housing estate that had lacked basic amenities and was largely cut off from the surrounding area. Since the project has been established the housing in the local area had been improved, road crossings have been built and jobs created through the

establishment of childcare facilities on the estate and local women begun to generate new income. The project more than exceeded the quantitative targets set by its various funding bodies. However, Amin et al (2002) argue that the most fundamental changes or impact had been in the outlook of the women living on the estate and participating in the project. This change had been illustrated in two videos in which women were interviewed both before, and three years after the project had been put in place. In the first video, it was reported that the women seemed bitter about their situations and talked as victims of the local troubles. In the second video the women are reported to be more positive, forward-looking and clearly in charge of their own destiny and not using language of sectarianism. The project had enabled the women to actively work within the group and helped the women to gain qualifications, jobs and access to decision makers.

Future Prospects

In line with their thesis that there are key differences between places in which the social economy appears to have been more successful, for example, Bristol and London, Amin et al (2002) conclude that there are five characteristics of successful social economy areas which could account for the difference in the performance. These are: 1) leadership qualities of social entrepreneurs and intermediaries 2) clarity of goals, clear sense of mission, and awareness of what is achievable, what is not 3) the presence of a market that allows organisations to expand out of the neighbourhood 4) opportunities outside of short term funds 5) opportunities for good networking.

Amin et al (2002: 116-126) conclude that the emerging story is one of limited achievement. They go on to report that they have seen very few examples of true

social economy organisations that have been able to make a success out of local circuits of supply, connectivity and provision (2002: 120). They reach the consensus that places with large scale and structural unemployment, with limited labour market growth, and breakdown in civil society possess a restricted resource and opportunity base for social economy development. They stress that the sector should by no means be used as a form of welfare state substitution as the sector would risk becoming a poor form of welfare for the poor. In order to avoid this they say that the sector requires a continuation of a welfare culture of complementary support, provided through a social economy funded properly by the state within a framework of active state measures offering work opportunities to the excluded and welfare schemes of high quality designed to build the capabilities of all (2002: 123).

Rather than a tool of job creation or economic growth, or even a substitute for the welfare state, they see the social economy as a symbol of another kind of economy, one based on meeting social needs and enhancing social citizenship. The key, they say, is to de-localise the social economy discourses and to challenge the conceptions of mainstream approaches to economic development about the places the sector can exist and types of activities it can carry out. It is concluded that one should not expect the social economy to replace the mainstream economy as an engine of employment growth in areas from which the private sector has withdrawn. Instead, social enterprises should be seen as performing a useful complementary role to high quality universal state welfare. The causes of poverty and exclusion generally lie beyond neighbourhoods in wider economic and social processes – so are not amenable to local solutions in isolation from broader national policies. Amin et al (2002) conclude that the social economy may be used to create new forms of fulfilling, democratised, participatory, and socially useful work – providing socially useful or ethical goods

and services. It can be used to develop, for example, ecological services. It can also provide local services in a targeted and hands on way.

2.5 Summary

Chapter 2 brings together four separate sections; the context and definition of the social economy, discourses of the social economy, the place of this thesis and a review of the work of Amin et al (2002). The chapter has presented an outline of the theoretical background to the social economy. It has shown how discourses of the social economy relate to wider discourses that surround local economic development, and social exclusion. It has traced the development of the social economy through a range of analytical perspectives; new right, European, third sector, market failure, alternative green and new left. This has included a review of the work of a range of researches. Solomon and Anheier (1997) argued that the social economy was an untapped source of supplementary employment and entrepreneurship. Graefe (2001) observed the growing struggles between those that saw the social economy as a source of community empowerment and those who argued that the social economy was low cost form of social cohesion. The analysis of approaches also included the work of, amongst others, Fillion (1998), Ekins and Newby (1998) and Imbroscio (1997). The chapter also sought to outline the main characteristics of the social economy and organisations that would traditionally be included within it this included community businesses, social enterprises, development trust's, intermediate labour market trusts, local exchange trading systems and credit unions. The final section has reviewed the work of Amin et al (2002). This section illustrates an insight into the UK social economy. It also raises some important considerations. Amin et al (2002) argue, for example, that the achievements of the social economy are actually limited. This work therefore forms a key contribution to the social economy discourses and

has therefore been used within the analysis of the thesis results. The following chapter seeks to outline the background to measuring impact within the social economy. It begins with an outline of the growing discourses of evaluation increasingly used within community development projects. This is followed by an outline of the growing use of social audits within the social economy, problems and issues this raises and finally an outline of the approach used in seeking to measure the impact of the social economy within Merseyside utilising the central parts of each of these discourses.

Chapter 3 Measuring the Impact of the Social Economy

It is important for social economy organisations to demonstrate their impact, as they exist in order to provide social, or in some cases environmental, benefits. The need to measure impact has been driven foremost by the need to develop the accountability of organisations to stakeholders. Stakeholders are those people or groups who are either affected by or who can affect the activities of an organisation (CBS 2001: 22). Social audits have provided a key tool for measuring impact for an increasing number of social economy organisations. Whilst social audits have been developed increasingly within the social economy, there have been parallel developments within the approaches to evaluating regeneration projects and programmes, such as the Department for the Environment, Transport and the Regions (1999, 2000) report upon local evaluations. Within these reports there is a growing consensus that more easily quantifiable outputs such as jobs created, growth in incomes and reduced unemployment, which are traditional measures of performance, should be evaluated along with more qualitative impacts, such as improving social equity, involvement in community life, grassroots empowerment and improved self esteem (Anastico et al, 2000: 1). The issue of how, why and whether or not to measure such impacts is seen as critical point in the future development of the social economy (Seyfang, 1999: 128).

Despite growing recognition amongst practitioners that measuring impact is important and the development of a growing body of literature surrounding the more holistic approaches to the evaluation of regeneration programmes, there has been very limited research on measuring impact within the social economy. The following chapter seeks to bring together literature surrounding the evaluation of community-based projects

with an analysis of the 'grey' literature surrounding social auditing used by social economy organisations.

The first section draws upon alternative participatory based approaches to evaluation which have been developed in response to the growing critique of market-orientated, output-based evaluations of projects and programmes.

3.1 Alternative Approaches to Evaluation

Establishing Community Involvement

The idea that evaluation is objective and an accurate reflection of the real world is unfounded (Turok, 1991: 1548). Evaluation cannot be separated from the broader context (Ball, 2002). Furthermore, the process is likely to be affected by an evaluator's own values and the prevailing 'policy space' (Wilks-Heeg, 2001). This can be demonstrated by the types of evaluations implemented under the monetarist policies of the Thatcher government, which were focused almost entirely upon the three Es – Economy, Efficiency and Effectiveness. In recent programmes the involvement of communities has been high on the policy agenda, both in relation to programmes such as the National Strategy for Neighbourhood Renewal (SEU, 1999) and in relation to tackling social exclusion within mainstream programmes (Anastacio et al, 2000: 3). As a result, there is increasing recognition that there are benefits to including communities into the evaluation process - a direct reflection of the prevailing policy discourses.

The growing support for the role of communities in the evaluation has drawn in part upon discourses associated with the critiques of relying upon quantitative output

measures, such as cost per job, and investment leveraged. It has been argued that output monitoring only serves the needs of the funding bodies not the people the programme is intended to benefit (Ball 2002: 529). Output-based evaluations fail to understand the reasons behind different outcomes, changes and impacts. Outputs fail to illustrate contextual factors if they are used alone. For example, if quantified outputs are the sole measure used to evaluate ILM employment scheme the evaluation would fail to take into account other factors which may have influenced the outcomes such as trainees' prior work experience, the progress made by people in training, or wider labour market conditions. Furthermore, output-based performance measurements may act as perverse incentives. If decisions about the performance of employment schemes are based upon quantitative outputs alone, the project managers might be more inclined to take on those most 'job ready' in order to achieve higher outputs which would undermine the original intention to assist the long-term unemployed.

The use of outputs alone means that assumptions are made that cause and effect relationships can be inferred from statistical analysis. For example, if there were 'x' amount of jobs created in a local area it may be hypothesised that more local people have access to jobs. In-depth analysis and interviews with people might show, however, that the jobs have not gone to local people or that the jobs were of poor quality. Scott et al (2001) found that the childcare projects they had evaluated had provided increased numbers of local jobs. However, the interviews with local women employed within the projects indicated that the majority of women felt that their employment was insecure, part-time and low paid. The results showed that women struggled to earn enough income and were having to supplement their incomes with other means of employment. The quality of work being created was therefore a

critical factor in the evaluation of the overall programme. That is not to say that quantitative outputs should be discounted. Instead, evaluation needs to be an appropriate mix of both quantitative overviews and qualitative insights (Turok, 1991).

In relation to the social economy, and more specifically the impact of community businesses, a number of researchers have highlighted concerns in relation to the inadequacies of current evaluations. Hopkins (1995) found that the number of jobs created by community businesses in Wales was limited. By using semi-structured interviews, however, he was able to show that several of the employees had gained significant experience, confidence and self-esteem. Littlewood & Moran (1999: 185-192) also found that the employment opportunities provided by community businesses could give individuals who had previously been long term unemployed new skills and confidence. More recently community businesses have been linked to debates surrounding the development of social capital (see, for example, CBS Network, 2003b).

In response to the concerns raised above researchers such as Turok (1991), Anastacio et al, (2000), Kubisch et al (2001), Murtagh (2001) and Wilks-Heeg (2003) argue that there are alternative, more democratic forms of evaluating community-based programmes and projects that can be used to measure these added almost intangible impacts. These alternative approaches seek to incorporate communities and beneficiaries into the evaluation of programmes or projects in a more meaningful way and to make evaluation an integrated part of the programme delivery as a part of redefining and unpacking the meanings of programme's success and effectiveness. The following sections outline three alternative approaches to evaluating programmes and projects. These include the Theory of Change developed by Kubisch et al (2001),

Democratic Evaluation presented by Townley and Wilks-Heeg (1999), work into Participatory Evaluation from Anastacio et al (2000). This is followed by an outline of some of the main key trends and themes to come out of the practice-led social audit literature.

Theories of Change

The Theory of Change is used to elucidate the intended outcomes of a particular programme as related to the activities needed to achieve them, exploring any contextual factors that may have affected those outcomes (Kubisch et al 2001: 86-87). The Theory of Change was developed in response to the needs of community initiatives that had been working with children and young people by researchers at the Aspen Institute in Canada. The Theory of Change model of evaluation sought to understand what particular activities and factors led to specific outcomes. For example, it could be used in an evaluation that sought to uncover whether or not a reduction in local crime rates could be linked to the work of one organisation or programme within in area, or whether it was more likely to be a combination of factors or programmes. Kubisch et al (2001:87) describe the theory of change as a systematic and cumulative study of the links or pathways between activities, outcomes, and contexts of an initiative.

The theory of change is based upon the assumption that all programmes have been designed with explicit or implicit theories of change about how and why a programme will work (Kubisch et al, 2001: 85-86). For example, healthy eating projects are designed to improve the health of local people; sports programmes are designed to increase people's fitness; and credit unions are designed to help people

improve their financial situations. However, the factors and activities that lead to those overall changes are often overlooked. The theory of change model breaks down the process of change into a series of smaller stages and intermediate goals necessary for a programme to reach a particular long-term outcome. This process fills what Kubisch et al (2001) call the 'Grand Canyon' i.e. those situations where immediate outcomes and longer term goals are identified easily yet the steps in between are missing. Utilising the theory of change approach an evaluator begins by outlining the desired long-term outcomes such as community building or educational improvement then works backwards by identifying what intermediate and short-term goals might be reached.

Kubisch et al (2001) argue that the theory of change evaluation should be based upon the values and knowledge of the participants of a programme. For example, in one case an evaluator had not been able to say that the crime rates and drop out rates, for example, the numbers of people leaving school before the age of 16 were decreasing within the local area because of the community programme with which he had been involved. However, participants and local observers were able to make clear connections between the activities of the centre and lower levels of crime. This local knowledge was used to inform the evaluation, and, consequently, the project was seen as a success. The Theory of Change model is therefore based upon a set of theoretical connections, or a degree of 'common sense' about what activities are most likely to have an impact.

The results of a Theory of Change evaluation can be used to advance the field of knowing around the effects of activities that work best in particular situations and improve services and activities. The theory of change model examines how and why

change occurs. The knowledge focuses upon the activities in relation to the longer term goals and so serves to focus activity and prevent any sidetracking. In the UK the method has been implemented on the evaluation of Health Action Zones and the evaluation of anti-poverty strategies (Bauld & Judge, 1998; Judge et al,1999).

Democratic Evaluation

Democratic Evaluation was introduced first by Aaronovitch in the mid-1990s as a means of evaluation that could be used in order to redistribute power and resources more equally through incorporating and building upon the experiences and opinions of communities and beneficiaries (Townley & Wilks-Heeg 1999). The purpose of Democratic Evaluation is to move beyond the critical discourses of positivist approaches to evaluation. Although Aaronovitch's work on Democratic Evaluation was never published, Townley and Wilks Heeg (1999: 27-43) have been able to piece together notes and papers from conferences presented throughout the 1990s from which the following discussion has evolved.

Democratic Evaluation is based upon two concepts. The first stresses that the extension of democracy is a critical counterpart to economic development and a condition for longer-term sustainable development at a local level. The second argues that the extension of democracy has no meaning if it is not associated with the concepts of social justice and social solidarity involving the creation, distribution and redistribution of resources and power (Townley and Wilks-Heeg 1999: 27). Therefore Democratic Evaluation is based upon the extension of democracy and empowerment of citizens.

Democratic Evaluation gives back power to communities and beneficiaries of programmes and projects so that they can influence policy formulation. It aims to re-establish the links between evaluation, accountability and democracy. It might ask, for example, whether the programme is providing what is needed. Is it meeting the needs of the users? Are the users or beneficiaries empowered by programmes? Democratic Evaluation implies that urban regeneration initiatives should be held to account but that the act of evaluation should in itself be a part of the local democratic process. It challenges existing institutional relationships and structures of power and seeks to empower those traditionally seen as disempowered. The evaluator in Democratic Evaluation becomes a pro-active player in the redistribution of democratic powers. It is argued that by equipping local residents with the tools to evaluate urban policy Democratic Evaluation can make an important contribution to the current concern with capacity building (Townley and Wilks Heeg 1999: 26). Democratic Evaluation opens up the evaluation process for full and proper scrutiny and omits any biases within the data and findings as it seeks to represent the views of all stakeholders.

Other alternative approaches include; ‘Empowerment Evaluation’ which is associated with the work of Fetterman (1994, 2000). It is defined as the use of evaluation concepts, techniques and findings to foster improvement and self determination ; and ‘Participatory Evaluation’ which stresses stakeholder participation in the design and implementation of evaluation studies (Anastacio et al, 2000).

Participatory Evaluation

Participatory Evaluation involves recognising and addressing any inequalities that might exist within a project, involving those who may traditionally have been excluded from the evaluation process. Participatory evaluation has been used to describe evaluation processes in which communities become involved in the evaluation process. Anastacio et al (2000) found that there were some good examples of community participation in the evaluation of projects such as the New Cross Community Research project in south east London where community members had been supported and provided with training to enable them to research the range of local needs and priorities themselves. This meant that the evaluators were local people which increased the level of community engagement and inaugurated a strong sense of community ownership among diverse sections of the local community (Anastacio et al 2000: 38).

The more participatory approaches are, however, in their developmental stages. There were as a result a number of problems found in some communities. For example, one community reported how they had felt restricted by the predetermined outputs of a programme, which had been planned before the community had become involved. The community members had consequently felt that there was no real space for community-based agendas. For this reason it is argued that communities should be involved in all processes from 'year zero' i.e. before the project starts (Anastacio, 2000: 35). The same study found that there were issues around representation, i.e. who was chosen to represent community views, as well as issues about how to define 'local'. Some groups felt that they were under-represented. In one case study Black and Asian groups felt excluded, in another women and young people felt that they had

been excluded. There was concern that community views were only heard when they coincided with the views of officials or the private sector. There was a danger that community engagement was seen to be no more than a public relations exercise rather than a means by which to help develop community capacity building (Anastacio et al, 2001: 30).

The Considerations of Evaluation

In any evaluation one has to consider the 'additional net benefit', or what has a programme added to an area or group (DETR 2000: 30). This means evaluation needs to consider issues such as double counting, deadweight and displacement. These terms are all briefly outlined within the following section.

The outcomes of a programme or project could be affected by many public policies. In Liverpool one area or group could be the target of European funding through the Objective 1 programme, national funding through the New Deal for Communities, or the target of more specific programmes such as Health Action Zones, Employment Action Zones and so on. If unemployment drops in an area targeted by several initiatives, it is therefore difficult to attribute this fall to any one programme. The case demonstrates the difficulties associated with ascertaining the impact of one programme over another. In cases such as these there are instances where programmes may be double counting. It is also difficult to ascertain what would have happened in the absence of an intervention (Robson et al, 2000: 4-5). It is also possible that some people may go on to a positive outcome, such as finding a job, which they would have achieved even if the social programme had not existed. This is known as the problem of 'deadweight'. There also are issues concerning

'displacement'. This refers to the situation where the activity carried out by a social programme displaces activity which would otherwise have been carried out by another programme, or by government or private enterprise.

Furthermore, there are conceptual problems in distinguishing and balancing between the variety of reasons which might account for any failures of policy (Robson et al, 2000: 4-5). Failure could be the result of one or a combination of elements. This may include 'theory failure', that is the theory of change was incorrect. For example, it may have been hypothesised that small business creation would create local jobs, but in fact, people from outside the area may take the jobs created. Programmes may also fail because of 'implementation failure', the inadequate or ineffectual translation of policy into practice. Evaluations may suffer from 'measurement failure', the absence or inadequacy of data or of techniques for measuring impacts.

The Problems with the New Alternative Approaches to Evaluation

The newer approaches to evaluation are only in developmental stages and social economy organisations or small regeneration projects could face a number of barriers in trying to implement them (Edelman 2000). This could include the lack of appropriate tools to evaluate comprehensive initiatives that deal with complex social phenomena. How does one measure changes in confidence, self esteem or community identify? As previously stated, in many cases there are difficulties associated with untangling the cause and effect relationships. It is common for a single problem or group of the population to be the target of several programmes with the same or related objectives, leading to a problem of attribution. If the level of vandalism goes down in an area is this due to improved police methods, better education, or better

housing layout? In the evaluation of health programmes a whole systems approach has been adopted in order to overcome this. This brings together cross-sectoral partnerships and supports the notion of high levels of community involvement. This makes it difficult, however, to decide what should count as evidence (Wimbush & Watson 2000: 301-321: 13-24). The range of partners involved and the range of different outcomes required by the different stakeholder groups can mean that evaluation becomes a highly contested issue. What is seen as success by community members, for example, five people finding jobs which improved their quality of life, might not be seen as success by the funding bodies who wanted more than five people to get jobs. Long-term change requires evaluation over periods of time perhaps longer than the project itself. Long-term evaluation can be expensive and rely on a high level of financial and technical resources which projects or social economy organisations may lack. Often resources are stretched and restricted. The demands for uniformity, standardization and quantitative operationalisation could serve to skew programme designs away from key principles of community-based initiatives and social economy organisations. Flexibility, responsiveness and outcomes which are difficult to quantify, such as increased capacity building and community participation, could all be to some extent sacrificed to the demands of evaluation. At its worst standardization of evaluation could distort and diminish the effectiveness of practice.

Other barriers to the application of theory-based evaluations can include complex organisational and institutional environments. For example, the personalities and turf battles that are often apparent in community coalitions can impede the success of projects and evaluations (Edelman, 2000). The repetition of different kinds of evaluations needed in order to satisfy the various funding bodies can lead to 'research fatigue' amongst those groups and communities who are supposed to benefit from

particular programmes (Wilks-Heeg 1999: 205-220). The process can also become burdensome for local projects which defeats the overall aim of evaluation, namely, to assist people and organisations (Paton, 2003).

The following section outlines the background to the development of social audits. The discussion highlights what social audits are and how they are used by social economy organisations as a means to try and illustrate the social or environmental impacts of their organisations.

3.2 Measuring Impact in the Social Economy

The core activities of social economy organisations revolve around some form of social or environmental benefit. The evaluation within social economy organisations therefore needs to be able to fully capture these impacts.

Social audits can be defined as a process of defining, observing and reporting measuring an organisation's ethical behaviour and social impact against its objectives (Zadek and Evans 1993: 5). Social audits have been developed in part as reaction to the growing dissatisfaction with methods traditionally used to evaluate programmes and projects (Spear 2003). Social audits are stakeholder led. They are carried out for the benefit of stakeholders as opposed to just the organisation or funding body.

Historically, social audits have been linked to the growth of reports targeted at uncovering the damaging impacts of large private sector organisations published by organisations such as Greenpeace and Ethical Consumer in the 1970s. More recent

developments have come from the work of value-led enterprises such as Traidcraft and Body Shop, which have sought to develop reports that include details of their social impacts and ethical values. Mayo terms these part of the 'new wave' of social auditing (1996: 18). In recent years social audits have been adopted by a growing number of social economy organisations. The relationship between social audits and the social economy has, however, been overlooked (Spear 2003: 1-3). The following section outlines how and why social audits have been developed within the social economy.

Caldwell and Pearce (1998) state that a social audit allows an organisation to report on its achievements and permits social and other investors to assess whether their investment is achieving the social, community or environmental added value which had been intended. Social economy organisations exist in order to provide social or environmental benefit. Social economy organisations therefore want to measure whether or not they are meeting those objectives as a way of both improving performance and building accountability. Pearce (1993) argues that social audits may be used not only by an organisation to measure its own performance, but also by stakeholders, who can use the opportunity of the social audit to affect the organisation's behaviour. Currently social audits are the only means by which an outsider can gauge the added (social and/or environmental) value of a social economy organisation. Social audits should highlight what organisations do, how they impact upon people and how they plan to improve their impacts.

There are a number of different models of social audit used by social economy organisations. These have been developed by such bodies as the New Economics Foundation (NEF), the Development Trust's Association (DTA), Community

Business Scotland (CBS) and the Institute of Social and Ethical Accountability (ISEA). Whilst the models claim to be individual, analysis illustrates that each one revolves around a common set of processes illustrated in table 3.1.

Process of Social Auditing
1) Defining the objectives
2) Identifying stakeholders
3) Establishing what they do to meet those objectives
4) Collecting feedback upon these activities from all stakeholders
5) Analysing data and recommending changes

Table 3.1

The Community Business Scotland (CBS) model is the most commonly-used model amongst social economy organisations. This is because there is an accredited training programme (O’Carroll 2003: 34-35). A second model was developed by the National Institute of Social and Ethical Accountability (ISEA)⁵ in 2001 as part of the AA1000 standard. The AA1000 is an agreed standard of accountability for social auditing. However, the resource-intensive nature of the ISEA model puts it out of reach of many social economy organisations, although it has been used by large commercial organisations such as the Co-operative Bank and Shell (O’Carroll 2003). The ISEA model requires the whole audit process from data collection to analysis to be carried out by an independent professional auditor. The ISEA model is considered, however, to be the only national move towards standardising social audits (ACCA 2003: 1).

Social audits can be viewed as critical methodologies because they seek to challenge conventional approaches to evaluation. Geddes (1999) saw social auditing as a reaction against conventional accounting. Seyfang (1999) argued that social audits

⁵ ISEA is a cross-national organisation established in 1996 its aims to strengthen the responsibility and ethical behaviour of the business community and non-profit sector.

could be used as an emancipatory tool. One of the key objectives of the social audit is to engage all stakeholders. This would incorporate community members, service users, staff, funding bodies and policy bodies. The social audit is used as a way of building accountability. Social audits are seldom in formal evaluations, but are utilised mainly by organisations themselves. This means that social audits are only used by organisations who think they can benefit from them. Social audits can be used to improve performance, increase engagement of all stakeholders and identify areas where organisations have performed well and areas where organisations have performed not so well.

The use of social audits is not universal. In Liverpool there have been funded training programmes so at least thirty local social economy organisations have used social audits, based upon the CBS model. However, there are large differences between social audits completed by different organisations, with considerable diversity in size, length, depth of information and overall quality. There are as a result a growing number of concerns about the future use of social audits. Some of these are outlined below.

Concerns over the Social Audit Model

Recent concerns centre around the purpose of social audits. For example, Gray et al (1997) suggested that a lack of theoretical rigour in some of the models being used and developed has led to a triumph of optimism and pragmatism over clarity of purpose. This lack of theoretical rigour has in some cases lead to a growing mixture of different types of stakeholder dialogue, sustainability and community reporting that may not necessarily move institutions towards a more sophisticated and substantive

democracy. Ball et al (1999) raised concerns about the quality of attestation to social and environmental reports. They stated that auditors are unwilling or incapable of assessing the extent to which readers can rely upon social accounts. These concerns were central to the development of AA1000.

It is argued that if standards such as the AA1000 are not used widely, social audits may be used to evaluate an organisation on its own terms (Mayo 1996). Within other models the type and structure of social audit, for example, is determined by the organisation's own mission statement, their value base and opinions of the stakeholders. The organisation is required to define and involve the relevant people, devise heuristics by which to collect appropriate feedback and determine what outcomes they wish to achieve which may raise questions about a social audits verifiability (Spear 2001).

The determination of suitable measures of performance for social economy organisations is also problematic. How, for example, do organisations avoid ignoring areas of activity that are not easily measured or avoid distortion in organisational behaviour induced by measures of performance? Unlike financial and environmental auditing there is no set requirement for the validation or disclosure of results from a social audit. The New Economics Foundation have stated that some social audits may become no more than a public relations exercise (NEF, 2000).

Social audits have been held up as an heuristic device by which to empower those traditionally seen as disempowered. However, in 2003 O'Carroll found that the bodies responsible for overseeing the different social audit processes found that a key

challenge was that of achieving the engagement of stakeholders, and, in particular, those people whom the organisations had been set up to benefit.

The sheer magnitude of data and information that an organisation can collect can make the standardisation of social audits a complex ideal. Often the choices made about what to analyse and present are complex. Social audits can take a large amount of time to put together. How can an organisation systematically measure the impact it has had in somebody's life? Bringing long-term unemployed people back into work? Renewed self-confidence? Or the growth in a stronger sense of community? If social audits are to be of any substantial use, Mayo (1996) states that they must, at least, in the future be comparative with appropriate benchmarks, comprehensive, ethically validated, regular, disclosed to the public and involve many perspectives.

3.3 Approaches to Evaluation Used in this Research

The chapter has established that there is a growing consensus that it is important for social economy organisations to measure social impact. The social impacts are those impacts which may be described as intangibles they include things such as increased self confidence, capacity building, renewed self esteem, and community empowerment. In parallel to this has been increasing recognition within the urban regeneration literature (DETR 1999, 2000) that evaluation should be more holistic, including both quantitative and qualitative data, and participatory (Anastacio et al, 2000). The chapter has brought together literature from researchers such as Kubisch et al (1999) and Townley and Wilks-Heeg (1999) in order to present alternative approaches to the evaluation of urban regeneration programmes. The alternative approaches seek to empower groups traditionally seen as disempowered and establish

the theories of change i.e. what activities lead to particular outcomes. The work on participatory evaluation has illustrated ways in which communities had been successfully engaged in project evaluation. There were some important considerations highlighted within this literature, for example, the problems with defining communities, and the pressure placed upon community representatives.

Social audits were originally developed as critiques of the private sector in the 1970s. They are, however, increasingly used by social economy organisations to measure and demonstrate the social and in some cases environmental benefits. Social audits are a tool to build accountability and engage stakeholders. However, much of the work and literature is sector led or 'grey'. The chapter has therefore aimed to outline some of the key themes and processes of social auditing in relation to the social economy.

The following research therefore builds upon these two approaches to evaluation

- 1) the more participatory approaches to evaluation which stress assessing the links between activities and impacts so as to discount any deadweight or displacement and
- 2) Social audits which stress stakeholder engagement and are increasingly used by social economy organisations.

The following table draws together a summary of the theoretical framework to evaluation used within the following research. For example, the Theory of Change approach outlines an approach that focuses on the longer term outcomes. It assesses how and why programmes work in particular contexts. Democratic Evaluation is seen as a way of ensuring those traditionally seen as disempowered are empowered by using some participatory methods. Social audits focus on the objectives and social

impacts of social economy organisations. The evaluation of the impact of the social economy will therefore seek to encompass each of these approaches.

Theoretical Framework for Evaluation Methodology

<i>Theory of Change</i>	<i>Democratic Evaluation</i>	<i>Empowerment Evaluation</i>	<i>Participatory Evaluation</i>	<i>Social Audit</i>
<ul style="list-style-type: none"> - Focused on outcomes - Examines how and why change occurs - Identifies activities needed to achieve outcomes - Context and case orientated 	<ul style="list-style-type: none"> - Redistribution of power and resources - Capitalises on everyday knowledge 	<ul style="list-style-type: none"> - Fostering improvement and self determination 	<ul style="list-style-type: none"> - Recognising and addressing inequalities - Stakeholder Led 	<ul style="list-style-type: none"> - What are the social impacts? - Stakeholder involvement - Measured against objectives and mission statement - Mixed methods

Table 3.2

Chapter 4 Developing a Research Framework

Chapter 2 outlined the context, definition and theoretical background to the social economy. Chapter 2 sought to illustrate how the social economy sat alongside other areas of study. This included, for example, local economic development, discourses of social exclusion that surround the different types of social economy organisation, for example, North (1999) writes about LETS, Duncan and Fuller (2003) write about credit unions, Lloyd (2001) studied the use of ILM employment. This was inaugurated by a review and analysis of the community business and social enterprise literature. Chapter 3 sought to explore the issue of measuring impact within the social economy. The chapter illustrated the difficulties associated with measuring the ‘intangible’ impacts associated with social economy organisations. The discussion illustrated the early developments in the use of social audits within social economy organisations. The chapter showed that there were other developments within wider evaluation literatures from authors such as Kubisch et al (2001), etc. The chapter illustrated how these literatures stated that evaluation should embrace notions such as the participation of community member, empowerment of beneficiaries and longer term evaluation.

Table 3.3 summarised the combination of approaches adopted in the approach to this research. The choice of methods was based upon the notion that the impacts of the social economy had been under researched. They were likely to be intangible (in the sense they could not be counted or traced as quantitative statistics) and fitted with the ethos of the social economy i.e. democratically owned and bottom up. The following sections outline the main research questions. These questions have been formulated

using the knowledge gained from the formulation of the previous chapters. It should be noted, however, that the questions were formulated prior to the publication of *Placing the Social Economy*.

Formulating the Research Questions

Whilst recognising the contributions made by the work of Amin et al (2002) the main body of thesis is built upon the recognition that there is comparatively little research explicitly focused upon the impact of the social economy. The aim of this research is therefore to explore and unpack the impact of the social economy in Merseyside.

In Merseyside the term 'social economy' has gained much wider recognition in recent years with the formation of the Merseyside Social Enterprise Network (SEN), Merseyside Social Enterprise Initiative (MSEI) and formation of localised support bodies through the city council's CBED programme and the launch of Liverpool Plus; all bodies tasked with developing the local social economy. All these developments have emerged alongside growing national government support for the social economy, demonstrated through the opening of the Social Enterprise Unit in 2001 within the Department for Trade and Industry. Yet these developments have gone ahead with very little understanding of the actual size of the social economy is, or what its structure might be. Instead, much policy development has been based upon the use and promotion of 'best practice' examples (Amin et al, 2002). One of the first aims of the research is therefore to outline a clear definition of the social economy and to use this in seeking to map the sector within Merseyside. This will be used in order to help to answer the following questions: What role does the social economy play within Merseyside? Has it created large numbers of jobs? Who has benefited from these jobs? Is the social economy in Merseyside self-sustainable or does it rely upon grant

income from sources such as Objective 1? What types of organisations make up the social economy in Merseyside? How do these findings relate to studies carried out elsewhere?

The second aim is to explore the role of the social economy in relation to local economic development. What are the key trends in Merseyside's local economic development? How has the social economy developed? Is this related to wider processes? Merseyside was categorised as one of the most deprived urban areas in the UK both in 1993 and 2000. The work of Amin et al (1999, 2002) indicates that the social economy in such a place has limited potential. The work therefore aims to seek out whether or not this has been the case in Merseyside.

Thirdly, the research aims to explore the more intangible impacts of the social economy. For example, some of the research has indicated that the social economy can have a positive impact on who have been excluded from the labour market; see for example, Hopkins (1995), and Littlewood and Moran (1999). These studies have argued that people have reported increased levels of self confidence and self esteem, which has helped people who may have previously been long term unemployed to improve their own quality of life and in some cases that of their families. The research seeks to build upon these findings in order to present a more holistic exploration into the impact of the social economy. This will draw, for example, on alternative theory based approaches to the social economy developed by Kubisch et al (2001) and Townley and Wilks Heeg (1999) as a way of exploring the impacts of the social economy upon individual people.

Fourthly, there have been claims made about the potential of the social economy and local sustainable economic development (see for example, Ekins and Newby, 1998 and Newby, 1999). It has been claimed that the social economy can provide better work, increased local wealth, strengthen communities and consolidate social purpose and identity (Ekins and Newby 1998: 867). The research will therefore seek to explore these claims in the Merseyside context.

The penultimate aim is to assess the issue of measuring impact within the social economy. For example, how important is the task of measuring impact seen to be by social economy organisations? What impacts are currently measured? What are the current means of data collection? What methods are used? Are they participatory or market based (Townley and Wilks-Heeg, 1999)? How useful are social audits (Seyfang, 1999)? Could models such as the Theory of Change (Kubisch et al, 2001) and Democratic Evaluation (Townley and Wilks Heeg 1999) be applied?

The final aim revolves around the impact of the Community-Based Economic Development (CBED) Programme inaugurated by Liverpool City Council. This programme was unique in terms of the community-based model it adopted. The research therefore seeks to explore the role of this programme in relation to the wider social economy. It seeks to explore the impacts of the programme, for example, has it contributed to the development of the social economy in Merseyside? Are these developments sustainable? What types of local impacts has the programme had within the Pathways areas? Has it reached the hardest to reach?

Chapter 5 Research Methodology

There were two parts to the research methodology used in this research. The first part consisted of an in-depth literature review, profiling and mapping exercises. The second part consisted of detailed ethnographic research, which utilised a case study approach that brought together a triangulation of methods including participant observation, in-depth interviews, and survey work. This in-depth approach provides a unique insight into the social economy and brings together a mixture of both qualitative and quantitative data (Limb and Dwyer, 2001).

The first part of the methodology was designed to build up a profile of the social economy and community-based economic development, its theoretical background, as well as existing knowledge on the ground about, for example, the size, and structure of the sector. The second part of methodology was designed to provide a rich and detailed account of the impact of the social economy and community-based economic development: I felt that by interacting and engaging with the social economy I would be more likely to uncover the impacts of the sector. In adopting this approach, I was drawing on the works of Strauss and Corbin (1990), Valentine (1997), Limb and Dwyer (2001), Nachimas and Nachimas (1992) and Kitchen and Tate (2000).

5.1 Mapping the Social Economy in Merseyside

When the research began there were very few coherent pieces of research on the social economy or on community-based economic development. There was no way of knowing how many organisations there were, nor was there a consensus as to what

types of organisations constituted the social economy. The aim of the literature review was therefore to bring together both academic and policy related literature in order to present a coherent background to the social economy and community based economic development. Although the majority of this work took place prior to entering the research field, an element of the literature review was continued throughout the research process in order to ensure that it was both relevant and up-to-date. Building upon the literature-based review, I set out to map the social economy activity within Merseyside.

The aim of the mapping exercise was to provide both an historical and geographical mapping of social economy activity within the region. In order to do this I drew on some previous studies of social economy organisations, which had largely been sector based as opposed to academically led. These included the work of Community Enterprise in Strathclyde (1997), the Big Issue (1999) and Social Economy Bristol (2000). From these studies I was able to identify 1) possible sources of information and 2) ways in which to record appropriate data which would be comparable to studies carried out elsewhere. For example, the Big Issue used a case study approach, which outlined, amongst other factors, details of turnover, shareholder information, history, start-up finance, stakeholders, and the results of social and environmental audits. Social Economy Bristol took a much wider approach, collecting baseline data, such as numbers employed and estimated turnover, and information from a more extensive range of sources such as the charities commission, the local council for voluntary service (CVS) and local VAT registration information.

The mapping was broken down into seven stages. The first five stages were implemented in the second year of study. The last two were completed in the third year of study, because an increased amount of data was made available due the development of a Merseyside support agency for social enterprises inaugurated in the latter part of 2002. Table 5.1 outlines the seven stages of mapping and includes the details of the types of information recorded such as turnover, numbers employed, and structure. The table illustrates the sources of information, and the types of details collected such as turnover, structure, and staffing levels.

Stage 1 encompassed a search through local sources, using research materials such as newspaper articles, telephone directories, and web-based searches. I was able to work within the CBED team within Liverpool City Council, and the next stage in the process consisted of, with the Council's permission, searching through the archive records, filing systems and databases being used by the CBED team members. All of the files were backdated to 1995. The files included details about the organisations the CBED programme had directly supported as well as information about other locally based social economy organisations. There were over ten filing cabinets full of information, as well as two walls full of literature and notes through which I sorted and collected the relevant data. The following stage of the mapping included synthesising the results of questionnaires I sent out to organisations for which I had not been able to locate the appropriate information through records kept within the CBED team. I also began to contact relevant information gatekeepers in each of the other boroughs of Merseyside - Wirral, St Helens, Sefton and Knowsley.

The process of mapping was more complicated within the other boroughs as there was no central body to approach. I therefore had to utilise the knowledge of the CBED team members and their contacts. As a result, I approached local trade union centres, chambers of commerce, economic development departments of the local authorities, and social economy organisations themselves. In Knowsley, for example, I contacted the local trade union and unemployed centre. In Wirral I was directed to the Social Inclusion Officer within the Local Authority; and in Sefton and St Helens I was directed to representatives of the Chamber of Commerce. In some of the cases, however, the information gained was patchy and incomplete. This correlated, however, to the level each authority had reached in the development of social economy organisations. (Four years on, some of the local authorities have developed their own social economy support teams based upon the CBED model and information has become much easier to find. Linked to this has been the development of support, at a policy level, for the mapping of the social economy.) The following stages therefore drew upon the work carried out in conjunction with a number of partner organisations which have included, for example, the Northwest Development Agency, and researchers working on behalf of the Department for Trade and Industry. The fourth stage of mapping included data collected as part of a collaborative study between the CBED team and a national organisation called Social Firms UK which aimed to develop more social enterprises within Merseyside and therefore wanted to know how many social enterprises already existed within the region. The fifth stage brought together information from newly developing support bodies for the sector, such as the Social Enterprise Network and Merseyside ILM Network. The Social Enterprise Network, for example, had over 100 members and I was able to cross-reference my database with theirs. During the final stages of the mapping exercise, I

was approached by the Strategy and Regeneration Manager of the Northwest Development Agency (NWDA) and was asked to collaborate with their mapping exercise. I was able to provide a list of 130 social economy organisations, which had taken six months to collect. A team of researchers built upon this data and they brought in a significant number of local partners including the local authorities and local social economy organisations and managed to map 377 organisations over a twelve month period. The results of this mapping exercise have arguably produced the most detailed information about the sector in Merseyside; especially after two follow up surveys were carried out by the NWDA. These surveys collected details about turnover, employment, structure, the aims and objectives of organisations as well as issues and problems faced. The two studies also provided a benchmark against which to track any progress made in the sector over the last two years.

Since this mapping exercise I have been involved in the updated mapping of the social economy within Merseyside as part of a national study being commissioned by the Department for Trade and Industry. However, the data collected as part of this seventh step is in its preliminary stages and requires further work in order to eliminate organisations which are more likely to be private sector. This is because data has been imported from a range of sources, one of which was a database which includes all companies limited by guarantee. At least a third of these are unlikely to be social economy organisations. A further follow up survey is due to be carried across the UK in 2005.

The information and data collected were mapped according to the boroughs within Merseyside. This was followed by a more detailed mapping exercise, which was

carried out for those social economy organisations within Liverpool using a postcode cross-referencing methodology. This was used in order to help assess the impact of the CBED programme.

Table to Show the Stages of Mapping May 2001-March 2002

<i>Stage</i>	<i>Source of Data</i>	<i>Total number of social economy organisations identified</i>	<i>Types of details recorded*</i>
Stage 1	Visit Information and review of local sources	15	Location, description, activity, Staff, history, mission, structure
Stage 2	Organisations funded or supported under the CBED programme	97	Project name, board structure, legal structure, funding structure, contact, address, SET employee responsible
Stage 3	Organisations not supported through CBED	5	Name, history of development, legal structure, funding structure, board structure, address
Stage 4	Organisations found through study with Social Firms UK	4	Organisation, name, address, activity, legal structure, funding structure, staff, potential for job creation
Stage 5	Sector Support Networks	9	Organisation, history, member organisations, structure, funding, aim, address
Stage 6	NWDA Data	377 (Includes all of the above)	Manager, organisation, address, telephone, SEN / CVS member
Stage 7	Data collected for National Mapping Exercise	500	Name, type of organisation, address

*The types of details were determined by the source of data

Table 5.1

5.2 Rich and Detailed Research in the Social Economy of Merseyside

The second part of the methodology consisted of a rich and ethnographic approach to the research (Valentine, 1997). Having spent time within the field with the CBED team and collected data for the mapping exercises, I felt that an in-depth approach would open up a more detailed insight into the impact of the social economy within Merseyside. Past research had only concentrated upon the results of survey material. These past studies had, for example, detailed the structures used by organisations, best practice examples, or detailed the development of social economy organisations. Very few studies had used in-depth approaches to understanding the social economy. The work of Amin et al (2002), 'Placing the Social Economy' was not published until half way through the research process. Although, even their work had relied upon a broader presentation of the social economy based upon interview and survey data collected from over 60 examples of best practice. No researcher had previously published work based on spending any longer than one day in any one organisation. Past studies were therefore largely based upon interpretations of data provided by managers and their counterparts about their experience and perceptions of the social economy. There had been very little interaction between researchers, staff below managers or beneficiaries of social economy organisations.

In order to uncover the impacts of the social economy a grounded theory approach was adopted (Strauss & Corbin, 1990: 24). This meant that the data and findings would be rooted in the experiences and perceptions of those involved in the social economy and not predetermined by either myself or past research findings (Nachimas & Nachimas, 1992). As part of the grounded theory approach it was felt that case

studies could provide an in-depth insight into the sector. Robson (1993) stated that the case study approach was an empirical investigation of a particular contemporary phenomenon in a real life context using multiple methods of data collection.

Three case study organisations were used in this analysis. A fourth case study was also carried out, although the results from this are not fully explored within this thesis, as I had felt the findings would not further enhance the results. Each case study was selected because of its capacity to provide new knowledge about the impact of the social economy. It was important that each of the case studies was sufficiently different from the other in order to enhance the data analysis. The three case studies used were therefore chosen in part because they covered three main areas of activity within the social economy; local economic development, social inclusion and gender, and environmental sustainability. Although each of the case study organisations was Liverpool-based, they were each located within different geographical contexts. One was based in the city centre, another was based in out of city housing estate, while one was located in an inner city ward. (Figure 5.1 illustrates the Pathways areas in relation to the case study organisations. These will be explained in the following chapter). The choice of case study organisation was, however, based primarily upon the activities of each organisation as shown in table 5.2. The first case study, St Mary's Area Regeneration Trust, is an area-based, community-based economic development agency. The second, Train 2000, is development trust focused on promoting women's enterprise and is gender-based. The third case, FRC, is environmentally-based social economy organisation. The three categories were chosen in order to maximise the range of impacts that could be studied, permitting me to examine the impacts of the social economy within the local economy, its impacts on the empowerment of

women, and its impacts on socially excluded groups and the environment. A short outline of each organisation is included within the Table 5.2.

Table to Show Case Study Selection Criteria

<i>Area Based</i>	<i>Gender Based</i>	<i>Environmentally Based</i>
St Mary's Area Regeneration Trust (SMART)	Train 2000	Furniture Resource Centre Group (FRC)
Community Based Economic Development Agency. Promotes enterprise and has developed its own childcare community businesses.	Enterprise Development Trust focused on women's enterprise across Merseyside	Encompasses a range of social enterprises that have used new opportunities in the environmental sector to develop social enterprises.

Table 5.2

Within the case studies a mixture of methods were used. Interviews with staff and management were triangulated with work carried out with beneficiaries of each of the organisations through a mixture of group interviews, telephone interviews and participant observation. Kitchen and Tate (2000) advise that the precise mix of methods should be tailored to the organisational context. The methods were therefore tailored according to the organisations' activities, their size and social and environmental objectives. The methods chosen were also dependent upon the data and means of evaluation already carried out within each of the organisations. The choice of methods is discussed in more detail within each of the case study chapters. The following section includes some of the experiences I had as a participant observer. The discussion is used to illustrate the types of insights that participant observation gave me into the social economy.

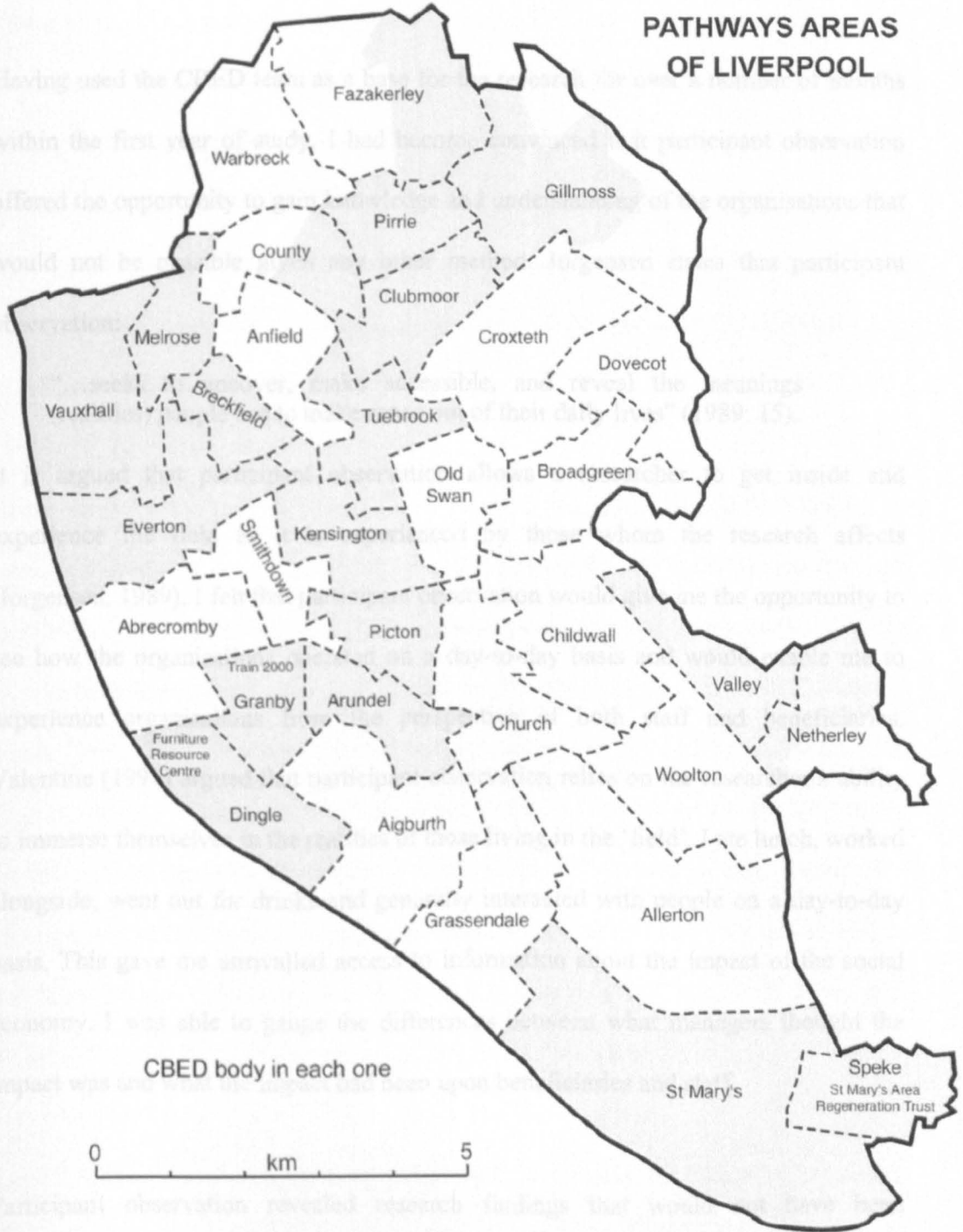


Figure 5.1

5.3 Becoming a Participant Observer

Having used the CBED team as a base for the research for over a number of months within the first year of study, I had become convinced that participant observation offered the opportunity to gain knowledge and understanding of the organisations that would not be possible given any other method. Jorgensen states that participant observation:

“...seeks to uncover, make accessible, and reveal the meanings (realities) people use to make sense out of their daily lives” (1989: 15).

It is argued that participant observation allows a researcher to get inside and experience the field as it is experienced by those whom the research affects (Jorgensen, 1989). I felt that participant observation would give me the opportunity to see how the organisations operated on a day-to-day basis and would enable me to experience organisations from the perspective of both staff and beneficiaries. Valentine (1997) argued that participant observation relies on the researcher’s ability to immerse themselves in the realities of those living in the ‘field’. I ate lunch, worked alongside, went out for drinks and generally interacted with people on a day-to-day basis. This gave me unrivalled access to information about the impact of the social economy. I was able to gauge the differences between what managers thought the impact was and what the impact had been upon beneficiaries and staff.

Participant observation revealed research findings that would not have been uncovered had I relied upon interviews with representatives of organisations. In some cases the insights were invaluable. For example, participant observation gave me an in-depth insight into the tensions and debates between different social economy organisations. It revealed the problems and difficulties faced by people on the ground

and the types of situations social economy organisations were trying to deal with. These included examples such as young men who had previously been unemployed losing their tempers and walking out of work and not coming back, a member of staff having their car wrecked outside the organisation because the local children thought he was an asylum seeker, or beneficiaries of one project who had no alternative other than to take curtains donated to one project (because they had no money to buy curtains elsewhere) that had been deemed unsuitable for sale because cats had urinated all over them.

Some of the other insights seemed more minor; although on reflection appear to reveal some interesting points about the social economy. This included, for example, the ways in which many of the staff (excluding management) were not working within the organisations out of a personal ethical or philosophical choice, rather because it was a 'job'. This contrasts with the findings presented by Amin et al (2002), who found that in some cases staff within organisations had not shared the egalitarian and environmental concerns espoused by the organisation's literature and rhetoric. For example, some staff within one organisation claimed that the fair trade coffee bought for them did not taste as good as their preferred brands and resulted in some staff refusing to drink the fair trade brand and keeping their own secret supply.

I spent at least one month working within each of the three case study organisations and had spent over two months within the CBED team. I also continued to attend some relevant meetings and network events throughout the second and third years of study and in the last year of writing up the thesis, I worked part time within the sector, which has also enhanced the data analysis and helped to update some of the research

findings. In terms of participation observation, the analysis came from written notes kept in the research diary as well as notes, letters, promotional materials that I had collected along the way.

The research was therefore a complex mix of both qualitative and quantitative research methods. The ethnographic approaches developed within the cases studies have, however, provided a unique insight into the sector and provided data and findings not researched before. The in-depth approach adopted, however, did raise important issues of positionality and ethical situations. Some of these issues are highlighted and discussed within the following section.

5.4 Positionality and Reflections on the Research Process

Valentine (1997: 118) thought that what the interviewer and interviewee thought about each other could affect the interview. They argued that factors such as age, sex and ethnic origin, role or position of people could affect the way in which information was presented or divulged.

At the beginning of the research process, the social economy was a relatively unknown subject beyond either those people working within the social economy or those people working within the associated policy environments. This was reflected in the questions people (friends, families and colleagues) asked me when enquiring about what I was studying. The lack of knowledge about the social economy was compounded by the lack of dedicated literature concerning the social economy available at that time (2000). My own knowledge of the social economy was limited

to the literature provided to me by the CBED team and knowledge of some of the local organisations. I was aware that I had not previously worked within the social economy. I had limited understanding about the social economy's size, structure, or the range and depth of potential impacts. I had little understanding of the structural and governance arrangements of funding sources, or complexity of impact. As a result of this I regarded myself as an 'outsider' in terms of the research subject.

In contrast to the feeling of being outside of the social economy, however, I felt I could benefit from in-depth knowledge of the local area having grown up, studied and lived in Merseyside all my life. Throughout the early parts of the research process, the commonalities of experiences and shared sense of being 'local' appeared to help build rapport and consequently a sense of trust between myself and research participants. These types of relationships were invaluable. The types of information people exchanged and offered in both interview and informal conversation situations were often enhanced by the fact that I was local. Exchanges about pubs we drank in, shops visited or schools we went to were just a few examples of topics which helped me to build rapport with research participants. This approach played a central role in the types of in-depth information and results uncovered.

My feelings of being outside the social economy were, as already mentioned, compounded by the limited availability of dedicated literature. For the most part the literature available at the beginning of the research process focused upon concepts such as community economic development, local economic development and social exclusion. None of these were exclusively centred on subjects and topics concerned

with the social economy. Yet the growing number of encounters I had with social economy organisations and growing bodies of literature both policy led and academic, indicated that the term social economy was being increasingly understood and used in place of concepts utilised within the existing literatures, such as, community economic development, local economic development and social exclusion. My primary concerns throughout the earliest parts of the research process therefore centred upon the lack of experience I had of the social economy. In part, the feeling of wanting to experience the social economy and fully understand it, along with the lack of relevant literature began to drive the direction of the research process. That is to say I chose an in-depth, case study led approach based in a large part upon participant observation. This process was made less arduous by the collaborative arrangement set up between the Geography Department of the University of Liverpool and the CBED team within Liverpool City Council. The existing relationship meant that I was able to establish networks and relationships within the research field relatively quickly. This unique working relationship provided me with an opportunity to become immersed within the field much earlier than I had planned. At the time I did not perceive this to be a disadvantage as I used this opportunity to collect the data necessary for the earlier parts of the mapping exercises presented within chapter 7. I also set about negotiating access to a number of social economy organisations in preparation for the main part of data collection and field work. This did mean, however, that much of the field work was planned and put in place prior to the publication of the work of Amin et al (2002) who have arguably provided the most in-depth insight into the social economy within the UK. At one point I had felt that some of my work had been wasted as I had only been able to discover processes and trends uncovered within the publication *Placing the Social Economy*. However, upon reflection, I feel that my research provides a

research provides a different insight into the social economy. The work within this thesis draws upon in-depth research methodologies. I have spent long periods of time working within organisations and have analysed, reflected and theorised specific knowledge about the social economy in Merseyside.

As part of my involvement with the CBED team I became a member of the Merseyside ILM Network. The Merseyside ILM network was set up to support the development of ILM employment within the local social economy. Although the ILM Network has now disbanded due to problems of retaining group membership, the network had consisted of around 15 people, who were likely to be managers, working within organisations providing ILM places. The ILM Network provided an alternative insight into the social economy as the majority of my work was carried out with beneficiaries rather than managers or staff running organisations. I retained my place within this group over a six month period. My work for the ILM Network consisted mainly of administrative tasks associated with the arrangements being made for a regional conference designed to increase the awareness of ILM employment. This role involved identifying companies that could take on the ILM employees once they had completed their contracts. This included large manufacturing plants, pharmaceutical companies, organisations such as Liverpool airport and various departments of the city council. I used the launch of the event as an opportune time to withdraw from the network as I felt that my involvement with the group could compromise the case study research. I did not want to become regarded by beneficiaries as one of the management team. The network had provided me with access to levels of management and decision making that the beneficiaries had not had. I therefore wanted to become a participant observer without such privileged access.

My involvement in the field had continued throughout the research process with continued interactions between myself, the CBED team, and case study organisations. Towards the end of third year of study I was offered a part-time job as a researcher within Liverpool Plus (the successor of the CBED team). Taking this research position meant I could still be in contact with the research field and build upon the research already undertaken. I had access to new information within the social economy which did help me to make sure the research was still relevant. Despite the advantages of working within Liverpool Plus, however, I found that I had to reduce the hours spent within Liverpool Plus towards the end of the research process in order to gain increased distance between myself and the research findings due to the growing tensions of remaining within the research field and trying to write up. For example, I was finding it increasingly difficult to be open about the negative aspects of the findings whilst writing up the concluding chapters and continuing to work within Liverpool Plus. This withdrawal from the field was a recognition of the differences between the role as an academic researcher and a policy researcher, and it meant that I could take a more reflexive and critical approach to writing up the research findings.

The whole research process took longer than envisaged and did not follow the sequential path that had been envisaged within the original research proposal i.e. literature review, data collection, and write up. The process was much more disjointed than this. This was linked to the case study approach adopted meant. Case study research requires a researcher to extensive periods of time within the research field. As a result of this, the process was a complex mix of literature reviews, data

collection and analysis. The mixtures of processes ultimately contributed to the length of time used to complete the research. The process took four and not three years. However, the mixture of activities formed part of my strategy to become part of the social economy and was critical in informing the research results.

As a female researcher in my twenties, there were times when I had felt apprehensive about the way in which a man in his fifties who had been unemployed for seven years would relate to me and open up about his experiences of unemployment. Interestingly, however, the barrier was broken down when I made it clear that I was not actually an employee of any organisation but I was a researcher i.e. 'didn't have a proper job' as it was put to me by one informant. This description of my own employment status actually intrigued me. For the fifty year old unemployed man, he felt that this was something we had in common. Yet I had not thought about it in this way previously. The following section describes some of the experiences I have had working as part of a CASE collaborative research project. The CASE studentship experience has provided me with some unique experiences which are worth highlighting.

5.5 CASE Research: A Reflection

As already stated this research came about as a result of a CASE collaborative arrangement between the CBED team within Liverpool City Council and the Geography Department within the University of Liverpool. The CASE relationship has had some important impacts upon the research, not least on the amount of time spent within the field - over seven months in total. This was much longer than would have been the case had the research been non-CASE. The length of time spent

within the field does, however, form the basis of a unique and in-depth insight into the social economy.

As part of the CASE relationship monthly meetings were held with supervisors from within both the CASE organisations i.e. Liverpool City Council and the University of Liverpool for the first two years. As part of this arrangement it was agreed that the City Council could oversee and would have to agree to the choice of methods and the chosen case studies. As part of the arrangement the City Council required quarterly updates on the research. These were largely verbal updates.

At times it became difficult to balance the needs of the City Council against the academic needs of the thesis. The City Council required relatively fast results and wanted 'hard' quantitative output measurements that they could include in future funding bids. In contrast, the academic approach required an in-depth theoretical review, careful planning and a much deeper understanding. The juggling of roles enabled me to update the policy-led literatures and update the findings in accordance with developments in the field. It also gave me opportunity to reflect upon the academic work. Although when I compared my research experience to that of my peers within the department it appeared to be a lot more complicated and more difficult to manage and ultimately used a considerable amount of time.

In 2001 the CBED team was disbanded. There were many staff changes in the period leading up to the dissolution of the team, as people realised the programme would probably end and had therefore looked for new jobs. As a result I had a total of four supervisors from the council. One supervisor took over the role and left three weeks

later. The shift in supervisors was frustrating more than it was a problem as it meant I had to keep updating people about the research, its background and the approach. In the last couple of years one supervisor has continued to oversee the work, but at a much greater distance than had originally been the case. In the last two years I was therefore able to develop the research in my own terms as there had been considerably fewer checks from the city council. This gave me the opportunity to more openly and critically assess the findings. I do not think this would have been possible had the council played more of a role in the final delivery of the thesis. The CBED outputs, for example, were never evaluated in any great depth by the CBED team because the figures managed to convince the funding bodies that they had created jobs. The results will show, however, that there are problems with the relying upon such quantitative output data. The lack of council input is in itself a reflection of the city council's own approach to the social economy at that time i.e. no longer a prime concern. This could in part be linked to the council's new focus on what may be seen to be more 'mainstream' regeneration concerns namely the work for the city's 'Capital of Culture' status which will be in place in 2008 (and award for which was announced in 2003, the third year of my study). The following section seeks to illustrate how the approaches to research were each combined to help formulate a thesis which could measure the impact of the social economy in Merseyside.

5.6 Holistic Approaches to Researching the Impact of the Social Economy in Merseyside

The research has been divided into two parts. The first focused upon researching the theoretical background to, profiling and mapping the social economy: the second consisted of in-depth ethnographic research, which has drawn upon participant observation, in-depth interviews and survey data. The following section summarises the ways in which each of the methodological approaches has been used and its fit with the overall research project and aims.

The following table shows that each method has been chosen as a means of providing original material and data (Nachimas and Nachimas, 1992). The table categorises the methods according to whether they were theoretical, quantitative or ethnographic inductive/grounded theory approaches. The first approach is related to the existing theory and research, and involved in-depth literature reviews of the social economy and community-based economic development. The approach draws together both policy-related and academic literature around local economic development, evaluation methods, and social exclusion. The second approach is the quantitative mapping exercise, which was used to compile baseline data about the social economy on Merseyside. The third approach, and the core of the research, revolved around an in-depth ethnographic approach that used case studies and participant observation.

Framework to Show Approach and Methods Used

<i>Approach</i>	<i>Method</i>	<i>Description</i>	<i>Relevance to Research</i>
Theoretical	Literature Review	Academic and Policy Related. Subjects included the Third Sector and Social Economy, Community Economic Development, Evaluation, Social Audit, Methods, Neo-liberalism and Third Way, European Employment Policy, Social Exclusion, ad Social Capital	Relationship to existing knowledge and theory
Quantitative	Mapping	Scoping – size, structure and characteristics of the sector	Make up and structure of sector. Baseline Data
Ethnographic/ Inductive / Grounded Theory	Case Studies	1. St Mary’s Area Regeneration Trust (Everton Development Trust)	Community / Area Based
		2. Train 2000	Gender based
		3. Furniture Resource Centre	Social and Environmental
	Participant Observation	In-depth Everyday experience Mixed levels of interaction	Wider Context Understanding from Other People’s Perspectives.
	Interviews	1. One to One <i>semi-structured</i> 2. Telephone <i>semi-structured</i> 3. Focus Group <i>semi-structured/ participatory</i>	Identifying Wider Impacts Potential for Alternative Models of Evaluation

Figure 5.2

Chapter 6 The Social Economy on Merseyside: The Supporting Bodies

The following chapter sets out the local context in which the research has been carried out. The chapter describes the funding programmes, which have been key to community based economic development and social economy activity within Merseyside. The chapter goes on to describe the key support agencies relevant to the social economy, some of which have developed in the years since the research began. Of particular significance is the Community Based Economic Development (CBED) Programme developed by Liverpool City Council, which supported the development of both community and micro businesses in the eleven most deprived wards of Liverpool.

6.1 Merseyside: an Objective One Area

Objective 1 is a European Union (EU) intervention aimed to help the lagging economic development of Europe's most deprived regions (Boland, 1999). Merseyside was first classed as a European Objective 1 area in 1993 and was awarded Objective 1 status again in 2000. This means that by 2006 the region will have benefited from over thirteen years of Objective 1 funding worth over £4 billion. The criterion for Objective 1 status is centred upon the levels of Gross Domestic Product (GDP) (Boland, 1999): a region with a GDP less than 75 per cent of the EU average is deemed eligible. In 1991, the GDP in Merseyside was 77 per cent of the EU average, which meant the GDP was less than £10,000 (ILO, 2001). Although this was 2 per cent above the EU threshold, Merseyside's 25 per cent male unemployment figure was seen as a powerful additional reason for the enhanced status (Boland, 1995: 699). The fact the region was awarded a second round of Objective 1 funding in 2000

signified that the region's GDP, six years on, had remained low when compared to the EU threshold (Boland 1999: 789). The region's continued economic underperformance, compared to other UK regions is illustrated in Figure 6.1.

Gross Domestic Product (GDP) of Selected UK Regions 1993-1998

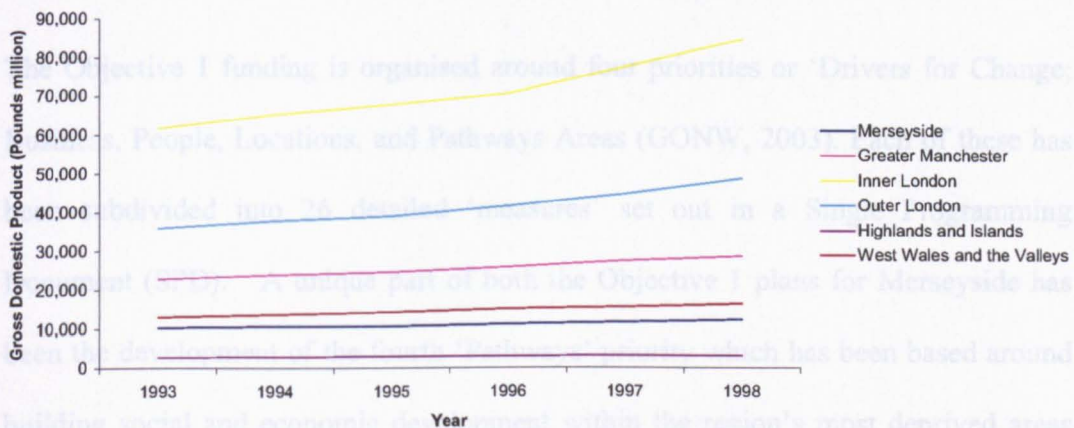


Figure 6.1 Adapted from Source, ONS (2003)

The graph indicates the levels of recorded GDP within Merseyside and some of the other UK regions between 1993 and 1998. The bottom three lines show the levels of recorded GDP within West Wales and the Valleys, Merseyside and the Highlands and Islands of Scotland, which are also eligible Objective 1 areas. The graph shows that there has been very little change in the level of GDP within Merseyside since 1993. The levels have increased by only £2000 per head. In 1998 the GDP in Merseyside was below £15,000 per head.

The low levels of GDP meant that in 2000 (the year in which this research began) Merseyside remained categorised as one of the poorest urban areas in the UK. It was argued by Government Office for the Northwest (GONW) that Merseyside continued to suffer low levels of economic activity, below average business survival rates, high

levels of unemployment, low domestic incomes and educational and skill levels well below those of the North West region and the rest of the UK (Boland, 1999: 2). The second round of Objective 1 funding is worth £2 billion; £844 million of this is from the European Union which is matched by £844 million from central government, and a further £400 million from the private sector.

The Objective 1 funding is organised around four priorities or 'Drivers for Change; Business, People, Locations, and Pathways Areas (GONW, 2003). Each of these has been subdivided into 26 detailed 'measures' set out in a Single Programming Document (SPD). A unique part of both the Objective 1 plans for Merseyside has been the development of the fourth 'Pathways' priority which has been based around building social and economic development within the region's most deprived areas (Lloyd, 2000). The Pathways priority is considered to be unique because it relies upon building and supporting the role of communities within 38 most deprived areas throughout Merseyside, selected on the basis of factors such as levels of unemployment, low income and low educational achievement rates (see figure 6.2) (Lloyd, 2000). Eleven such areas have been identified within Liverpool (see figure 5.1). This illustrates that Liverpool has the highest levels of deprivation in comparison to the other four boroughs of Merseyside – St Helens, Knowlsey, Sefton and Wirral. The Pathways priority was worth approximately £140 million, or just under one fifth of the total Objective 1 allocation (GONW, 2003: 8).

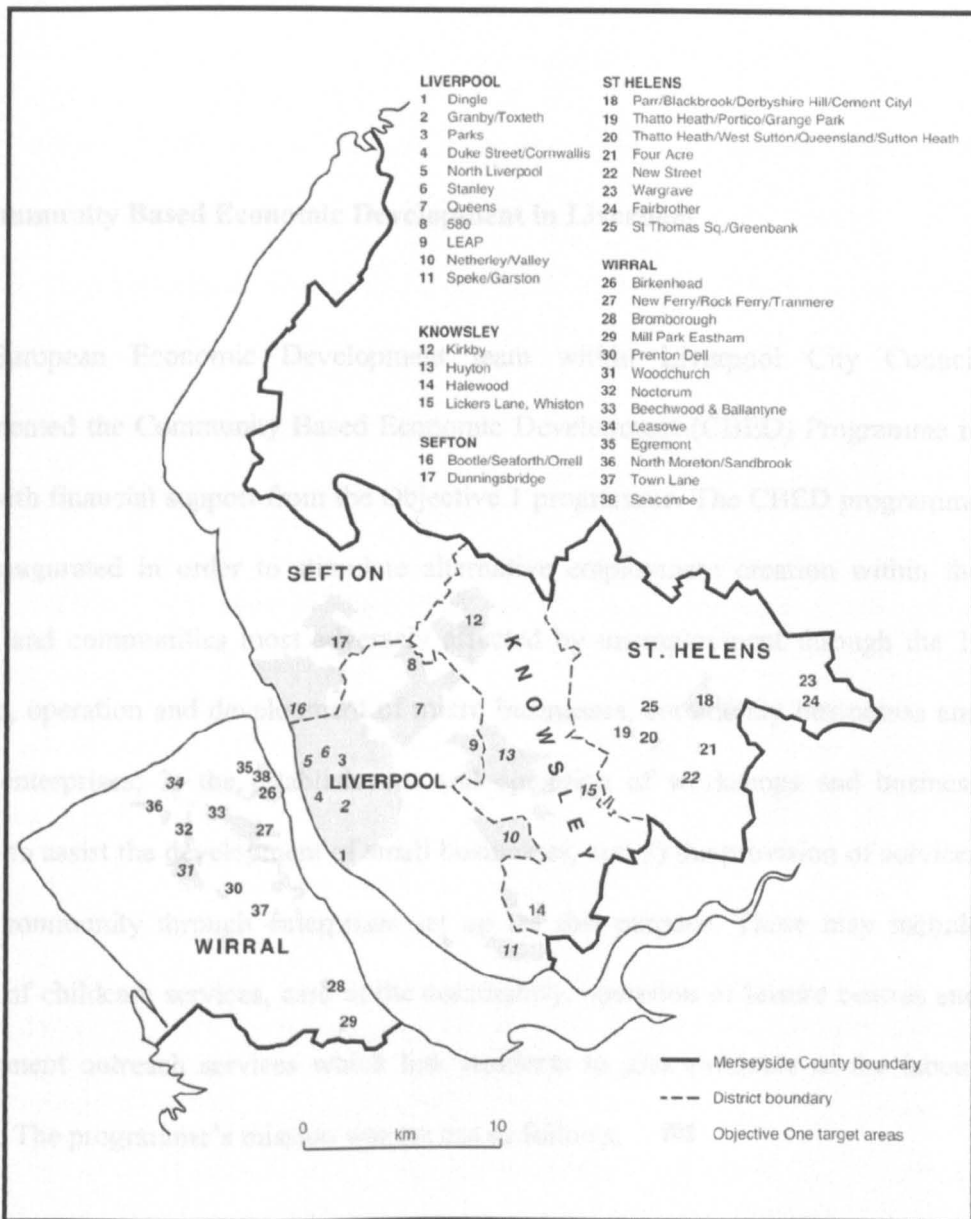


Figure 6.2: Thirty Eight Pathways Areas of Merseyside

The Pathways priority is aimed at providing the means by which local residents within Pathways areas can overcome the barriers which may inhibit them from completing or even setting out on the course to employment, for example, the lack of employment opportunities, low educational attainment, or lack of adequate childcare facilities (Boland, 1999: 700). One particular programme supported by Liverpool City Council was specifically aimed at working with the communities of Pathways areas in order to contribute to the provision of new jobs and enterprise through Community Based Economic Development.

6.2 Community Based Economic Development in Liverpool

The European Economic Development team within Liverpool City Council implemented the Community Based Economic Development (CBED) Programme in 1994 with financial support from the Objective 1 programme. The CBED programme was inaugurated in order to stimulate alternative employment creation within the groups and communities most adversely affected by unemployment through the 1) start up, operation and development of micro businesses, community businesses and social enterprises; 2) the establishment and operation of workshops and business centres to assist the development of small businesses; and 3) the provision of services to the community through enterprises set up for this purpose. These may include supply of childcare services, care in the community, operation of leisure centres and employment outreach services which link residents to jobs available in the labour market. The programme's mission was set out as follows;

'To enable the residents of the Pathways Areas of Liverpool to take full advantage of the opportunities which exist for employment, enterprise creation, training and other economic activity. We will seek to achieve this mission by providing both financial and technical support for a network of both area based and sectoral Enabling Bodies which will provide a broad range of services and support for their particular communities, and by providing a comprehensive package of technical and financial support for Community Businesses.'

CBED (1997: 7)

There is a CBED Enabling body located in each of the eleven Pathways Areas in the city (see figure 5.1). The enabling bodies are community-based facilities set up as community businesses to provide a range of services and support in their communities

such as; business advice and referrals; local careers advice and guidance; information and technology (IT) support and financial help; and in some cases training courses related to the development of community and micro-businesses. The enabling bodies aim to play a key role in helping to remove the local barriers to employment and local economic development. As their title suggests they are aiming to play an 'enabling' role within the Pathways Communities.

Whilst the CBED programme officially ended in 2001, twelve of the enabling bodies are still delivering CBED activities as part of ongoing investment from Liverpool City Council and Objective 1. This investment is being managed by a new social enterprise development agency called Liverpool Plus. Liverpool Plus was set up in 2003 as a successor to Liverpool City Council's CBED programme.

Liverpool Plus has three main objectives: to develop a supportive environment for social enterprises; to ensure comprehensive sets of support are available to social enterprises; and to establish an intelligence-gathering mechanism to understand emerging trends in the development of the social economy. Liverpool Plus is looking to increase the performance capacities of social enterprises within the city, and develop new social enterprises. Liverpool Plus is supported financially by the city council and its remit fits with the agendas promoted by the government through the Social Enterprise Unit. Projects being implemented by Liverpool Plus include courses designed to better equip social enterprises wanting to provide goods and services to the public sector, and providing business 'toolkits', including guides on how organisations can improve different aspects of their work, such as, financing, management and marketing as well as networking and conference events based around themes seen as relevant to the sector.

6.3 Social Economy Support in Merseyside

Within Merseyside the CBED programme and Liverpool Plus are considered to be unique. The other four boroughs have no similar type of support mechanisms for the social economy or community based economic development. The CBED programme has an almost ten-year legacy and is well known amongst local practitioners. Many of the organisations and individuals to benefit from the CBED programme were involved in the setting up in 2000 of the UK's first membership-based social economy network, the Merseyside Social Enterprise Network (SEN). The SEN is a Merseyside-wide network of non-profit distributing businesses, community and voluntary sector organisations formed to offer a common voice for the sector. The network brings together local development trusts, intermediate labour market companies, community businesses, social firms, credit unions, LETS systems, advice agencies and workers co-operatives in Merseyside. The SEN seeks to:

- Present a unified voice in response to policy members
- Provide research into the impact of this sector on regeneration
- Act as a central negotiation point to access contracts from the public sector
- Disseminate information to its members
- Network with other umbrella bodies, locally, regionally, nationally and internationally
- Develop and implement a framework for effective community involvement on Merseyside

Source SEN (2001)

The Social Enterprise Network is a membership-led network that aims to support and add value to the work of individual member agencies. The network's first priority was to build relationships with major local governing bodies such as the Northwest

Development Agency (NWDA), the overseeing body for the Objective 1 programme, and Government Office North West (GONW).

In addition to the SEN, the Merseyside Social Enterprise Initiative (MSEI) was started in July 2001 led by the North West Development Agency (NWDA). MSEI was set up with the intended aim of supporting the development of an enlarged sustainable social enterprise sector on Merseyside. MSEI aims: 1) to expand the number of businesses within the social enterprise sector, and 2) to achieve financially viable enterprises. The NWDA has committed £2.5 million to the programme, which will be matched by Objective 1 funding. Table 6.1 outlines the planned spend over the period 2002-2008. The table indicates that the largest spending round will be the final stage 2007/08 where over £300,000 has been allocated for Merseyside social enterprises. This signifies that there is significant potential for the local social economy in the next few years.

Spend Allocation for MSEI 2002-2008

2002	2003/4	2004/05	2005/6	2006/07	2007/08
£400,000	£796,370	£1,047,764	£972,793	£527,010	£3,743,397

Table 6.1 Source:MSEI (2002)

Projects implemented as part of this programme have so far included the development of a ‘competency framework’ for board members of social enterprises, followed by carrying out skills audits, providing legal advice designed to help people choose the most efficient organisational structures, and helping with marketing strategies as well

as offering a package of social audit projects ranging from awareness raising to training for different stages of the process.

6.4 The Liverpool Model Social Audit Initiative

In 1999 Liverpool City Council sponsored, with the support of European funding, a citywide programme for organisations funded under the CBED programme. This programme was known as the Social Audit Initiative, and it ran for two consecutive years. A key aim of this initiative was to train people from social economy organisations to act as social accountants for their organisations to help embed social accounting and auditing into the reporting and evaluation processes (LCC, 1999: 1). Over 30 local organisations took part in the initiative and gained accredited qualifications from Merseyside Open College Federation in social auditing.

Since 2000 the Liverpool Social Audit initiative has been run three times. Some of the experiences of organisations highlight some of the difficulties associated with using social audits. An interim evaluation showed, for example, that the social audit process often took longer than expected. In some cases this was longer than a couple of months. It was found that levels of commitment to the auditing process varied between staff tasked with the activity and management teams who were often less supportive and saw it as a waste of time and resources. It was found that people required individual support sessions in how to carry out a social audit rather than just class-based workshops. In the most successful cases, organisations were able to bring the help of external bodies, such as local universities and the health authority, in to

carry out the data collection. It was often found that different social economy organisations were unwilling to work together due to a nervousness of involving somebody from another similar organisation too closely in internal affairs (LCC, 1999: 20-21). This demonstrates the types of protectionism adopted by many of the organisations that are for the most part competing for the same pots of funding.

This chapter has explained the role of the key organisations and funding programmes involved in supporting the social economy in Merseyside. The next chapter brings together an analysis of the outputs of the CBED programme. This is followed by the results of the mapping exercises.

Chapter 7 The Social Economy and Community Based Economic Development in Merseyside: Size and Structure

7.1 The Community Based Economic Development Programme

The following section illustrates the key outputs of the CBED programme. The findings illustrate how many community and micro businesses were created as well as the cost of per job and investment made into the local social economy.

The table shows that the CBED programme was run in three separate stages over an eight-year period. The tables show that a total of 2660 jobs were created at a total cost of £4,290,000. The average cost per job for the whole programme was £1613. This is comparable to the cost per job recorded within a similar agency in London called Pecan Ltd where the cost was around £2000 (Amin et al 2002: 35-35). The cost per job increased by only £500 over seven years. This is an increase of approximately 30%.

The results indicate that the CBED programme over achieved in its target to create 1300 jobs between 1998 and 2001. In fact the table shows that over 1700 jobs were created (CBED 1998). In contrast to the CBED rhetoric, however, the results show that over 90% of the jobs have been created through micro business start-ups as opposed to community businesses. This indicates that micro business formation is a more efficient way of creating jobs within Pathways areas than community businesses.

The number of CBED enabling bodies funded through the programme increased from 6 in 1994 to 17 in 1998⁶. In 2003 only twelve of the CBED enabling bodies remained open. This was put down to the fact that the closed organisations had been entirely dependent upon grant funding received through the CBED programme which has been decreased in the last few years. The closure of these organisations demonstrates some the problems associated with creating financially sustainable bodies and organisations that can continue after a publicly funded programme has finished and no appropriate sustainability measures are put in place.

Compared to the costs of other similar programmes the CBED programme appears to have created jobs at a comparatively low price. The Wise Group, a large ILM provider based in Glasgow, estimates that it costs around £18,000 to employ and train each claimant. Taken on face value the figures - £1600 for CBED, £2000 for Pecan Ltd and £18,000 seem to show inexplicable variations in the cost of training or job creation (Amin et al 2002: 35-35). The figures, however, take no account of the differential character of the local labour market, skills or experiences imparted or added value provided. For example the Wise Group offsets its higher costs against savings made in benefits, which are approximately £8900 per year. The Wise Group also argues that the wages earned support the local economy, for example, for every £1 invested £2.10 is generated within the local economy and over £7.25 million paid in tax revenues per year. In addition to this the lower cost per job created in Pecan Ltd was linked to the argument that the service users could be considered to be more 'job ready'. In the case of the Wise group, however, the opposite conditions prevail. For example, the Wise Group deals with the long term unemployed who have very

⁶ This number has since dropped at least three have already closed down due to financial and management difficulties.

little or no work experience and therefore require considerably more investment in terms of time and resources.

So whilst the outputs indicate that the CBED programme has been successful the discussion has shown that the outputs need to be considered in their full context if the impact is to be fully understood. For example, has the programme helped those most job ready? Or has it reached the socially excluded? What role does the development of micro businesses have? Will they survive? Are such policies just painting over the gap? Why has micro business development been more successful than community business development? These are the types of issues that will be dealt with in chapter 8. The remainder of this chapter outlines the results of the mapping exercises. The chapter seeks to present an outline of the size and structure of the social economy in Merseyside and as part of this contextualises the contribution of the CBED programme to the social economy on Merseyside.

Table to Show Costs of the CBED Programme

Phase	<i>Length of Programme (years)</i>	<i>Programme Cost</i>	<i>Cost Per Job</i>
1) 1994-1996	2	£490,000	£1260
2) 1996-1998	2	£800,000	£1550
3) 1998-2001	4	£3,000,000	£1710
Total	8	£4,290,000	£1613

Table 7.1

Table to Show Key Outputs of the CBED Programme

<i>Phase 1 1994-1996</i>	<i>Phase 2 1996-1998</i>	<i>Phase 3 1998-2001</i>	<i>Total</i>
6 Enabling Bodies	9 Enabling Bodies	1 7 Enabling Bodies	17 Enabling Bodies
34 Community Businesses	16 Community Businesses	37 Community Businesses	87 Community Businesses
241 New Micro Businesses	291 New Micro Businesses	884 New Micro Businesses	1416 New Micro Businesses
389 Jobs	517 Jobs	1754 Jobs	2660 Jobs

Source CBED team monitoring return forms, 2001, unpublished)

Table 7.2

7.2 Mapping the Social Economy in Merseyside

The following section outlines the results of the central mapping exercises. The results illustrate some of the key dynamics of the social economy in Merseyside such as its size and structure. The work is augmented by the results of an evaluation of social economy activity recently completed by the NWDA.

In 2001 Social Economy Bristol attempted a similar mapping exercise set in motion by the recognition that relatively little was known about the amount of income, employment and services the social economy was generating. The results of this survey showed that the social economy in Bristol generated somewhere in the region of £223 million, which represented 4.3% of local GDP. The results showed that the social economy employed approximately 9,400 people in Bristol, which was equivalent to 4.6% of the city's total workforce.

The graph below illustrates the numbers of social economy organisations mapped in Merseyside over the last five years. The chart breaks down the mapping exercises into three stages. The first stage illustrates the results of work carried out by the CBED team. The second stage illustrates the number of organisations traced as part of this research. The third stage includes the results of the NWDA's evaluation exercise. The significant increase in the numbers of recorded organisations throughout the three stages can in part be accounted for by an actual increase in the numbers of organisations developed. The NWDA have also used much wider definitions of the social economy, for example, they have included a range of co-operative and voluntary sector organisations that would not traditionally be associated with the social economy. The most recent data has also included a list of all companies registered as limited by guarantee. However, a proportion of these are actually private sector. As a result I have taken the NWDA database and worked through it and sought to categorise as many organisations as possible utilizing existing data sources, local practitioner knowledge, my own local experience as well as cross referencing data with other existing databases such as the records kept by the Association for British Credit Unions (ABCUL) and the Development Trusts Association (DTA). The results of this are shown in figure 7.1.

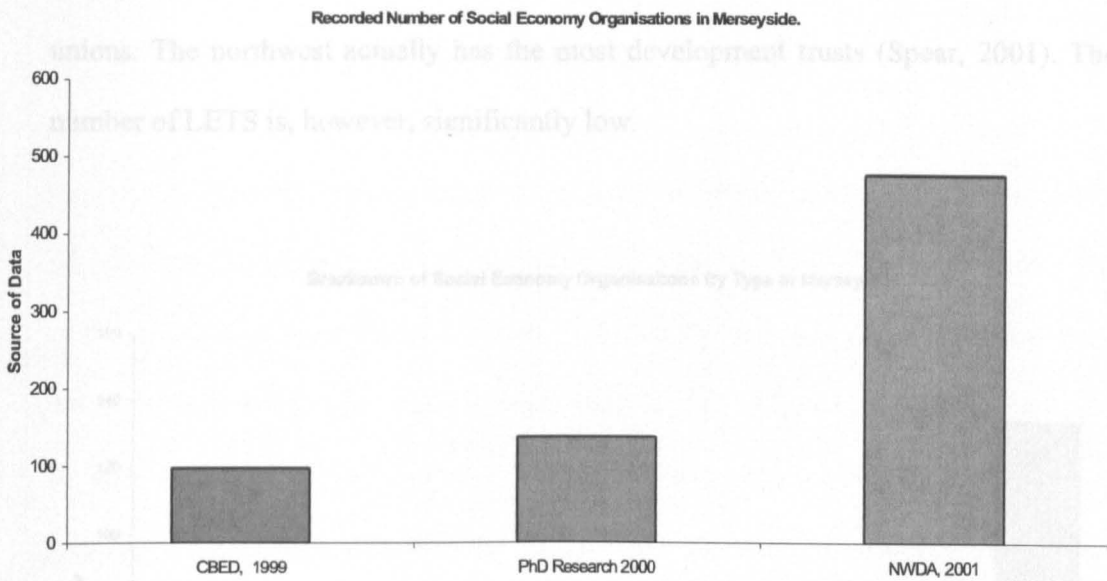


Figure 7.1

Almost two thirds, 290 of the 500 organisations outlined in the database of the NWDA have been included within the following graph. The graph shows that community businesses are by far the most numerable category of social economy organisation. This is a significant finding particularly when it is linked to the fact that the number of social enterprises is much lower than would have been expected given the rhetoric of agencies such as the Social Enterprise Coalition and Social Enterprise London. It also has significant policy connotations in terms of the current drives by organisations such as Liverpool Plus who have been tasked with developing more social enterprises as the results suggest that current policy expectations may be unrealistic. Much of the existing literature, for example, suggests that community businesses rely upon some form of public sector support. In contrast the amounts of public sector subsidy are being curtailed. This raises some important locally based considerations.

The results also show that there are just under 80 development trusts and credit unions. The northwest actually has the most development trusts (Spear, 2001). The number of LETS is, however, significantly low.

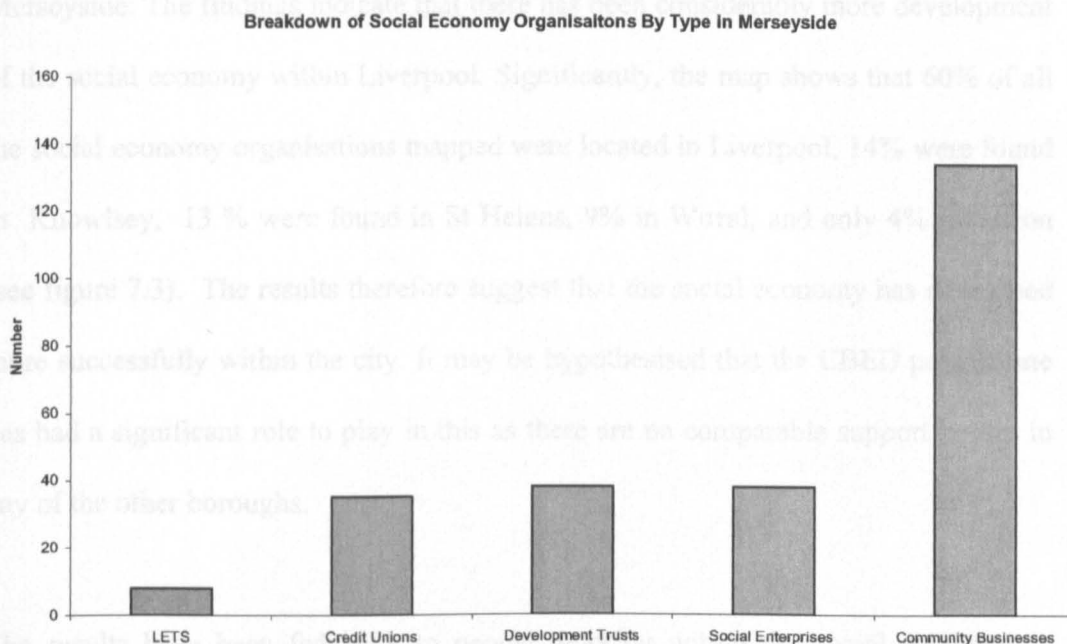


Figure 7.2

The following section includes the results of a postcode analysis of the social economy organisations. The discussion breaks down the analysis into two parts. The first focuses upon the distribution of social economy organisations throughout the five boroughs of Merseyside. The second concentrates upon the distribution of social economy organisations within Liverpool as this is the borough in which the most social economy organisations have been located.

7.3 The Geography of the Social Economy on Merseyside

Figure 7.3 illustrates the distribution of social economy organisations throughout Merseyside. The findings indicate that there has been considerably more development of the social economy within Liverpool. Significantly, the map shows that 60% of all the social economy organisations mapped were located in Liverpool, 14% were found in Knowlsey, 13 % were found in St Helens, 9% in Wirral, and only 4% in Sefton (see figure 7.3). The results therefore suggest that the social economy has developed more successfully within the city. It may be hypothesised that the CBED programme has had a significant role to play in this as there are no comparable support bodies in any of the other boroughs.

The results have been fed back to people working within the social economy in Merseyside, firstly through a regional social economy conference and secondly through a committee meeting of the members of the Merseyside Social Enterprise Initiative. The feedback suggested that the results were an accurate representation of the social economy. Many local practitioners also linked the geographical trends to the funding and start up capital made available to social economy organisations in Liverpool through the CBED programme.

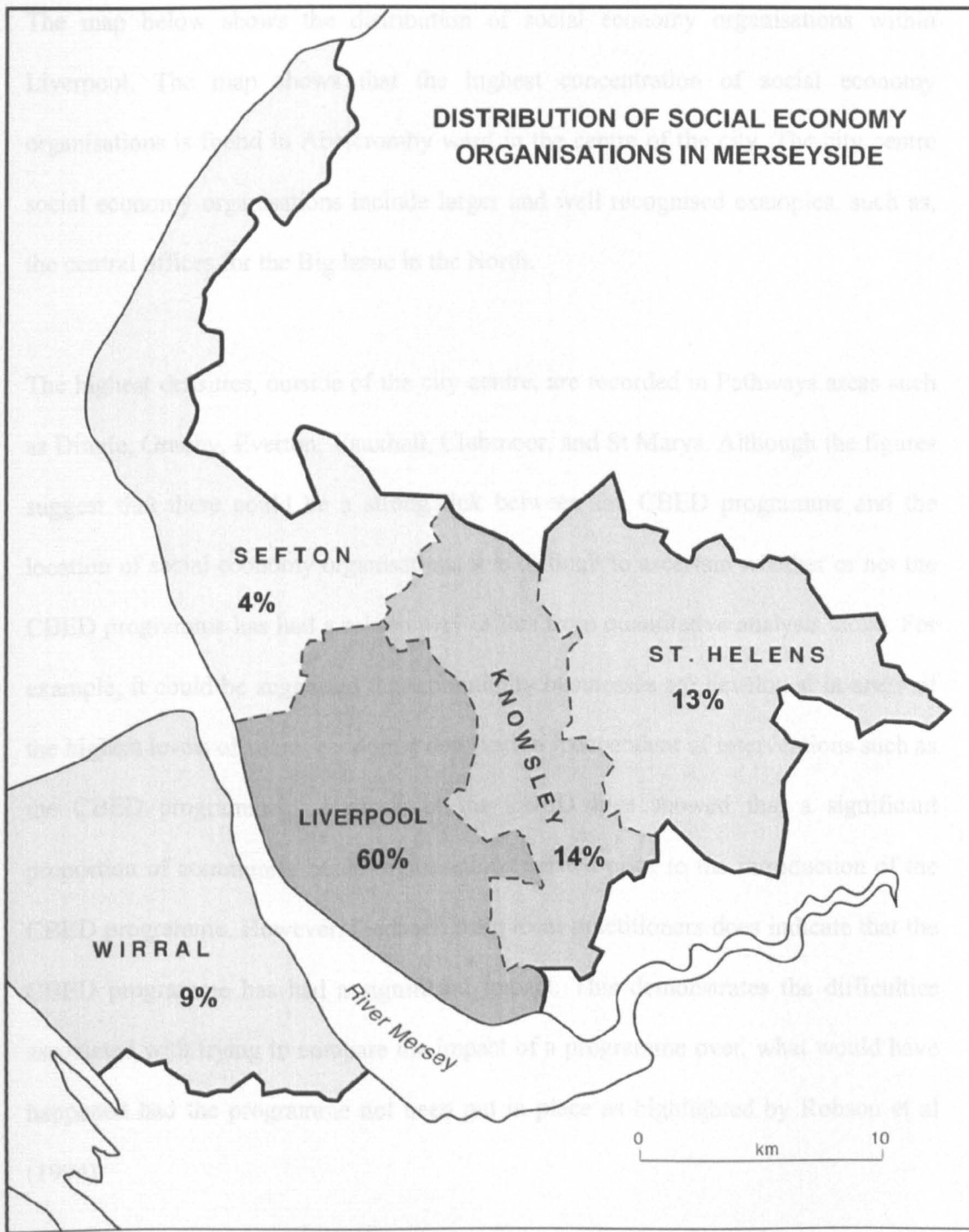


Figure 7.3

The map below shows the distribution of social economy organisations within Liverpool. The map shows that the highest concentration of social economy organisations is found in Abercromby ward in the centre of the city. The city centre social economy organisations include larger and well recognised examples, such as, the central offices for the Big Issue in the North.

The highest densities, outside of the city centre, are recorded in Pathways areas such as Dingle, Granby, Everton, Vauxhall, Clubmoor, and St Marys. Although the figures suggest that there could be a strong link between the CBED programme and the location of social economy organisations it is difficult to ascertain whether or not the CBED programme has had a role to play in this from quantitative analysis alone. For example, it could be suggested that community businesses are developed in areas of the highest levels of socio -economic deprivation independent of interventions such as the CBED programme. Analysis of the CBED files showed that a significant proportion of community-based organisations existed prior to the introduction of the CBED programme. However, feedback from local practitioners does indicate that the CBED programme has had a significant impact. This demonstrates the difficulties associated with trying to compare the impact of a programme over, what would have happened had the programme not been put in place as highlighted by Robson et al (1994).

The following section details the results of the study carried out by the NWDA in 2003. This work includes the results of a survey given to 500 Merseyside based social economy organisations to which there was an 18% response rate (92 responses).

7.4 Results from the North West Development Agency Evaluation

The results indicate that over three quarters of the sample of social economy organisations had been running over five years. The majority of organisations were registered as companies limited by guarantee and also had charitable status which reflected observations made within chapter 2.

The figures indicated that the turnover could be in the region of £136 million. The results also indicated that there were 1,998 people working within the 92 social enterprises that responded to the questionnaire. This is an average of 22 employees per organisation (NWDA 2003: 7-17). This indicates that there are approximately 6380 people working within the social economy in Merseyside. This is the equivalent of 1% of total employment. In Liverpool the social economy could account for over 4000 jobs or 2% of the total employment. In comparison this is the equivalent to half of the jobs provided in the construction industry or less than one quarter of jobs provided in the banking, or leisure industry within the city (ILO 2001). Although the figures are based upon estimates it can be reasonably assumed that the social economy in Merseyside is not a major employer or job generator which confirms the findings of Amin et al (2002; 116).

The chart below illustrates the four most common recorded activities of social economy organisations within Merseyside. These activities were; community development, services for the disabled, and advice and training. Over 70% of the respondents stated that community development was a major area of activity. This was followed by advice and training. Over 50% provided services for the disabled. In many cases organisations had opted for more than one category. For example, an organisation could focus upon community development and also provide services to the disabled, as well as run advice and training courses.

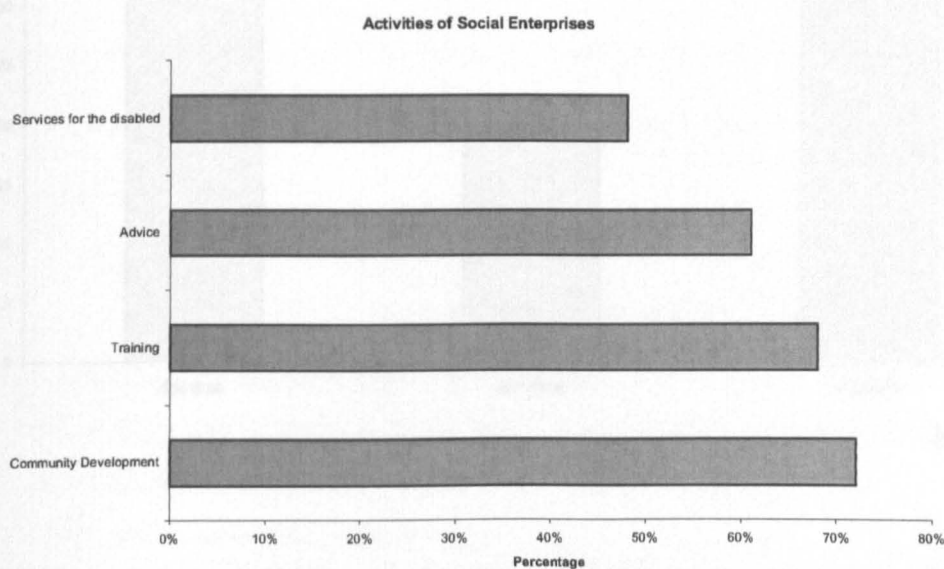


Figure 7.5

The following section outlines the types of employment, for example, how many jobs are part time and how many jobs are full time, numbers of male and females, and numbers from minority groups. The chart shows that an estimated 40% of the people employed within the social economy are employed on a full time basis. A further 20% are employed on a part time basis. Significantly, however, 40% of all the people

working within the social economy were estimated to be volunteers. This is much higher than had been expected given previous arguments, which had stressed that the numbers of volunteers were declining (see for example Saxon Harold 1990).

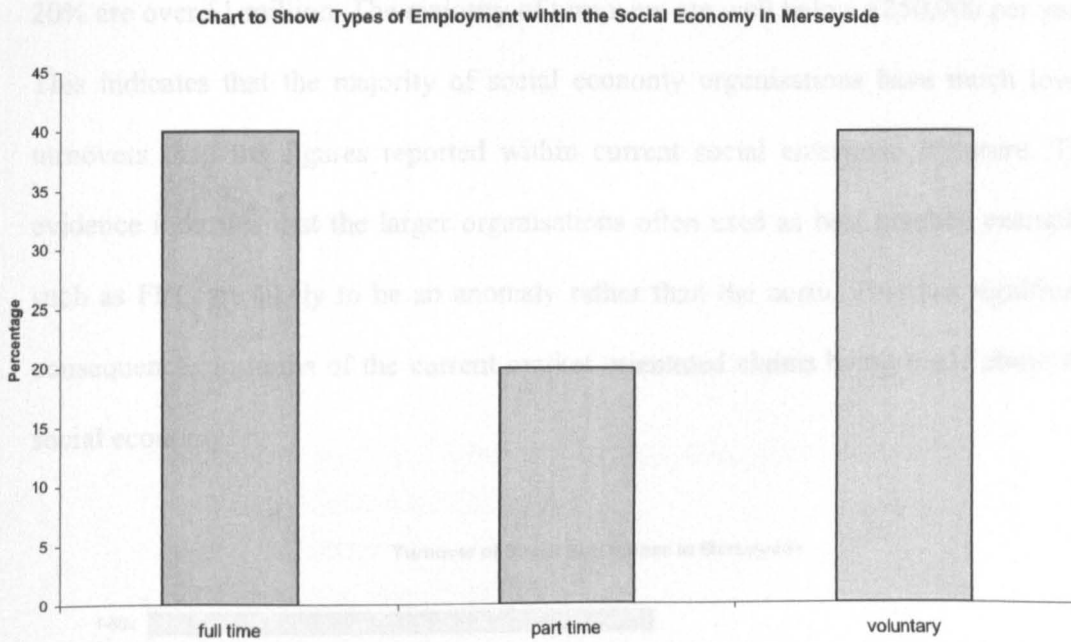


Figure 7.6

Further analysis showed that the majority of part time jobs were more likely to be taken by women. For example, over 71% of the female workers were likely to be part time. It could be argued that this trend exacerbates the uneven distribution of low paid, part time jobs amongst women reflected within the mainstream economy. Between 5% and 6% of the sectors employees were from black and minority groups. Between 7-8% were recorded as disabled.

The following chart illustrates the recorded turnovers of individual social economy organisations. The turnover of organisations is indicated on the 'y' axis. The turnovers run from £1,000-50,000 through £3,000,000-8,000,000. The number of organisations within each category is indicated on the 'x' axis. The graph shows that very few social economy organisations have turnovers in excess of £3 million. Only 20% are over £1 million. The majority of turnovers are well below £250,000 per year. This indicates that the majority of social economy organisations have much lower turnovers than the figures reported within current social enterprise literature. The evidence indicates that the larger organisations often used as best practice examples such as FRC are likely to be an anomaly rather than the norm. This has significant consequences in terms of the current market orientated claims being made about the social economy.

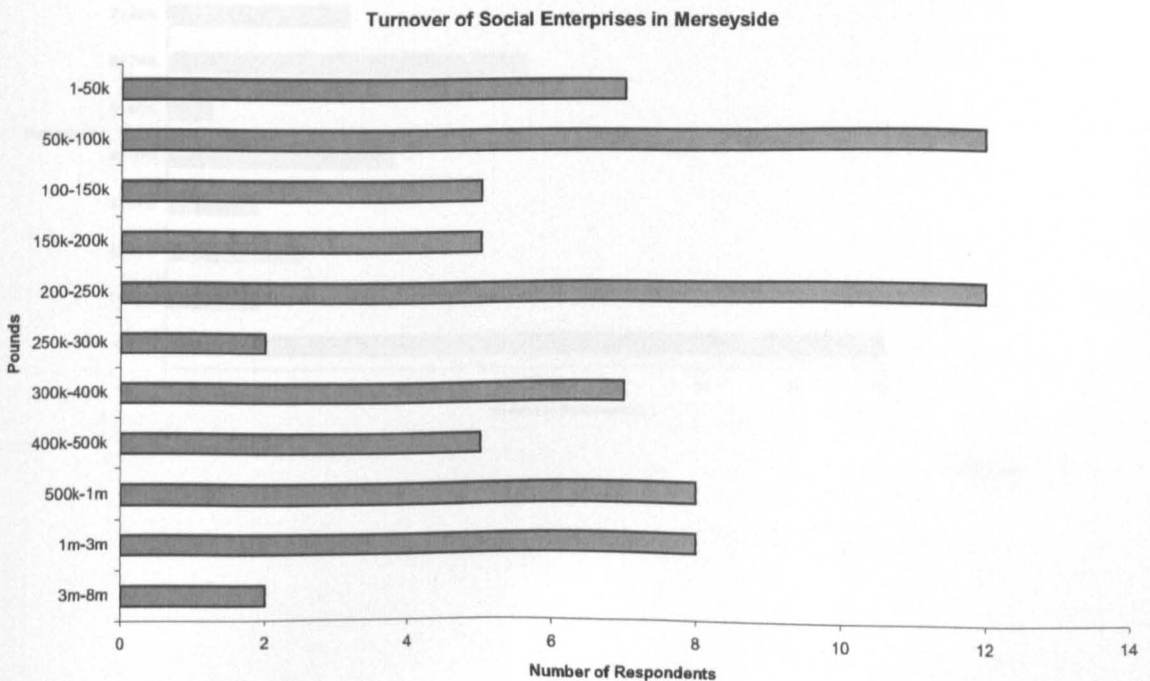


Figure 7.7

The graph below illustrates the proportions of grant income earned by different social economy organisations. For example the numbers at the top of the graph represent the number of organisations who rely upon 90-100% grant income. The numbers at the bottom of the graph illustrate the number of organisations that are over 90% financially self sustainable. From the graph, however, it is not possible to conclude that all organisations are either moving away from being grant dependent or are wholly dependent upon subsidy. This is linked to the observation that the numbers of organisations wholly dependent upon grant income is of a similar proportion to those organisations that are dependent upon traded income.

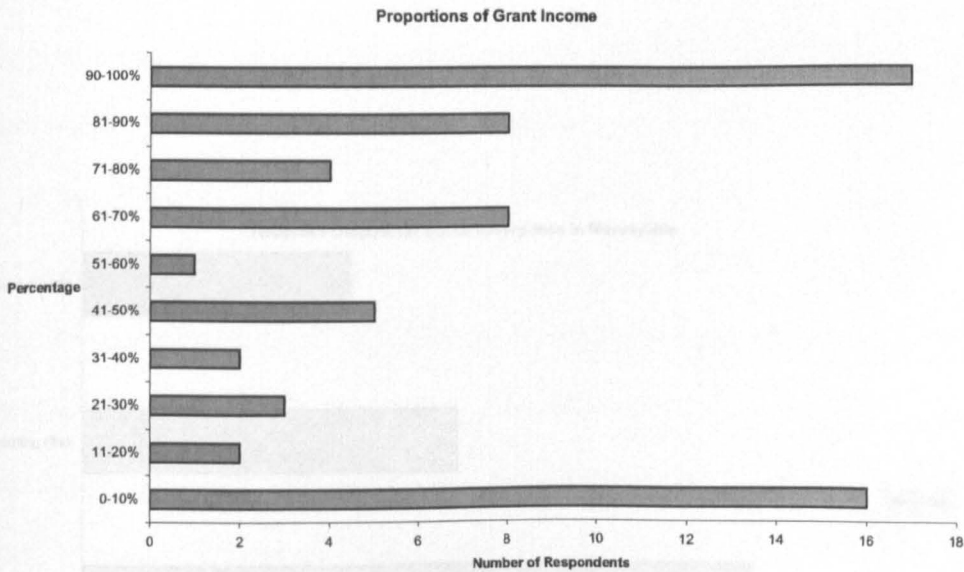


Figure 7.8

7.5 Summary

When the respondents were asked about problems or issues they had faced there were a number of key areas. For example, 70% of the organisations stated that access to grants was a major issue. This was followed by the belief that there was too much public sector bureaucracy surrounding the sector and many had inadequate premises.

The last graph illustrates the percentages of organisations that had stated they had completed 1) a social audit 2) a marketing plan and 3) a business plan. The graph shows that 35% of the respondents had completed a social audit compared to almost 90% who had completed a business plan. This indicates that social audits are not as widely used as might have been expected .

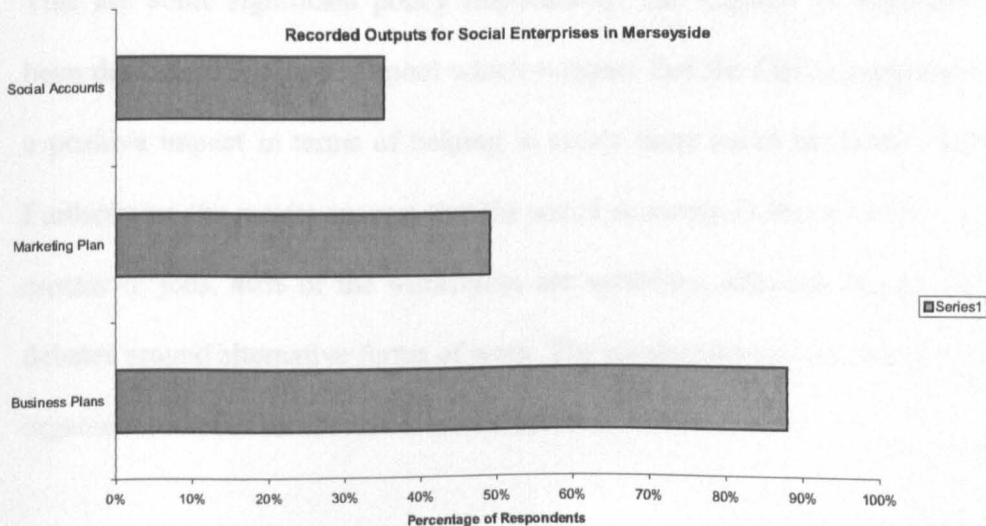


Figure 7.9

7.5 Summary

The data and findings presented above provide an insight into the social economy in Merseyside. The discussion has shown that the CBED programme achieved its targets. However, there are issues relating to these outputs that will be considered further in chapter 8. The discussion showed that the cost per job created was considered to be relatively low. However, the results showed that many of these jobs were created in micro business as opposed to the social economy. The closure of some of the enabling bodies has signified that there are problems associated with expecting organisations to become financially self sustainable particularly if they are working in areas where the private sector has already abandoned.

In relation to the wider social economy the results have shown that there are more community businesses than there are any other types of social economy organisations. This has some significant policy implications. The majority of organisations have been developed within Liverpool which suggests that the CBED programme has had a positive impact in terms of helping to create more social economy organisations. Furthermore the results suggest that the social economy in Merseyside is not a major creator of jobs. 40% of the workforces are voluntary, although this opens up some debates around alternative forms of work. The results also showed that the majority of organisations have turnovers below £250,000.

The following section outlines some of the problems experienced whilst trying to map the sector. This includes the difficulty in trying to update the data. For example, there were many more organisations in 2003 than there were in 2001 when I had first set out to map the social economy.

7.6 Problems with Mapping the Social Economy – Lessons Learned

It is difficult to ascertain whether or not the increase in the number of organisations mapped is related to actual growth in the number of organisations or whether the mapping exercises have traced more organisations. For example, compared to when the research began there is a wider awareness of about the social economy amongst local policy makers and there is much more networking between organisations. Therefore locally based exercises are much easier to carry out. However, the fact remains that much of the data is arbitrary. It depends upon feedback through surveys and the inclusion of organisations depends upon how well networked an organisations is, for example, is it listed on the database of local authority. There may be a range of organisations that are not part of these networks and are therefore missed in such mapping exercises. Any data relies upon the feedback to questionnaires for which the response rates are often quite low. For example, an impact assessment carried out by the NWDA only had an 18% response rate. Furthermore there may be problems associated with the types of information organisations are willing to give. For example, organisations that are under performing may not divulge the necessary information. The data also fails to highlight the numbers of staff on temporary contracts. For example, a growing proportion of the reviewed literature suggests that many people are employed on temporary work contracts under ILM programmes. If this is the case how does it impact on overall employment figures? Furthermore a number of organisations have closed since the research began. Problems associated with definition, complex structures and funding arrangements make mapping a

difficult exercise. Analysis can only be considered as an estimate of the reality given the inherent difficulties of trying to map the social economy.

The following three chapters outline the results taken from the three case studies; SMART, Train 2000 and FRC. The chapters incorporate the background to the development of each of the case study organisations, an overview of the methods employed within each organisation and in-depth discussion of results.

Chapter 8: Measuring Impact in St Mary's Area Regeneration Trust

This chapter seeks to uncover the impacts of one of the city council's CBED enabling bodies opened almost twenty years ago by local residents of an out-of-city housing estate in Liverpool. This CBED-enabling body, like many of the others, was opened as a reaction to the multiple factory closures and the perception that very few measures were being put in place to enable local people to find work (SMART 2001). St Mary's Area Regeneration Trust (SMART) was chosen partly because it was the longest established CBED-enabling body and partly because the case study provides an example of a social economy organisation set up in the mid-1980s in direct response to market failure.

Although the organisation completed a social audit in 1998, the chapter will show that the case study organisation has carried out less evaluation of its own activities than the other two case studies. One of the main gaps to be addressed within the chapter is the lack of beneficiary engagement.

By drawing upon the work of researchers such as Littlewood and Moran (1999), who argued that community businesses created important intangible impacts, such as increased self-confidence and self-esteem, the chapter seeks to uncover the impact of the organisation upon the service users by utilising some of the ideas presented within the alternative approaches to evaluation, such as the theory of change presented by Kubisch et al (2001) and participatory evaluation presented by Fetterman (1994).

8.1 Background to St Mary's Area Regeneration Trust

St Mary's Area Regeneration Trust (SMART) was opened in 1986, its aim to encourage and support local economic development in Speke. Speke is a local authority housing estate located ten miles to the south of the city (See Map 8.1). The map shows that estate is bound on the south side by Liverpool airport and to the north it is bounded by one of the largest trunk roads that into the city. The estate is considered to be relatively isolated. This is exemplified by its distance from the city centre and the fact that there is only one road by which to access the whole estate. The area has the highest unemployment rate in the city and is categorised as one of the most deprived wards within Merseyside under the Pathways programme.

St Marys Area Regeneration Trust (SMART) was set up by a group of local residents who had felt that the area had been left behind by the private sector due to the increasing numbers of local factory closures. At that time, the mid 1980s, the unemployment rate in Speke was 32 per cent (LCC, 1993). In addition to feeling that they had been left behind by market failure, local residents had felt that the area had been neglected by the public sector. SMART was set up, therefore, with the purpose of creating opportunities for local people to find alternative sources of employment. In line with the dominant entrepreneurial genres of local economic development of the 1980s, SMART was set up with the specific aim of providing small business advice. Although it had itself been set up as a community business, SMART did not focus on the development of community businesses until the mid-1990s when the CBED programme was inaugurated.

SMART Connect continues to be an advisory service for local residents with disabilities.

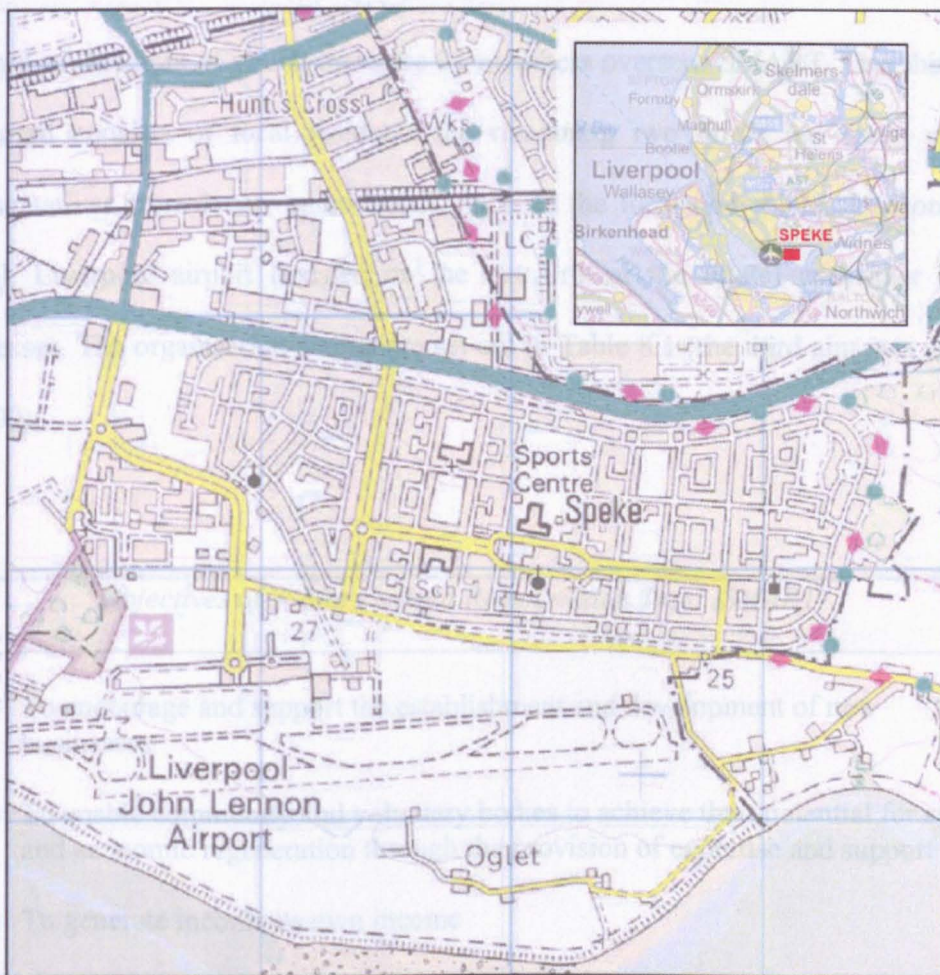


Figure 8.1 Man of Speke

In 2001, when this research began, there were three subsidiary parts to the organisation SMART Enterprise, SMART Childcare and SMART Connect. This remained to be the case throughout the research process. By 2003 SMART Enterprise Programme had continued to offer start-up business advice and training courses as it had done since its inception and SMART Childcare provided approximately one hundred local childcare places through two neighbourhood based nurseries in Speke and neighbouring Garston (Garston borders Speke and is also a Pathways area).

SMART Connect continues to be an advisory service for local residents with disabilities.

A board of directors of which there are 21 members oversees SMART. One third of the board consists of local residents the remaining two thirds are made up of representatives from local organisations, such as the local church, local secondary school, Liverpool airport (located on the outskirts of the estate) and other local businesses. The organisation's aims are set out in Table 8.1 (the third aim was added in 2000);

Objectives of St Mary's Area Regeneration Trust (SMART)

- 1) To encourage and support the establishment and development of new businesses
- 2) To enable community and voluntary bodies to achieve their potential for social and economic regeneration through the provision of expertise and support
- 3) To generate income its own income

Table 8.1 Source (SMART, 2001)

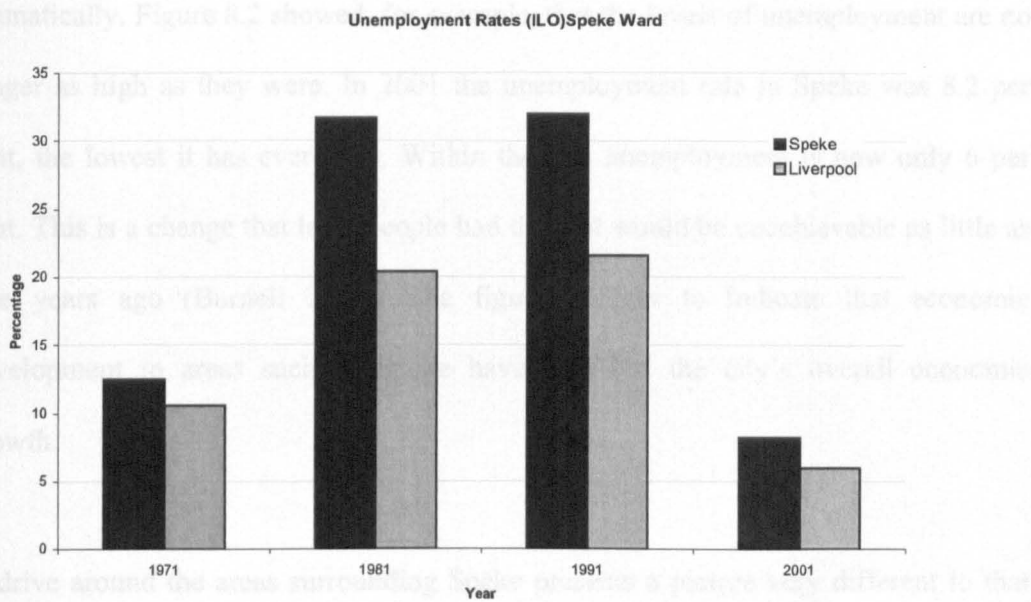
Since 2000, SMART has begun to put in place new developments that appear to draw upon the new market-led approaches to the social economy outlined in chapter two. This is demonstrated in the development of SMART Childcare. SMART Childcare generates almost 40 per cent of the organisation's revenue and has created in excess of 30 jobs. This illustrates some of the trends observed in chapter two, including the opening up of new welfare markets, and the tendency for social economy

organisations to reduce their grant income and to create local jobs (Defourny 2001). The remaining funding is provided through grants from bodies, such as the National Lottery and Sure Start. Sure Start is a national government-led programme designed to improve the quantity and quality of childcare throughout the UK for 0-5 year olds. I have highlighted the other sources of funding in order to show that without national government programmes organisations such as SMART would not be able to take over services such as childcare because they would be too costly. The results indicate that these types of services require some form of public investment.

The socio-economic context in which SMART works has changed significantly since 1986, when the organisation was established. The following section outlines some of the key changes that have occurred in the last twenty years.

The Changing Economic Context

Speke has suffered some of the highest employment levels in the city over the last twenty years. The levels of unemployment have always been higher than the city's average rates, as shown in figure 8.2. The graph shows that between 1981 and 1991 the levels of unemployment reached their highest peak and were almost 15 per cent more than the city's average unemployment rate.



Unemployment Rates in Speke, Figure 8.2

In 1991, 1281 Speke residents were registered as unemployed. Seventy per cent of these were male. This meant that nearly 40 per cent of all men of working age in Speke were registered as unemployed. This is a remarkably high proportion, and is indicative of the high level of economic crisis within Liverpool at that time. The city was widely perceived to be in economic turmoil, as the following passage written in 1986 illustrates:

“Over the years unemployment has become the pattern of life...the death of the city is obvious. One can drive past miles of deserted dockland and acres of dereliction, empty warehouses, unused land and gutted council housing. These areas are unlikely to revive because they are surplus to requirements.” (Ridley 1986: 128-129).

The last line of the quote illustrates the way people felt about parts of the city, such as Speke. Agencies like SMART were set up in order to try and address the failure of the market within these areas with the aim of stimulating alternative economic development based upon the assumption that there would be no mainstream economic

development or revival. In recent years, however, the context has changed dramatically. Figure 8.2 showed, for example, that the levels of unemployment are no longer as high as they were. In 2001 the unemployment rate in Speke was 8.2 per cent, the lowest it has ever been. Within the city unemployment is now only 6 per cent. This is a change that local people had thought would be unachievable as little as five years ago (Burnell 2004). The figures appear to indicate that economic development in areas such as Speke have followed the city's overall economic growth.

A drive around the areas surrounding Speke presents a picture very different to that painted by Ridley in 1986. Major new developments, such as the expansion of Liverpool airport, the development of a major business park and large retail development, are very much in evidence. Figures 8.3 and 8.4 are photographs of the retail park. Figure 8.4 is particularly noteworthy as it shows cash machines located less than one mile from the estate and used by the increasing amounts of people travelling into the area to use the new developments. These were introduced some ten years after the last bank closed because the area was seen to be an economic loss.



Figure 8.3 The Development of Major New Retail Park



The Introduction of Cash Machines, Figure 8.4

Yet, whilst the levels of unemployment in areas like Speke have decreased it must be noted that the rate is still one of the highest in the city. Furthermore, whilst areas around Speke have changed (as shown in Figures 8.3 and 8.4), Speke itself remains to be one of the most deprived wards within Liverpool and what the government has

Parade of Shops in Speke, Figure 8.6

referred to as one of Britain's worst estates (SEU 1998). The following photos are used to show how the inside of the estate contrasts greatly to the developments which were only one mile down the road. Figures 8.5 and 8.6 illustrate the outside view of SMART and the adjoining parade of shops. Figure 8.5 shows that SMART is located in a building abandoned by a bank (which is why there are no windows), while figure 8.6 show that the flats above the shops are largely burnt out.



St Mary's Area Regeneration Trust (SMART), Figure 8.5



Parade of Shops in Speke, Figure 8.6

The following statistics are used to illustrate just how high the levels of deprivation are within Speke. The figures are taken from the results of the 2001 census. The figures show that 53.2 per cent of the local population over 16 had no qualifications; 43.6 per cent had no central heating; and 60 per cent had no access to personal transport and the provision of public transport is reported to be very poor. Almost 20 per cent of the local population live in lone parent households, 7 per cent more than the Liverpool average. 29.7 per cent had a limiting long-term illnesses and a further 17 per cent were recorded as sick or disabled (Office of National Statistics, 2003). It is argued by some that high levels of recorded sickness could mask true levels of unemployment (Beatty et al, 2000). The figure of 8.2 per cent could in reality be much higher if this was taken into account. The local banks, and shops have closed down. The schools are struggling to achieve. The properties are largely council-owned, although many have now been passed out to housing associations, which should increase the amount of the investment into the area.

The context of Speke's development has been mixed. Whilst the statistics indicate that levels of unemployment have decreased, there high levels of deprivation within the housing estate persist. The chapter therefore seeks to explore the impacts of SMART in relation to increasing local employment – one of the organisation's primary objectives. It seeks to examine the extent to which organisations such as SMART played a role in reducing the levels of unemployment, and the extent to which areas such as Speke are, rather, benefiting from general improvements in the economy. It will examine whether CBED organisations such as SMART are now dealing with

people who have been long term unemployed. The figures show that just under 40 per cent (38 per cent) of the unemployed in Speke are long-term unemployed (unemployed longer than twelve months) and just under one fifth, 15 per cent, are aged over 50 (Office of National Statistics 2003). It will situate impact within its local context, and ask whether the social economy offers opportunities to address the high levels of deprivation.

The following table summarises some the key characteristics of SMART, as discussed previously.

<i>St Mary's Area Regeneration Trust (SMART)</i>	
Start Date	1986
Population	10,000
Board Members	21
Location	10 miles south of the city centre
Description	Outer city council estate
Set Up	An enabling body for the city council's CBED programme
Funding	A mixture of grant and earned income. Receives grant income from over 10 different agencies.
Structure	<ol style="list-style-type: none"> 1) SMART Charitable Trust 2) SMART Enterprise Programme 3) SMART Childcare (provides over 100 local places) 4) SMART Connect (specialist advice for people with disabilities)

Table 8.2 : Key Characteristics of SMART

Measuring Impact in Community Businesses

The community business discourses of the 1980s and early 1990s were centred upon the argument that the most measurable impact of community businesses would be the creation of 'local' jobs followed by the provision of 'local' services (Roberts et al 1990). The following section outlines some of the major findings of studies that have looked at community businesses.

Haughton (1990) found that 81 per cent of the staff of community businesses studied in the north east of England were local people. As a result, he argued that community businesses could provide jobs for, or give support into employment to, those who would be least likely find mainstream employment without assistance.. Lloyd (2001) termed these the 'hardest to reach'. Community businesses were therefore held up as a means by which to help build community-based local economic development through the creation of jobs and opportunities by and for local people (Donnelly 1998: 90). In the late 1990s, however, there were growing criticisms of community businesses. Hayton (1996) and Pearce (1998), for example, argued that relatively few jobs were created for comparatively high costs. In response to these critiques, a growing number of more recent studies have indicted that community businesses could create important intangible impacts for local people, such as increased self-confidence and self worth.

Littlewood & Moran (1999) claimed that the employment opportunities provided by community businesses could give individuals who had previously been long term unemployed, new skills and confidence. Hopkins (1995) found that employees of community businesses gained significant experience, confidence and self-esteem,

which helped them to find alternative employment. More recently links have been made between community businesses and debates surrounding the development of social capital. The CBS Network (2003) argued that community businesses helped to build local bonds and networks, which could be used to counter the lack of economic capital, while Morris (2000) ascertained that community businesses could help to develop features of social organisations such as trust, norms and networks that help to improve society by facilitating and co-ordinating actions.

The chapter focuses on the outcomes and impacts of SMART upon people who have used the enterprise development services. The chapter seeks both to explore the tangible impacts, such as the numbers of businesses created, the types of businesses created, and number of people helped; and to establish whether or not there are any intangible benefits, such as those illustrated within the studies of Littlewood and Moran (1999), Morris (2000) and CBS Network (2001). The chapter also seeks to relate these impacts to the local socio- economic context.

The Focus of the Research in St Mary's Area Regeneration Trust

The research focuses upon SMART Enterprise for two reasons. First, it is the longest established service of SMART, and second, the service was the focus of the grant aid received from Liverpool City Council under the Liverpool CBED programme. SMART's enterprise programme can be categorised into two key areas of business development: microbusiness development and community business development. A microbusiness is a business, which employs usually no more than one or two people. Microbusinesses operate within the private sector. Community businesses are

businesses that are community-owned and reinvest their profits for the good of the community. The following section outlines the recorded outputs for SMART. The figures have been taken from data collected by the CBED team.

Exploring the Outputs

The following table highlights the recorded outputs for SMART Enterprise programme between 1998-2001. The table records that SMART Enterprise created 151 microbusinesses, 5 community businesses, 261 jobs and brought in over £1,000,000 of investment into Speke.

Table to Show Recorded Outputs from SMART 1998- 2003

	<i>Microbusinesses Created</i>	<i>Community Businesses Created</i>	<i>Jobs in Microbusiness</i>	<i>Jobs in Community Business</i>	<i>Funding Secured</i>
1998	19	0	43	0	-
1999	43	0	61	0	£352,000
2000	7	0	12	0	£127,000
2001	42	1	61	14	£277,040
2002	40	4	40	30	£274,126
Total	151	5	217	44	£1,030,186

Table 8.3 Source CBED unpublished (2003)

Whilst the figures indicate that SMART has had a positive impact in terms of creating new jobs, further analysis reveals that, in contrast to much of the CBED rhetoric, micro-enterprise has been a more successful generator of jobs than community businesses. Over 80 per cent of the jobs created by SMART, were created within micro-enterprise. Moreover, prior to 2001 SMART had not developed any community

businesses. This was unanticipated; given that SMART was one of the longest established CBED enabling bodies.

Of the five community businesses developed at least three had been incorporated into SMART Childcare. This raises a number of issues, such as whether the lack of community businesses a reflection of poor performance? Or lack of local demand? Analysis of the mapping exercises from the previous chapter illustrates that there are a low number of social economy organisations within the Speke area and that the few community businesses recorded within the outputs of SMART account for the majority of the local social economy organisations. The mapping database (the results of which are shown in chapter 6) shows that there are no more than five local social economy organisations. It can be concluded therefore that the levels of social economy activity within Speke are much lower than had been expected given the claims within the CBED literature. This case study area casts doubts over claims that communities are able to deliver alternative economic regeneration. The map illustrating social economy activity throughout Liverpool, however, has shown that some areas have more social economy organisations than others. This reflects the argument made by Amin et al (2002: 116) that the performance and success of the social economy has not been universal and is related to specificities of place.

Beyond basic output monitoring, SMART has carried out very few other types of evaluation. A social audit was carried out in 1998, although this has not been followed up since. The following section reviews some of the findings and recommendations that came from that report.

SMART's 1998 social audit report contained details about the background of the organisation and the local area; an outline of the mission statement and objectives; a short synopsis of the three main programmes - SMART Enterprises, SMART Care and SMART Connect; and a list of conclusions and recommendations. A review of the report drafted by the audit panel (those asked to verify the report) identified a number of areas that needed to be addressed. This included the failure to engage community members; provide appropriate benchmarks for outputs; and include information about the organisations environmental and ethical performance. These types of problems and difficulties are not unique to SMART. They were amongst some of the concerns raised previously in the work of O'Carroll (2003) in her critical appraisal of the verification processes in social accounting models'.

The basis of this research is therefore taken from the gaps identified within this report. This includes the lack of community engagement and the inadequacies of relying solely upon quantitative output monitoring (Ball 2002). The following section includes a brief overview of the research methodology which has been used as a means of engaging a broad section of service users in order to assess the impact and role SMART has upon individuals and the local community.

Outline of Methodologies Used

An examination of the evaluation processes used by SMART has shown that there are no formal processes for engaging communities and beneficiaries. In recognition of the lack of stakeholder-led evaluation it was felt that a mixed method approach would provide a comprehensive illustration of both tangible and less tangible impacts of SMART from multiple perspectives. The following section includes some details about the methods used. The theoretical decisions behind the choice of methods were discussed in more detail in chapter 5.

In-depth interviews with the management and staff were triangulated with literature reviews and participant observation. The most important part of the research process consisted of semi-structured telephone interviews conducted with clients who had used the enterprise services. Each of the telephone interviews was conducted on SMART's premises. This meant I was able to work within SMART for a number of days, usually three to four, each week over the period of one month. This gave me considerable access to the organisation as a participant observer. Each of the telephone interviews took between fifteen and thirty minutes. SMART staff were concerned that a tape recorder would deter people from participating with the research or affect the types of information presented - particularly if respondents were concerned that their informal economy activity might thereby come to the notice of benefit agencies. The interviews were therefore recorded using semi-structured handwritten transcripts.

The sample consisted of 256 people who used the SMART Enterprise programme between March 1999 and April 2002. Fifty-six of these people took part in the survey, a response rate of 20 per cent. This was lower than had been expected and was attributed largely to the high proportion of local people who had either changed their telephone numbers when a new telephone provider had installed new cables; no longer had access to telephones; or had moved from their previous addresses. This was the case for many of the younger people within the sample who had been staying with friends, or living with parents or different partners at the time they visited SMART. The organisation and I considered, but decided against, sending out a follow-up postal questionnaire. We concluded that this was unlikely to increase the response rate, and that the 56 responses contained enough in-depth material to provide a detailed and thorough analysis of the impacts of SMART Enterprise, which could be inaugurated by data and information kept within the database systems of the organisation.

SMART had kept records about each of the clients who had used the enterprise development services. These records contained details essential for case management, such as clients' names, addresses, postcodes, business ideas, as well as demographic details, including clients' ethnic background, date of birth, and occupational status i.e. whether or not they were unemployed, employed, a carer or had some other status. Until this research, however, this demographic data had never been used. The data was kept in case there was an audit by the funding bodies, Liverpool City Council or Objective 1.

When I first arrived at SMART I was allocated office space away from the staff team. However, I felt that this isolation would prevent me from carrying out effective participant observation. Consequently, I made a conscious effort within the first few days to move into the main office where I could interact better with other members of the staff team. The new location allowed me to meet people coming in to use the services as it was located close to the front desk. This negotiation was critical in enhancing the overall analysis of the research data. It was during conversations with staff, for example, that I learned that people using the childcare services were increasingly not local. I also found out that some staff felt the organisation needed to change, yet were reluctant to actively pursue this change in case jobs were placed at risk. As I had not officially negotiated such access with members of the management team, I had to use a degree of covert research and I have had to make some difficult decisions regarding judgements made about the impacts of the organisation based upon some of these experiences.

The following sections outline some of the major trends or impacts of the enterprise development services from the emerging geography to the types of business start ups.

8.2 St Mary's Area Regeneration Trust: The Results

The Emerging Geography

Figure 8.7 illustrates the distribution of respondents who used SMART Enterprise by ward between 1999 and 2001. The map illustrates that the numbers are geographically

distributed over the south Liverpool area and, significantly, include both Pathways and non-Pathways areas.

Location of SMART Clients by Ward 1999 - 2001

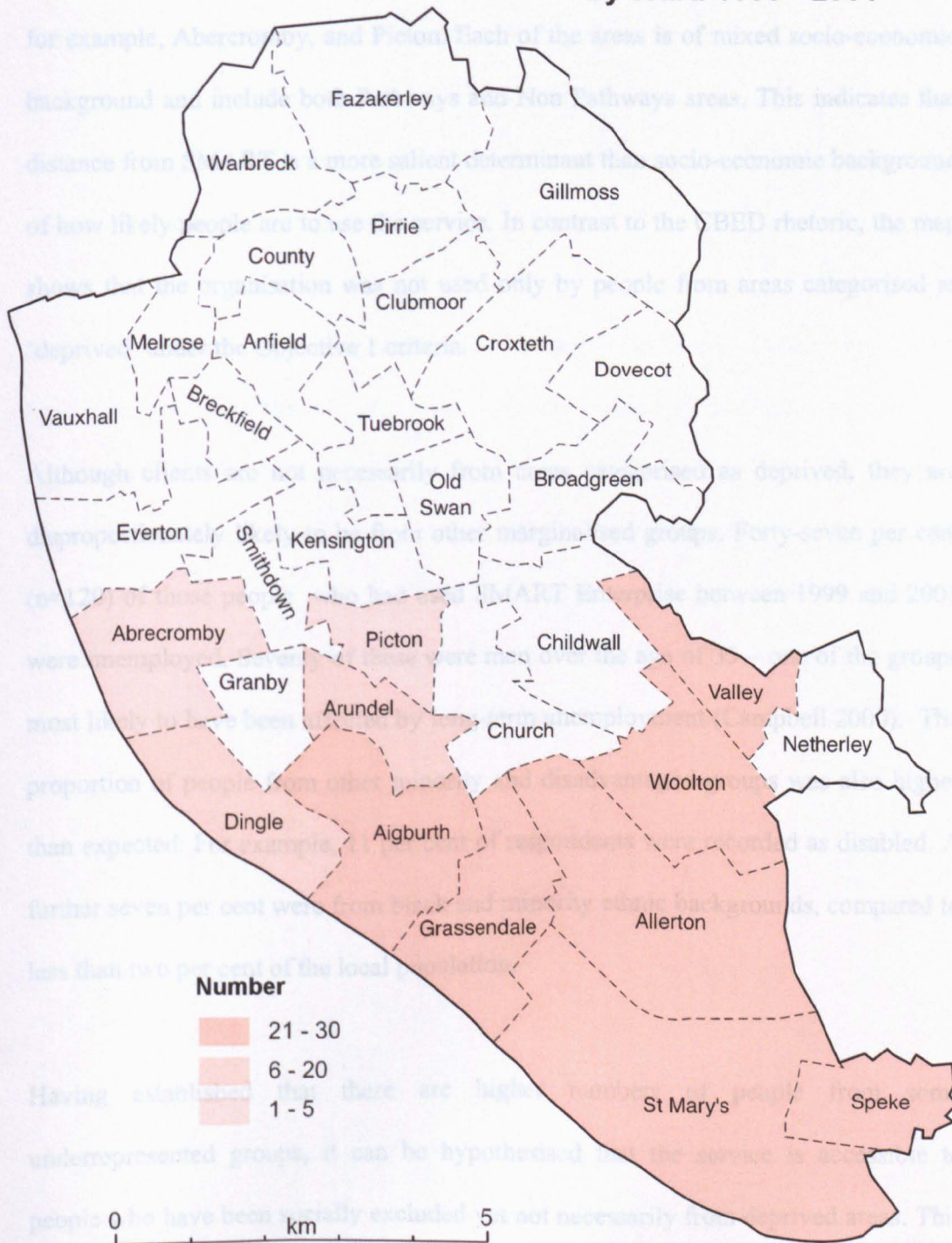


Figure 8.7: Location of SMART Clients by Ward

The highest client densities have been recorded within the wards of Speke, St Mary's, Allerton, Woolton, Aigburth and Valley. The wards of Dingle, and Arundel follow this. Lower densities have been recorded in the wards furthest from the organisation, for example, Abercromby, and Picton. Each of the areas is of mixed socio-economic background and include both Pathways and Non Pathways areas. This indicates that distance from SMART is a more salient determinant than socio-economic background of how likely people are to use the service. In contrast to the CBED rhetoric, the map shows that the organisation was not used only by people from areas categorised as 'deprived' under the Objective 1 criteria.

Although clients are not necessarily from areas categorised as deprived, they are disproportionately likely to be from other marginalised groups. Forty-seven per cent (n=120) of those people who had used SMART Enterprise between 1999 and 2001 were unemployed. Seventy of these were men over the age of 35 – one of the groups most likely to have been affected by long-term unemployment (Campbell 2000). The proportion of people from other minority and disadvantaged groups was also higher than expected. For example, 11 per cent of respondents were recorded as disabled. A further seven per cent were from black and minority ethnic backgrounds, compared to less than two per cent of the local population.

Having established that there are higher numbers of people from some underrepresented groups, it can be hypothesised that the service is accessible to people who have been socially excluded yet not necessarily from deprived areas. This could be linked to the argument that social exclusion is a multi-dimensional process

(Byrne 1999: 109). That is, whilst geographical social exclusion is the most visible form, the social exclusion of particular groups can also be significant.

Women represented less than one-third of those using the service. So whilst SMART Enterprise has reached some underrepresented groups, its services have still been delivered mainly to men. The under-representation of women will be discussed in more depth in the following chapter, which focuses upon the social economy and women's enterprise development.

Is St Mary's Area Regeneration Trust Exacerbating Local Uneven Development?

Figure 8.7 showed that people from both disadvantaged and advantaged areas approached SMART Enterprise. However, figure 8.8 shows that the highest densities of business starts are recorded in the more affluent areas. For example, the following map illustrates that the most business starts were recorded in Woolton, which is (widely-?)regarded as an affluent area. Less than half the number of business starts were recorded within the wards of St Mary's and Speke – the areas in which SMART is based.

Given these results it could be argued that SMART Enterprise is further exacerbating the process of uneven development, whereby those already considered to be privileged are those most likely to set up in business (Haughton et al 1999). This raises questions such as what distinguishes SMART Enterprise and other organisations like it from a private sector organisation delivering business start up advice? It also raises questions about the way in which the results indicate that while there are people from disadvantaged areas approaching SMART, they do not appear to be setting up in business? Are there alternative impacts? Do they require a different kind of support? These questions are dealt with in more detail utilising individual case examples later in this chapter.

The following section outlines the results of analysis of the data collected from people who had used SMART Enterprise between 1998 and 2001. The discussion gives a breakdown of respondents by age and sex, before going on to assess what those people are doing now and what they were doing before they visited SMART Enterprise.

The following graph illustrates the ratios of the research respondents by age and sex. The graph shows that there were no respondents in the age category 16-20. This may be linked to the opportunities offered for those people within post-16 education. Within the remaining categories, as already indicated, there are more males than females, with the disparity between men and women being greatest in the 21-30 age group and the 51-60 age group.

Chart to show age and sex distribution of respondents in SMART

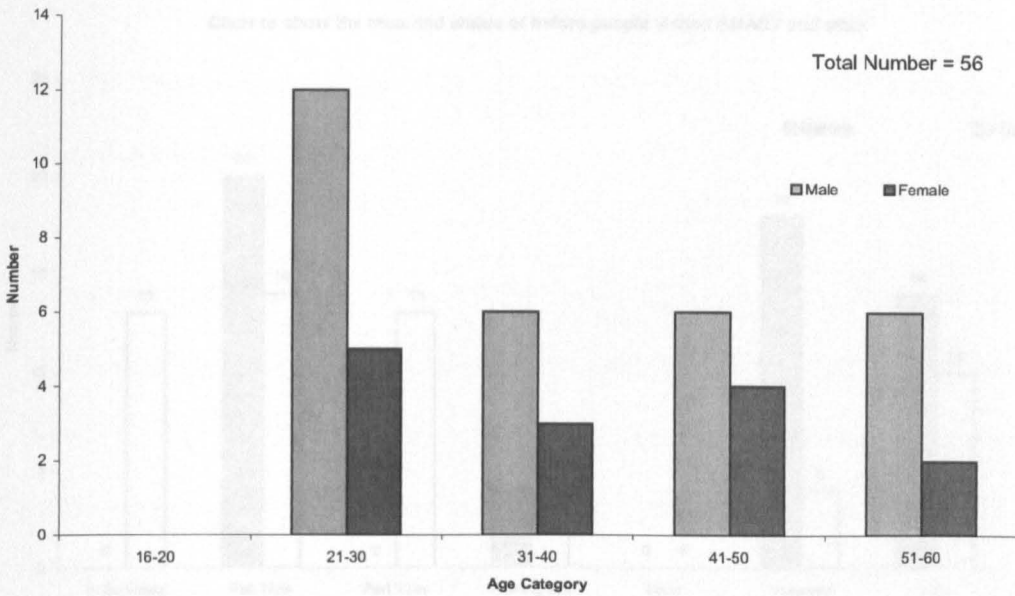


Figure 8.10: Age and Sex Distribution of Clients Approaching SMART

Figure 8.11 has been used in order to provide an insight into whether or not there had been any significant changes in the overall employment status of people from their situation before visiting SMART and their situations after. The graph shows that there has been a significant drop in the number of people categorised as unemployed from 19 at the time they initially visited SMART, to only 3 afterwards. This suggests that people have found alternative employment after visiting SMART. The graph also shows that the numbers of people who had opened their own businesses increased from 0 to 13, which indicates that SMART may have created new businesses. It is not clear from this data, however, what role SMART played in these outcomes, nor who the people were who set up in business.

Chart to show the recorded status of before people visited SMART and after.

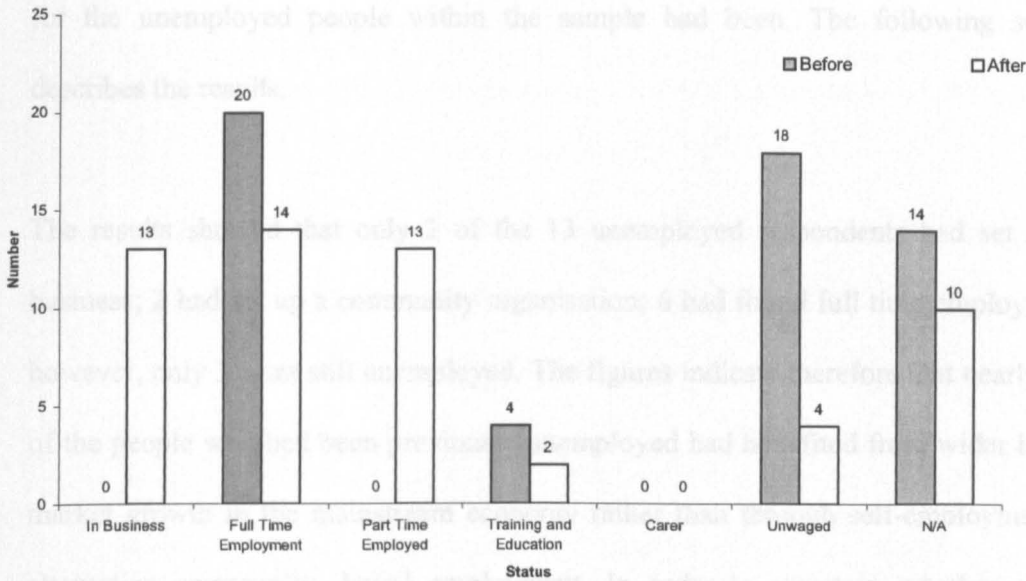


Figure 8.11: Status of People Before and Twelve Months After they Visited SMART

In addition to the increase in people who have opened their own businesses, the graph shows that the number of people in part-time employment has increased from 0 to 14. This increase in part-time employment could be linked to the growth of the service sector within the south Liverpool area which has been associated with the growth of Liverpool airport, a major retail park and new factory developments associated with the car manufacturing and pharmaceutical industries. In contrast to this increase in part-time employment, the graph shows that the number of people in full-time employment has decreased. This raises a number of questions. For example, have the business outputs been created by people who were already in full-time employment? Who are the people who have taken on part-time employment? Have the people considered to be hardest to reach benefited from advice or support received within SMART? If they have not set up in business, have they found alternative

employment? Has SMART played a role in this? In recognition of these points, further analysis of the data was used in order to identify what the individual outcomes for the unemployed people within the sample had been. The following section describes the results.

The results showed that only 2 of the 13 unemployed respondents had set up in business; 2 had set up a community organisation; 6 had found full time employment; however, only 3 were still unemployed. The figures indicate therefore that nearly half of the people who had been previously unemployed had benefited from wider labour market growth in the mainstream economy rather than through self-employment or alternative community- based employment. In order to ascertain whether or not SMART played a role within this process, for example, by helping people to get those jobs, later discussion will explore individual cases using ideas presented by Kubisch et al (2001). Ultimately the figures show that very few of the unemployed had benefited directly in terms of a job from growth in employment in the social economy.

The following section outlines the impact of SMART Enterprise in terms of the types of outcomes and individual benefits.

8.3 Unpacking the Impact upon Individuals

The results of the interviews with the service users showed that the impacts or progress made by people using enterprise development services should be considered as part of a 'distance travelled' model or what Campbell (2000) terms 'pathways made'. People approach business advice agencies such as SMART with differing

levels of need. One respondent, for example, had used SMART as a checkpoint before approaching a bank, telling me:

“ I only went for some advice. I was in there five minutes and went to the bank and showed them the business plan. I have a managerial background, you see.”

Other peoples' needs were much more complex. The respondent cited below had experienced severe difficulties related to problems with dyslexia. He had therefore required much more help in formulating the business plan and correspondence

“My problem really is writing letters and that, and a bit of reading. I was diagnosed over a year ago as dyslexic and should be all right really. But it's good, like, going and getting everything. When it comes to going out, getting information, market research and that, it's a big leap. It's good for people trying to set up and talking to people who have done it.”

The difference between the two cases illustrates the way in which the progress made by individuals needs to be contextualised in relation to peoples' own starting points and regarded in terms of distance travelled. In recognition of this, the results have been organised by the particular outcomes and progress made by individuals. The table below provides vignettes of the eight categories used to identify the types of people using SMART Enterprise services. The categories have been developed by myself building upon the basic classification of pre-start and start-up clients used widely by business support agencies to differentiate the types of clients they deal with. The categories are used to help explore the most likely outcomes for individual groups. For example, people within the first group are those who are least likely to set up in business. Those in the start-up category are those who would be considered to be most 'business ready' and therefore most likely to set up in business. This categorisation builds upon the argument made previously, that the progress made by people has to be contextualised in terms of distance travelled. The eight categories

are outlined below; pre-pre-start, pre-start, formalizers, start-up, start-up struggling, start-up employed, development and community businesses.

Categories of Clients who have used CBED Enterprise Start Up and Development Services

1. Pre-Pre Start

People considered to be the most vulnerable. Unlikely to set up in business. Often have low qualifications, have been long term unemployed or off work sick. If in employment the work is low-paid and low-skilled.

2. Pre-Start

Clearly defined ideas. Either left or planning to leave work. Want to know how to set up a business. They value learning about particular skills e.g. marketing. Often stalled by or waiting for funding or training. CBED is a point of new knowledge.

3. Formalizers

Have made the transition from odd intermittent pieces of work to full-time work. Gone to the CBED to find out how to formalise this. Looking for business skills.

4. Start Up

Have set up. Have estimated turnovers. Some have taken on staff. Would benefit from ongoing support. Mixed backgrounds – working and not working. Have all approached CBED first before other agencies.

5. Start Up / Struggling

Start Up. Have not accessed any grants or loans. Difficulties with cash flow and amount of work.

6. Start Up/Employed

Had set up. Now working in addition to running own business, due to need for financial security. Often highlight experience of owning their own business and getting a better job than they would have previously.

7. Development

Individuals running businesses that experience rapid change e.g. change in management, or new contract.

8. Community Businesses

A group of people living locally have come together to address some kind of need. Often a number of members approach the CBED. Looking for funding and legal advice.

9. Closed

Those clients that have set up in business, but the business has closed in between then and the follow up research. Reasons varied from those who found alternative employment to those whose businesses were not making money.

Table 8.4: Characteristics of Clients Using SMART

The diagram below shows the proportions of people within each of these eight categories. The three colours have been used to illustrate the proportions of people who had set up in business - those labelled active; those who did not set up - labelled not active; and a third category which illustrates the number of businesses that were either struggling or closed at the time of the interviews.

Breakdown of Client Types in St Mary's Area Regeneration Trust

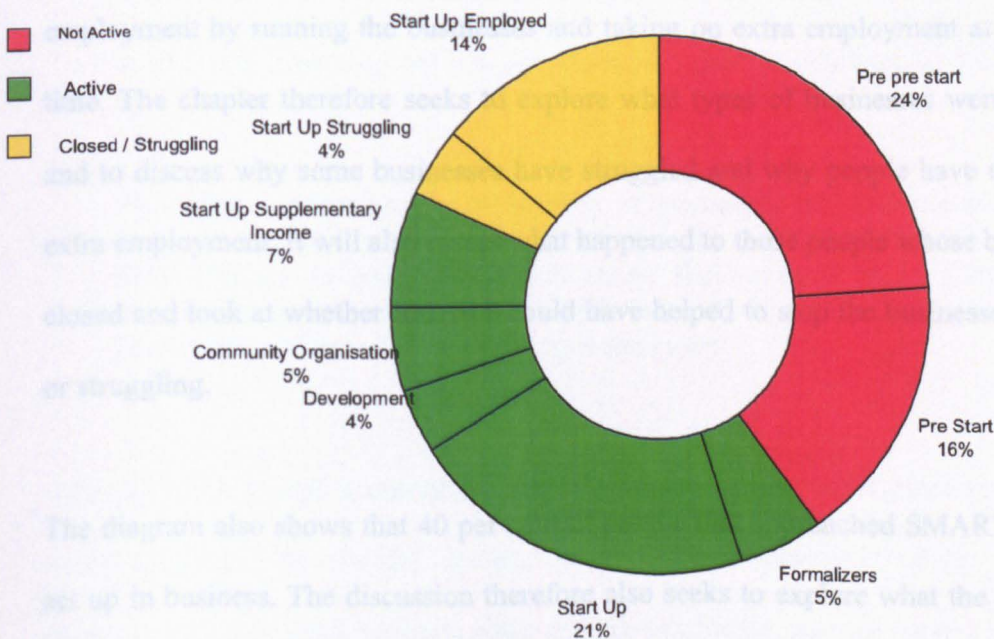


Figure 8.12: Breakdown of Client Types in SMART

Each of the categories (active and non active) has been divided into smaller sections as illustrated on the diagram. For example, the 'non-active' category has been broken down into two sub-groups; pre-pre start, and pre-start. These three categories represent those people unlikely to ever set up in business and people who are about to

set up. The second category, has been labelled the 'active' category. This has been divided into five sub- headings; formalizers, start-up, development, community groups and start-up supplementary income.

The diagram shows that just under two thirds of all the people who approached SMART set up in business (shown in green and yellow). However, (in contrast to the results collected from the following case study) the results indicate that 18 per cent of the business start-ups recorded had either closed or were struggling. A further 7 per cent had taken on supplementary income in order to subsidise the income from self-employment by running the businesses and taking on extra employment at the same time. The chapter therefore seeks to explore what types of businesses were opened, and to discuss why some businesses have struggled and why people have to take on extra employment. It will also assess what happened to those people whose businesses closed and look at whether SMART could have helped to stop the businesses closing or struggling.

The diagram also shows that 40 per cent of people that approached SMART had not set up in business. The discussion therefore also seeks to explore what the outcomes had been for people who did not set up in business. For example, had SMART helped people in other ways? Why had they not set up in employment? Had there been intangible impacts such as increased self-confidence? In order to assess these outcomes the analysis draws upon individual case examples utilising ideas presented within the Theory of Change model presented by Kubisch et al (1999).

Limited Growth of Community Business Organisations

The results indicated that only 5 per cent (n = 3) of respondents had set up community businesses. One was a support group for the families of prisoners, another a youth support group, and the third a clothes recycling social enterprise. Only two of the groups had successfully set up, primarily because they had both secured substantial amounts of grant funding, as the following quotations from respondents illustrate:

“We [the youth group] got a grant of £7000 through the local network fund and have been able to hire out a room once a week for 10 to 16 year olds. The information from SMART was very informative, it guides you in the right direction, but it’s just the money isn’t it, it’s hard to come by.”

“We [The support group for families of prisoners] had had previous business advisers but felt we didn't get the service we required. SMART's one to one's were much better. We managed to get £4557 through the Neighbourhood Renewal Community Chest fund and we're hoping to get bigger funding sometime next year. ”

Although both groups accessed grants, the impact appears to be more complicated when considered in a wider context. Both of the organisations above had been encouraged to formulate business plans and take on formal company status in order to take advantage of available grants, despite the fact that they would have been more accurately classified as community support groups rather than community businesses. In such cases the formulation of business plans is artificial because such organisations are unlikely to ever become financially sustainable. The mounting pressure upon organisations to adopt private sector business practices, such as business planning with little regard for whether or not this type of development is appropriate, is a manifestation of a new form of neo-liberalisation under which all social economy

organisations are increasingly being pushed into adopting enterprise 'market'-orientated strategies and processes.

The term 'new' neo-liberalisation has been used to describe these types of processes. This differentiates between the pressure upon third sector organisations to seek traded income throughout the 1980s under a conservative, enterprise-orientated approach to development, and a more recent trend which places new pressures upon organisations to adopt market processes as a means to somehow find the middle ground or 'Third Way' by combining social objectives with market processes.

The case of the clothes recycling social enterprise can be used to illustrate that the opportunities for the development of social enterprises are restricted by a lack of appropriate support. The respondents had not been able to find any match funding⁷ or to access the in-depth advice needed to help them set up. They stated:

"I was looking at finance because I needed community match funding for a social enterprise. We could have possibly done with more tailored advice, for example, from the adviser. I think it would have been more use if I was an individual starting from scratch."

The case illustrates that whilst Objective 1 funding is available to people wanting to set up, it remains difficult for people who are not networked into the already existing

⁷ All European Objective 1 funding has to be matched by an equivalent amount of money from an alternative source. This can be from the private sector or in some cases match funding is secured through national or local sources such as the local authority or other regeneration programmes.

funding structures through either the local authority or other national regeneration programmes, to raise the necessary match funding.

Wider field experience also reflected this process. Having spoken to various managers from within different projects, it was clear that there had been relatively little development of new social economy organisations outside bodies already either underwritten by the local authority, such as SMART, or existing social enterprises (like the one that will be presented in chapter 10). As a result, the types of development have been restricted and have for the most part been developed in order to address particular types of economic need for local job creation. There are very few social economy organisations similar to those found in Bristol, which are said to be based upon the presence of a supportive and vibrant civil society animated by alternative community and or faith-based political movements (Amin et al, 2002: 96).

In addition to this the previous quotation illustrated that the respondent had felt that the advice was pitched towards those setting up in self-employment as opposed to a social enterprise. This also reflects findings from conversations within the field which indicated that the advice available to people wanting to set up social economy organisations was limited to basic start up advice. Often, the people working within the social economy felt that there was little or no support targeted towards them specifically. This feeling that support was inappropriate was compounded for social enterprises as in the case above because of a lack of financial investment into social economy organisations beyond the traditional grant funding mechanisms as banks, for

instance, are reluctant to lend to social enterprises because they are seen as traditionally high-risk option (DTI, 2003).

Although there are not many people wanting to set up commercially viable social economy organisations approaching SMART, it is apparent that there are a growing number of groups developed to support the needs of specific groups, for example, families of prisoners, and children from one particular area. This suggests that there is alternative bottom-up development, which centres upon the ability of people to draw on and develop local social capital (Putnam, 1993). Social capital can be defined as product of the features of social life, for example, networks, norms and trust that enable participants to act together more effectively to pursue social objectives (Putnam 1993). Grootaert (1998) extends this definition and states that social capital refers to the set of norms, network and organisations through which people gain access to power and resources and through which decision making and policy formulation occur. As such, the concept of social capital has become especially relevant in relation to local level economic development. The formation of the new groups enables people to formulate a co-ordinated challenge to the existing institutional environment, for example, by highlighting and addressing the lack of support for the families of prisoners.

These types of organisations or groups were formulated in response to a gap in the provision of public or private sector services. In both cases the needs for the community support groups had been identified by peoples' own experiences. For example, one support group had been set up for the families of prisoners after two women experienced the imprisonment of members of their own family. One of the

women recalled how she had faced difficulties in trying to cope with the reactions of her children and parents to her husband going to prison. She talked about the stigmatisation of prisoners that her children had had to deal with at school, and loss of income, which impacted greatly upon her family, making it a struggle for her to buy clothes and food.

These types of enterprises are developed by need. They are, however, unlikely to ever become economically self-sustaining. The groups could not be run on a voluntary basis as the women involved had jobs of their own. Furthermore, they had childcare and other family responsibilities and would be unable to give up work in order to run the groups without some kind of financial compensation. The respondent cited below had been able to start the group, (only?) once they had funding and she could leave her other job;

“I worked full time in a nursery and I was involved in a voluntary community group in the evenings. Now we’ve got funding I’ve managed to train in youth work and now we’ve got a voluntary youth organisation which I help to run part time for local 10-16 year olds.”

The future of these groups is however uncertain as they rely upon annual grants, as quotations from the women themselves reveal:

“We’ve been getting pointers from the business adviser at SMART, and we’re hoping to get bigger funding sometime next year.”

“SMART is very informative and guides you in the right direction, but it’s just the money. We’re relying on the grant being renewed.”

Whilst organisations such as SMART help groups to access funding for one year they have not challenged the funding regimes. They have maintained the status quo and perpetuated the process according to which organisations have to take on business practices and rely upon annual funding. These types of organisations attend to the needs of very specific groups - much more specific than, for example, a geographical community. They struggle in a space between the public and private and have been forced to adopt the processes and discourses of the current market-orientated approaches to the social economy.

One interview showed that the groups had had clear emotional impacts for the people involved. For example, when asked how she had benefited from being involved with the prisoners' support group, the respondent had replied that;

“It's great being your own boss. There's no nagging. It boosts your confidence, and it drives you to be enthusiastic.”

These impacts are intangible, yet the respondent had clearly felt more enthusiastic and confident having developed the group. This is a significant impact for the respondent, but it is difficult to measure because it is so unique to her situation.

In summary, the results suggest that SMART have not taken direct action to work with local people to develop alternative community businesses. Rather the approach revealed here, is more an ad hoc approach whereby SMART has relied upon people approaching them. The results therefore indicate that there is a lack of pro-active community engagement. An analysis of the outputs alone could lead to the conclusion that the potential for grassroots community based economic development is limited in

Speke. However, it could be that the capacity has been untapped due to a lack of intervention from organisations such as SMART. For example, an analysis of the market and local area reveals that there are a range of opportunities for the development of community business and social enterprises, such as the exploitation of a range of environmental improvements, using the ideas presented by Lloyd (2000).

Exploring the Impact of Creating New Business Start Ups

The following section outlines the types of businesses that had been set up. The discussion seeks to explore whether the types of businesses set up have contributed to the local economy in terms of employment or income generation.

The results show that the majority of businesses created are service sector led they are unlikely to make a major impact in terms of local job creation and have small turnovers. The local economic impact of microbusinesses is therefore limited. For example, the results showed that less than 6 per cent of the businesses had taken on any staff. Over half of the respondents traded from home. Under 20 per cent were able to access any grants. Only 31 per cent approached a bank and the majority of these had been reluctant to take any form of bank loan. Only two thirds of the businesses were still running at the time the interviews were carried out. This rate is almost 20 per cent lower than the national sustainability rate of 80 per cent recorded by the Small Business Service (2002). It is not possible to tell from quantitative analysis alone whether this is a reflection of the local economic context or the poor

performance of SMART. This is, however, explored in more depth, on a case-by-case basis, in later discussion.

Table 8.5 summarises some of the key statistics regarding the types of businesses set up. The figures chosen illustrate that the businesses are unlikely to have a significant impact in terms of local employment, or investment. The fact over half traded from home appeared to reflect the fact that this was low cost and meant the business could be set up relatively quickly. It also meant it could be closed down relatively quickly (as will be explored in more depth later on in relation to those people who have closed their businesses). The characteristics of businesses which approach SMART for assistance are illustrated in the Table 8.5

Table 8.5: Key Characteristics of Business Starts Recorded in SMART

	<i>% who accessed grants</i>	<i>% who had approached a bank</i>	<i>% that trade from home</i>	<i>% that had taken on staff</i>
SMART	18	31	53	5

Figure 8.13 shows that over 25 per cent of the business types recorded were arts and media related. A further 23 per cent of the respondents had set up in household-related businesses, including upholstery, household repairs, cleaning and garden maintenance. It was evident that the household-related businesses provided employment to people who had faced unemployment. For example, one respondent

had set up sanding floors after he had been made redundant. Similarly people who had been unemployed used taxi-driving as an alternative source of employment. A total of 13 per cent of respondents had set up as taxi drivers. This category may be linked to new opportunities that have developed locally such as the expansion of Liverpool airport. In addition to these groups of businesses, other significant categories included health and beauty, professional services and community organisations or community businesses.

Chart to show business types in St Mary's Area Regeneration Trust

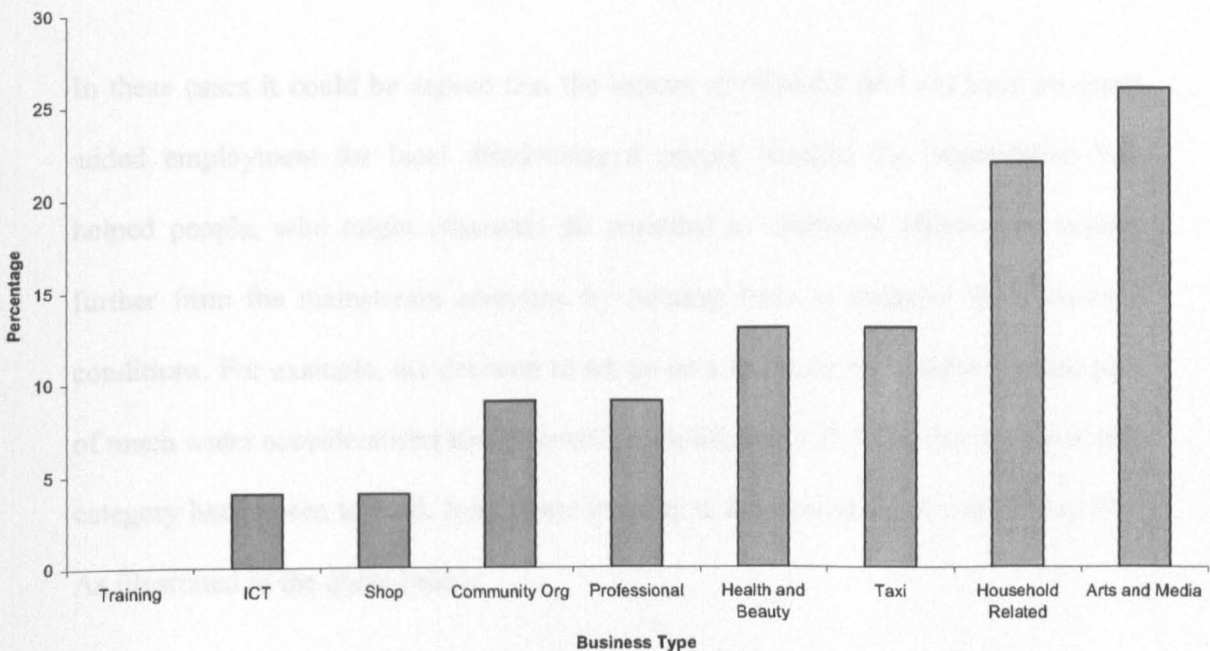


Figure 8.13: Business Types Recorded in SMART

Further analysis of the arts and media related category shows that there were two main groups. The first group consists of the media related businesses, which were likely to have relatively high turnovers. The second group consisted of artists and

painters who were struggling to make a living. The first sub-group included a music production company, two software and media related businesses and one publishing company. Some of these had turnovers in excess of £50,000 (within their first year). The high turnovers could be linked to the fact that people within this sub category were often those who had already worked in and around the music or film industry and had chosen to set up on a freelance basis. They had already established the necessary contacts and networks. They were highly-skilled and had money to invest into their businesses. They were not local to the Speke area. The results showed that people within this sub-group were more likely to come from neighbouring wards such as Woolton which, as already stated, is considered to be more affluent.

In these cases it could be argued that the impact of SMART had not been securing added employment for local disadvantaged people. Instead the organisation had helped people, who might otherwise be regarded as relatively affluent, to benefit further from the mainstream economy by helping them to improve their working conditions. For example, the decision to set up on a freelance basis often formed part of much wider considerations based around work-life balance. Often the people in this category had chosen to work from home in order to improve their own quality of life.

As illustrated in the quote below;

“I was working full time as a BBC producer. But I started trading on my own in Feb 01 in media. It’s much better because it means I can trade from home. I don’t need to employ any staff and the expected turnover over this year in is in excess of £50,000...I just needed to learn about how to go about running a business, cash flows and that sort of thing.”

In these cases the results suggest that the added value of SMART is that it is locally-based and the advice pitched at the level appropriate for people wanting to set up in self-employment.

Benefits of St Mary's Area Regeneration Trust Enterprise to Those who Set Up in Business

The following section seeks to present some of the comments used to help ascertain the role played by SMART for those people who set up in business. The results suggest that in many cases the main impacts or benefits for those who set up in business had been related to the passing on of basic business advice as shown in some of the quotations below.

Comments from Respondents who had Set Up in Business about SMART Enterprise

"I had everything I needed to set up the business. I just needed certain bits of advice. For example, when you're taking somebody on, what do you do? What happens if you're on the sick? For example, a lot of people should know that you can't get a personal loan if you're self employed and don't own your own house."

"I valued the general advice such as writing a business plan."

"Well, Colin assessed my situation and business plan. He helped me structure things. It's the way of wording your business plan - pointers and guidance."

"It was down to earth - straight forward. No 'gobbledegook'. It was good. It was beneficial and straightforward."

"It gave us insight into areas we hadn't thought of, for example, marketing, and the spreading costs. I mean what they gave us was good and useful. Lack of grants is the biggest drawback to be honest."

Table 8.6

People's biggest complaints had been focused upon the lack of grant funding available as illustrated in Table 8.7.

Comments About Lack of Grant Funding

“I didn’t get any grants. I was too old for some and didn’t fall into any catchments areas for others.”

“They tell you grants may become available but they never do.”

“We were told to wait until November to apply for an arts grant, but nothing came of it.”

“The service (at SMART) was very, very good, but at the end of the day it was just the red tape. People don’t want to give you money”

“I did a business plan. I wanted grants but they just fob you off to someone else.”

Table 8.7

One respondent had described the process of start up business support as the ‘Merry Go Round’ of advice. The analogy depicted the way in which people felt that they were being referred between agencies, each of which could offer no more than start-up advice, and that SMART had become just another agency that could offer no further support than such start-up advice. Comments such as that below were not uncommon;

“I spent lots of time chasing various things but it didn’t come to anything”

There was less indication in the case of SMART than in the other case studies that there were intangible impacts. There were individual cases in which people benefited in terms of confidence. Some of these will be discussed in the following section. These cases were, however, much less common than they were in Train 2000. Reasons for this relate to the lack of interaction between beneficiaries. Unlike SMART, the case study of Train 2000 opened spaces of interaction which encouraged the development of new bonds and relationship and helped to build people’s confidence.

Is Self-Employment Enough?

Of significant interest is the finding that a growing number of respondents had struggled to keep their businesses going. As a result, just over 10 per cent of the people who set up in business had taken on supplementary forms of employment in order to subsidize their income. This raises questions about the suitability of self-employment. For example, is self-employment always a qualitatively better form of employment? Some of the interviews reveal that self-employment can be stressful, and demand a high input of work hours for relatively little pay. The interviews also indicate that self-employment can be seen as more risk-laden option for people who have family commitments or lack back-up resources or appropriate networks and contacts. People within this group were often worried about having enough money to sustain their living costs, forcing them to undertake supplementary paid work. The following case has been used in order to illustrate some of these points:

“I’m doing a little bit of work on canvass oils. In order to do that I have to do a bit of painting and decorating...But there’s lots of new things to learn and I haven’t had time to get a business plan together. I’m still trying to source enough business. But I’ve got a mortgage and I’m not signing on. There’s three kids, one’s at uni, one’s at school and another at college. My wife works already two days a week. For the next couple of weeks I’ve only got a couple of days work a week then I’m doing nothing, which means I could be? going down south to shovel stones on railway.”

The case illustrates the difficulties associated with creating enough market demand to earn a reliable income, particularly in something as specialised as art work. The respondent’s words illustrate he felt responsible for his family and had considered taking casualised labour away from home as a means to earn money. These processes

reflect the coping mechanisms put in place by people wishing to develop their businesses yet trying to provide for their families. In the following case the respondent had had to set up an alternative business because the original idea had not been eligible for any grant funding:

“We wanted to set up in alternative health. We tried to get funding from all types of agencies, but we weren’t mainstream enough. We spent lots of time chasing various things because the income from the business was not paying enough. So now we’re running a different business. Another full time job would just not have been flexible enough. We’ve set up an extras agency. We get film extras for production companies coming into the area. It’s getting me away from the unemployed scenario anyway. As part of this business we were able to get a trial trading period through GTR (a new private sector provider of business start up and support) which has been a real buffer”

Start Up Struggling

The chapter has already shown that a growing number of people had set up in the taxi business. A number of the taxi drivers had, however, reported significant difficulties in trying to make a living as their remarks show:

“I have set up as a taxi driver. I didn’t really have any problems setting up. It was all pretty straightforward. I was sent there by the DSS. I did a business plan and wanted grants but they just fob you off to someone else....I might just have to put in a lot of extra driving .”

“I was looking for some funding I ended up going to GTR for a trial trading period. I wanted to do airport chauffeur work. But at the moment I’m really, really struggling. The turnover is well below the £10,000 [that I planned for?]. I wouldn’t advise anyone to set up on their own. I’ve never worried so much in my life. For people who want to get working again, there’s nothing down for them.”

These cases demonstrate that local development, such as the expansion of the airport, have failed to ‘trickle down’ to people within Speke. The photo below shows an

advertisement for taxis attached to the chimney of a pub located within the estate, which can be seen from the airport car park. The irony is that the sign cannot be clearly made out from the airport entrance from where people requiring taxis would need to see the sign.



Figure 8.14 Sign Advertising Taxis to Liverpool Airport Customers

The second quote includes the words ‘They just fob you off to someone else’. This narrative is used to depict the unsuitability of available support. For example, start up business advice is of little use to somebody who already has a business that is struggling. The drivers, for example, do not have any means by which to exploit opportunities being opened within the airport.

Whilst SMART can offer locally-based advice, the reality for many people is a lack of finance to help start their businesses successfully. Analysis showed that in some cases a grant as little as £500 could have a significant impact. The need for different types of support is also demonstrated by the indication that a number of respondents that had approached SMART and then later gone to another business advice agency, which was able to offer trial trading periods. The trial trading periods enabled people to continue to claim any eligible benefits for a period of 13 weeks whilst beginning to trade. Any profits made within the 13 weeks were kept and were reinvested into the business. In the cases above business-planning advice had not been enough to help the respondents set up successfully. One respondent had said if he could have help with advertising, things might have been much better. However, agencies such as SMART are restricted to the support they can provide by the grants made available to them.

Using Self Employment as a Safety Net

Just under one fifth of the business start-ups recorded had closed once respondents had found alternative full time employment within the private or public sector. In many cases the decision to take employment elsewhere was linked to the belief that it would be less arduous than self-employment and that people could rely upon a more regular income. These decisions can be related to much wider debates that surround the development of the work life balance proposed by researchers such as McDowell (1999). As the cases below show, people have been able to find alternative employment which guarantees a regular wage, has set hours and significantly less stress. For example;

“I went back into industry and got a job in the factory. Self employment just wasn’t paying enough...The cash flow was the main problem. It was too expensive to advertise and I wasn’t even covering the advertising costs sometimes.”

“ I ended up getting a better job than the one I had and I stuck with that and didn’t bother going back.”

These cases indicate that self-employment can be used as a safety net in times of labour market retraction rather than a long-term alternative. The following case shows that the respondent had approached SMART when he had first thought he was going to be made redundant. He had not progressed with the idea because he thought that his job was safe. He had only returned to SMART after he had unexpectedly been made redundant. He stated:

“ I came originally came two years ago when I was working and came back three months ago because I’d been made redundant. I was a full time upholsterer in Gemini. I’m still on the business planning course...Originally it was too much risk. But now I’m on the dole and I’ve been made redundant. So it’s a case of getting everything together... I’ve got money in the bank and have had to keep the business idea as a second plan.”

These cases are significant because they illustrate the role played by organisations such as SMART. For example, the cases above show that people within this category were low- skilled and lacked any previous business ownership experience. Organisations such as SMART were therefore able to compensate for low levels of both human and social capital. These findings correlate with the research of Graefe (2001) in Canada that argued that community businesses were able to act as local shock absorbers. The results therefore show that SMART had helped to reduce the levels of hardship that would have been faced by people who had no other alternatives.

In some cases self-employment can directly improve a person's prospects of finding alternative better employment. The following case illustrates the role played by SMART in helping to support an unemployed single mother through a series of stages which ran from unemployment, to college, to her own hairdressing business and, finally, to employment. The case is one of the few that builds upon the idea of intangible impacts and formation of social capital (Mohan and Mohan 2002).

The case shows that the respondent had found employment as a direct result of the opportunities opened up to her by SMART. She had gone to SMART on recommendation of somebody she had met in the laundrette, and SMART had given her the confidence to enrol on the courses and help to set up a business. She talks about the things that had happened to her since going to SMART. These are the types of opportunities Mohan and Mohan (2002; 193) associate with social capital and local economic development. The case also illustrates the usefulness of SMART Childcare.

The respondent states;

"I mean it's a safer option if you're on benefits to stay at home. It's about getting up. With a small child it's daunting and you don't know what to do. I ended up doing my GCSEs then went to college, set up, then got a job. But I'd been speaking to somebody who worked there in the laundrette...and I ended up setting up as a self-employed mobile beauty technician. But I'm not trading any more. It's not anything to do with business - just more to do with family tax credit and it was better to go and get a proper wage as I wanted a mortgage, because it's just a pain proving what you're earning and that.... Anytime I needed advice I could go in [to SMART]. It was brilliant. In the beginning I didn't know which way to go. I'm here today because of SMART. From SMART Childcare right through."

The chain of events and activities in this woman's career history are have been illustrated in figure 8.15. The diagram is designed as a means by which to depict the

factors affecting change and therefore is symbolic of the theories of change, the basis for which has been taken from the work of Kubisch et al (1999). The diagram also shows the factors that led to her closing the business. In this case the processes were linked to wider policy changes. For example, she had not been eligible for a mortgage when she had her own business. The case demonstrates that the outcome is embedded within wider structures within which individuals find their best route to suit them. In this case, for example, the best route had not been self-employment.

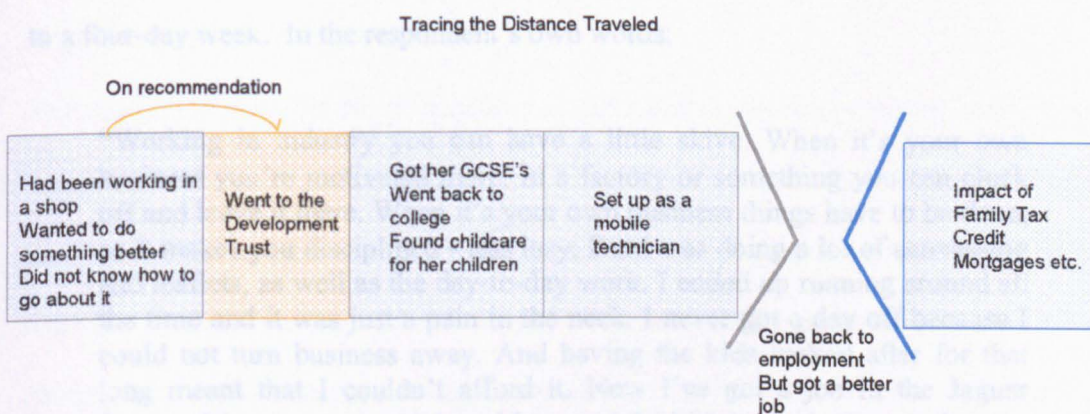


Figure 8.15

Cases in which people hear about SMART through recommendation can be an indication of local embeddedness and demonstrate why some people are more likely to use an agency such as SMART rather than a mainstream alternative. This is linked to the levels of local trust demonstrated within stories such as 'I had heard about it in the laundrette'. There is no reason why such stories cannot be used as indicator of the local social capital generated by SMART. The following section seeks to outline the findings that relate to community business development.

Similar to the cases above, the next case shows that self-employment can be used as a safety net. The example shows that the respondent had been able to find employment within the local Jaguar factory. The respondent got a permanent contract, and she was able to work set hours, which were more amenable to her childcare arrangements. However, her story also demonstrates the vulnerability of the types of many of the local jobs that have been created. For example, the respondent stated that she could go back to self-employment if Jaguar had to lay people off. She had thought this might have been a possibility given that Jaguar had already had to cut down their workforce to a four-day week. In the respondent's own words:

“Working in industry you can have a little skive. When it's your own business you're motivated more. In a factory or something you can clock off and leave it there. When it's your own business things have to be done, so it makes you disciplined - less lazy. But I was doing a lot of canvassing and leaflets, as well as the day-to-day work. I ended up running around all the time and it was just a pain in the neck. I never got a day off because I could not turn business away. And having the kids looked after for that long meant that I couldn't afford it. Now I've got a job in the Jaguar factory. It's a permanent job and I can get the kids looked after much more easily because my hours are more regular. But I would think about going back to it in the future. You've heard about Jag going down to a four-day week. If this job packed up I would go back to it.”

This case also demonstrates the way in which self-employment can be kept as a safety net. The respondent went on to state how it would be possible to go back to her business as she still had the equipment and did not need any more training.

The following section seeks to explore what the outcomes had been for those people who did not set up in business - categorised as 'not active'. The discussion breaks down the non active group into two parts 1) pre-pre-start and 2) pre-start.

The Impacts of St Mary's Area Regeneration Trust on Those who do not Set Up in Business

Nearly 40 per cent of the people interviewed did not set up in business. The following section outlines the impact of SMART on those people. In some cases the discussion shows that the impact of SMART Enterprise had been negligible, in particular for those considered to be most vulnerable.

Pre- pre- Start

The results indicate that the respondents within the pre-pre-start group are most likely to be people at risk or vulnerable in terms of the labour market. They are marginalized by factors such as age, lack of formal qualifications, long-term unemployment or ill health. For those who had jobs, the types of employment were often low-paid, low-skilled and required people to work unsociable hours. In these cases the impact of an organisation such as SMART, whose objectives focused entirely upon business outputs, meant that the impact was minimal i.e. there was no distance travelled.

The fieldwork/interviews/survey? indicated that people's situations within this category changed very little. For example, the following case shows that the respondent had not benefited from going to SMART in any way. She was still registered as unemployed, although she was doing some paid work although in the informal economy.

“ Personal things were happening, half through the course but there's still bits and bobs happening. I wasn't actually there long enough to receive anything beneficial to myself, but might be in the future. I'm hoping to set

up one day but I'm still unemployed at the present time, but I do a bit of cleaning and what have you."

The cases within this group show that far from creating feelings of empowerment and new opportunities, some people within this category reported that they had felt that organisations and support agencies they had been to were not interested and were therefore deterred from seeking other advice or support. For example, Mamoon, who had originally moved to the UK seeking asylum, had been referred to SMART by the job centre with very few ideas about the type of business he could set up. He had considered starting a business repairing small domestic appliances such as kettles, irons and toasters. However, he had been discouraged from this by a business adviser who suggested that there would be a lack of demand for such a service. He had since applied for a job placement within Create, another local social enterprise, yet had had no positive response. His situation had therefore changed very little. In fact, he had said that he felt more discouraged by the experiences and felt that it;

'....was not worth the trouble of applying for things'.

In some cases self-employment would not have been a viable option. For example, one respondent had wanted to start a mobile dog washing service in the back of his car with an old bathtub and bucket with which to borrow water. Whilst the idea of a mobile dog washing service sounds viable, the way in which he had planned to set up reflected the unsuitability of the type of support that was available. The respondent stated;

"They weren't giving me enough help at all - funding and that. I had all my stuff and they put me off."

People within this category are furthest from being able to set up their own businesses. Their needs revolve around much more complex and socially embedded problems than cannot be solved with self-employment. Some respondents had encountered drug addiction problems; some had left school not being able to read and write. This raises questions about how useful business start-up advice can be in these contexts? Should organisations such as SMART be providing alternative support? In some cases it might be that people need a more long-term alternative to the mainstream economy. SMART and other organisations like it are based upon the notion that all people can be connected to the mainstream economy.

Pre-start Group

The situations of people within the pre-start group appeared to be less vulnerable than those in the pre-pre-start group. The respondents in this category had begun to put processes in place to set up their businesses. In some cases the decision about whether or not to start up was related to wider contexts such as the transition from benefits to being self-employed. The following example is that of a respondent who had completed a business plan, yet felt unable to go ahead because of the risks he felt he would be taking by setting up. These included the use of all his personal savings and the forfeit of any benefits he received. Marlow et al (2003: 8) argue that self employment is a significantly risk-laden option for people with little or no back-up finance - which is likely to be the case for those registered as unemployed and dependent upon income support. The case also illustrates that had the respondent not been made redundant he probably would not have considered self-employment.

“I was in full time employment. Now I’m on the dole and because I’d been made redundant. So it’s just a case of getting everything together...It’s good like, going and getting everything. But when it comes to going out, getting information, market research and that, it’s a big leap. Places like SMART are good for people trying to set up and it’s good talking to people who have done it.”

Impact of Self-Employment

The following section shows the responses given by people when they were asked to detail the three best and three worst things about running their own business. The results are used to indicate why self-employment can, firstly, improve people’s experiences of work and, secondly, why in some cases self employment may not be the best option.

The first list details the three best things people felt about owning their own business. The second list details the worst three things. The first list shows that some people thought that self employment gave them more control. This made them feel more enthusiastic and confident. People felt proud about what they had achieved and reported that the financial rewards were much better than they would have been had they worked for somebody else. Self-employment, and community businesses appeared to give back people a degree of power over their own lives. This made people much more content. These people had in a sense pulled out of the orthodox approaches to paid work. They had taken huge risks in order to regain that power.

It is clear, however, that people wanting to run their own businesses require certain characteristics. They have to be prepared to work more than they would in the

equivalent job working for somebody else. They need to be able to plan ahead. They need to have some kind of financial security, or something to fall back on if times get hard. The success of the businesses seems to rely on people's networks. Every potential benefit of self-employment had a corresponding disadvantage/pressure?. Self employment can therefore only be beneficial to people who are both financial, physically and well enough to bear all the pressures of starting up a business. Self employment is not an option, as already stated, for people who are considered to be very vulnerable.

Table to Show the Worst and Best Things about Self Employment; Results from SMART

3 Best Things

- Pride, Making a Profit, Seeing your dreams be fulfilled
- Being in control. Financial Rewards. Treat people as I think they should be treated. For example, sending flowers for birthdays to say thank you.
- Working in industry you can have a little skive. But in your own business you're more motivated. Like in a factory or something you can clock off and leave it there in your own business things have to be more disciplined. Your own boss.
- Organising own work.
- Time, your own manager. Flexibility. Money
- Can't think of any. Its been a challenge
- Flexibility to manage your own time. Financial rewards seem better. Working from home – low overheads
- Being in charge of destiny. Flexibility. Not having to attend meaningless meetings
- Independence. Being own boss
- Don't have to answer to anyone. Answerable to only the client. Flexibility - not a wage slave
- Being your own boss. Boost of Confidence. Drives you to be enthusiastic
- Not having a boss to nag down your ear. Controlling your own finance. Opportunity to push yourself further.
- Come and go as you please. Do what job you want. Haven't got to answer to anyone
- Nobody to answer to. Eventually gives you satisfaction of meeting customers and supplying what they want.
- Your own boss. Always something I wanted to do. Get out there and get on with it. Choice of what you want to do.
- There isn't any. Own boss doesn't mean for nothing. Why don't I just fill shelves in Tesco and got paid each week.
- It's just a job

3 Worst Things

- Accounts, Relying on other people, Time - tremendous amount of time
- Hours. Lack of holidays, not being able to say no

- Oh god could do with a tea break - but can't otherwise the day will run over. Always got to forward think. Never get a day off.
- Never turn business away. Hours you put in a shop or in a factory you shut the door and that's your shift finished but you're constantly worrying with your own business, thinking about tomorrow - producing it's a worry.
- Time - do have to work weekends and unsociable hours. Premises.
- Frustration. Lack of response trying to market
- Stress when work runs out. Always worried about getting new work in.
- Insecurity
- Uncertainty no stability
- Responsible for yourself. Messed around with payments. Worry of work drying up.
- Headache of starting up
- Have to work harder than you would normally work.
- Sorting money side out. Making sure you get pay each week - cash flow. Takes more time – but doesn't bother me, Less stressed now.
- Having no money. Stressful. Three young children
- Lack of money. Having to go out to find customers. Getting messed around by customers
- Haven't come across any yet - support back up from parents and that.
- Long hours. Cash flow Pressure and Stress

Figure 8.16: Best and Worst Things About Owning Your own Business

This issue raises some concerns over the suitability of promoting micro-enterprises to people who are unemployed. The results suggest that the unemployed now have much more specific and deeper needs than may have been the case ten or fifteen years ago when staff from SMART were approaching factories that were closing down to help people off the production lines set up household-related businesses or taxi driving.

8.4 Conclusion

The chapter has explored the impact of the enterprise programme developed by the longest established of the CBED enabling bodies, St Mary's Area Regeneration Trust (SMART), which was opened as a reaction to local market failure.

There are indications that SMART played an important role as shock absorber when local unemployment levels were extremely high (Hart and MacFarlane, 1999). The chapter has illustrated that self-employment is used by people in times of need as an

alternative to unemployment. This can be associated with the types of businesses set up, for example, the businesses were for the most part household-related, run from people's homes, required relatively little capital outlay, and were regarded as 'easy in easy out' i.e. low cost to set up, low cost to close down. In these cases, SMART's role was as an enabler. SMART provided business advice to people who had little or no experience of enterprise and the organisation was able to signpost people to appropriate sources of funding. When the local economy began to revive, however, many of the people who had used self-employment as a safety net chose alternative employment within the private sector. In this context the impact, although temporary, should not be underestimated, because without the support of SMART, the experiences of many individual people would have been much more difficult.

The revival in the local economy has meant that the local demand for enterprise services has decreased as local people are able to find alternative employment and correspondingly the availability of grants been curtailed. Together these factors have been the catalyst for the delocalisation of the enterprise development services.

The results show that whilst there are less people setting up in business within Speke, there are still high numbers of people from underrepresented and socially-excluded groups accessing the advice. This suggests that the needs have become much more complex and resonates with the theory that as unemployment levels have decreased, the unemployed are now the hardest to reach, the long-term unemployed (Lloyd 2000).

The research findings have illustrated some of the inherent problems associated with market-orientated, output-based evaluations. For example, the results indicate that whilst up to now much of the CBED rhetoric has continued to push the idea that the CBED enabling bodies are creating employment within deprived areas, there are, in fact, more businesses being created in areas already considered to be affluent. Under a market failure approach these results would be seen to be further exacerbating local uneven development.

The results indicate that organisations such as SMART, need to be clearer about what they are trying to achieve. For example, although the (target area of the initiative) has been extended to include south Liverpool rather than just Speke, there has been little evaluation of whether or not SMART's original objectives are still relevant. SMART's objectives are: to encourage and support the establishment and development of new businesses; to enable community and voluntary bodies to achieve their potential for social and economic regeneration through the provision of expertise and support and to generate income its own income. It is difficult to see from these objectives what distinguishes SMART from any other private sector business advice agency or public sector quango.

There are still people who require the services of SMART Enterprise, because they are facing unemployment through factors such as redundancy. These are much fewer in number than would have been the case fifteen years ago. However, a significant number of other people who had accessed SMART had needs which required specialist support beyond what could be provided either by SMART or other market-orientated social economy organisations. Without in-depth beneficiary-led evaluation

this would not have been highlighted. These are the groups in which SMART has had the least impact. In terms of wider social justice and empowerment, organisations such as SMART have not managed to help those who are most affected by processes of social exclusion linked to the fact that they have had to take a market orientation defined by the funding programmes. Yet the results indicate that organisations such as SMART are able to reach groups considered to be socially excluded. However, the results also suggest measures need to be put in place to ensure locally based agencies are actually meeting local need.

In contrast to specialising their activities in response to the needs of the most socially excluded some could argue that the results show that enterprise development activities of organisations such as SMART could be delivered as part of the mainstream delivery of business advice i.e. not focused solely upon socially excluded groups. The experience of agencies such as SMART, however, indicate that local government agencies are unwilling to accept that community based bodies can deliver training and outputs of the same quality as a more centralised service currently delivered within the private sector. I was informed, for example, that when a group of CBED agencies last tendered for a contract from Business Link (the main delivery body for business start up advice nationally), the CBED agencies were asked if they would deliver business advice from city centre hotels because the contracting body did not believe people would travel into the communities in which the agencies were based. It should be noted that research such as mine indicates the opposite may be true i.e. people are more likely to use services considered to be local to where they live.

Experience shows therefore that organisations such as SMART need to challenge the orthodox perceptions of the current business support structures. The findings reflect the views of Hopkins (1995) who argued that social economy organisations need to do more than increase the geographical scale of their activities because many organisations have only created small economic initiatives that have had marginal effect on their localities. Hopkins (1995) argued that that social economy organisations need to take on the roles of political advocacy and challenge orthodox institutional structures within the existing public and private sectors, rather than make token gestures. He states that;

“ In other words community businesses must not become merely businesses whose viability is dependent on political and financial decisions taken beyond their control.” (1995: 54).

Chapter 9 will show, for example, how Train 2000 have taken a more pro-active role in challenging the current status of women’s business support both on a national and international level by playing a significant role in the formation of bodies such as PROWESS (the body for the Promotion of Women’s Enterprise Support Services).

Local experience indicates that many of the social economy organisations have been swept up in the search for market-led solutions. In SMART’s case this has led to the development of the childcare nurseries. Is this, however, what Peck and Tickell (2001) refer to as rolling out of the state?

Having spent considerable time within these organisations it is possible to suggest that these types of services are no longer offered as subsidiary services at low cost for

local people. Instead it appears as though the services are a key part of the organisation's remit of increasing their own sources of revenue. This means that the children in SMART's nurseries are not necessarily the children of local people, but the children of people who can afford to pay for such a childcare service.

The chapter has illustrated the lack of so called social 'animatuers'. It has showed that over a twenty-year period, only six community businesses have been developed. Some of these are less social enterprises and more community or voluntary-based organisations. This contradicts the government-led approaches to social economy and, more specifically, social enterprise and their capacity to develop economic growth and social inclusion in areas of deprivation.

Chapter 9 The Social Economy and Women's Empowerment in Train 2000

This case study presents the findings of fieldwork with Train 2000, a social economy organisation, whose social objectives are to provide support and advice for women wanting to set up in business. Whilst the chapter focuses upon issues of gender, the results can be compared to those of SMART as both case studies have focused upon enterprise development as means of creating economic inclusion.

The chapter shows that although the organisation has begun to recognise more fully the growing opportunities provided by the social economy to women, and fully supports this development, the largest part of the organisation's activities consists of improving women's chances of developing within the mainstream economy, by helping women gain improved employment and business ownership.

The case study organisation has used social audits more than the first case study, implying that evaluation of the organisation's activities has been given greater priority within this organisation than was the case with SMART. The organisation was set up in the mid-1990s in response to the inadequacy of mainstream services to address the inequality between men and women within the labour market, particularly in the matter of business ownership. In 2001 the organisation won an award as part of the EC Cities award for innovative urban strategies (Train 2001: 3).

Although the organisation has carried out more social audits than SMART, the chapter illustrates that there were still concerns over the lack of beneficiary

engagement. The chapter therefore critically assesses the current means of evaluation within the organisation and aims to build upon the identified gaps. The following section outlines the background to the organisation, including a breakdown of its activities, its programmes and central characteristics.

9.1 Background to Train 2000

Train 2000 was set up in 1995 in order to provide gender-specific services oriented to women in Merseyside who wanted to learn, or gain access to, business skills. Train 2000's mission was set out as follows:

“To develop and deliver a range of high quality innovative business support measures to a cross section of communities, targeting disadvantaged and marginalized groups, particularly women”(Train 2000, 2001:2).

The organisation was set up in response to the belief that the public and private sectors had failed to address inequality within the labour market and inequality in business ownership. This related firstly to inequality between men and women. The mission statement also includes reference to other under-represented and disadvantaged groups. The organisation's work therefore focuses upon women, particularly those from deprived or disadvantaged groups and areas.

In contrast to the other two case studies, Train 2000 is almost entirely dependent upon public sector funding. It has not adopted the new market-led approaches which argue that social economy organisations need to become self-sustaining. Between 1996 and 1998 the organisation was part of the sector-led network of CBED enabling bodies.

At the time this research began, the activities of the organisation could be grouped into three separate parts. It was, first, a deliverer of gender-specific enterprise programmes, such as tailored business advice and accredited training; second, a deliverer of consultancy services centred around issues of local economic development (which brings in small amounts of revenue) and, third, a contributor to policy development relating to women in business at local, national and international levels.

In 2001 Train 2000 played a key role in the formation of PROWESS (Promotion of Women's Enterprise Support Services)⁹, which has acted as a key body for the representation of the women's business support sector to the government through departments such as the Small Business Service¹⁰.

Focus of Chapter

This chapter focuses wholly upon the enterprise development services provided by Train 2000. This is because these are the longest lasting and most established of the services provided by the organisation and because they provide a comparable case to the programme used in the previous chapter. The following section traces the development of the enterprise development services within Train 2000.

⁹ A membership-based body set up for the Promotion of Women's Enterprise Support Services (PROWESS)

¹⁰ I was asked to present the findings of this research at the public launch of PROWESS in October 2003.

Since 1998 Train 2000 has run four separate women into business programmes: the New Opportunities for Women Fund (NOW); the Women in Business Programme (WIB); the Women's Enterprise Initiative (WEI); and the most recent programme Power (Promotion of Women's Enterprise). The research focuses on the NOW programme which was supported by Liverpool City Council's CBED programme. This programme ended six months prior to this research being carried out. This meant I was able to assess the impact of the programme after its completion and could explore what its longer term impacts had been. I examined whether outcomes such as business start-ups changed over time, and whether businesses had survived. I also explored what happened to women who did not set up in business straight away.

The NOW programme provided one-to-one business advice and short training courses for women from the Liverpool (as opposed to the Greater Merseyside) area and was the programme for which Train 2000 won the EC Cities Award for Innovative Urban Strategies in 2001 (Train2000 2001: 3). Since the NOW programme, three other programmes have been initiated (as outlined above). Each of these programmes has developed in terms of the range and types and geography of the services offered. Some of these developments are described below.

The services of Train 2000 are now provided to women from across the five boroughs of Merseyside, not just Liverpool. The most recent programme, POWER, was introduced after preliminary research had been completed for this study and a number of the initial findings and suggestions have been reflected in the services developed. This is demonstrated through the development of service not just focused upon business start-up. The organisation has incorporated an employment and training

advice service; developed courses designed to help women build confidence and self-esteem; and introduced a new loan fund. This fund can lend up to £5000 to women setting up or developing a business who may have traditionally been excluded from other sources of loan finance. This is a significant development given the lack of other funding for small business development currently available.

In addition to this, Train 2000 now provides start-up and development advice for social enterprises, community businesses and co-operatives. Although Train 2000 was engaged in these types of activities early on in the NOW programme, these were not formally recognised prior to 2003. The inclusion of the development of social enterprises, co-operatives and community businesses in the formal funding arrangements could be a reflection of the growing support within funding bodies for the development and support for the social economy. As demonstrated through national programmes such as the New Deal for Communities and Neighbourhood Renewal and European sources through the Objective 1 programme.

Each of the organisations activities are subject to their suitability with six organisational objectives which are set out in Table 9.1.

Objectives of Train 2000

- 1) To assist in the creation and development of women owned and managed businesses through a range of business information, advice and training programmes
 - 2) To raise awareness of barriers faced by women in accessing current enterprise support provision
 - 3) To establish Train 2000 as a quality deliverer of business start-up and development measures particularly for women and marginalised groups
 - 4) To be a good employer
 - 5) To encourage and promote networking between clients
 - 6) To provide a high quality, client-centred research and consultancy service for social economy organisations
-

Table 9.1 Source: Objectives of Train 2000 (Train 2000, 2001: 2).

In addition to the activities already described, Train 2000 have played a significant role in the formation of the Merseyside Social Enterprise Network (SEN). The chief executive of Train 2000 has been the elected chair of SEN for the last five years and as a result has a very prominent role in the local social economy.

The following section outlines the current means of evaluation. The discussion presents the key outputs, and types of information contained within the social audit and details of the methods of data collection used for this research.

Establishing Baseline Data and Evaluation Methods

Between 1999 and 2001, 1210 women accessed the support of Train 2000 (see table 9.2). The recorded outputs show that Train 2000 helped to create 112 new women-owned and managed businesses and develop a total of 315 new jobs. Of the 1210 women who accessed support, 189 women (16 per cent) left with new qualifications; 158 women (13 per cent) were from black and minority ethnic backgrounds; and 52 women (4 per cent) were categorised as disabled (see table 9.2).

Table to Show Outputs for Train 2000 1999-2001

	<i>Women who Used Train 2000</i>	<i>Business Start-ups</i>	<i>Jobs Created</i>	<i>Black and Minority Ethnic Groups</i>	<i>Disabled</i>
Number	1210	112	315	158	52
Percentage	100%	9%	26%	13%	4%

Table 9.2 Outputs for Train 2000 1999-2001 (Source: Train 2000: 2001)

Social Audits in Train 2000

Train 2000 has carried out a social audit each year since 2001. The following section presents the types of information included within these social audit reports. It shows how different stakeholder groups have been identified and the ways in which different stakeholder groups are involved with the social audit process.

The social audit reports completed by Train 2000 include details about the background of the organisation, the results of questionnaires sent out to service users, recorded outputs, the organisation's mission statement, values, objectives and activities, and details of the organisation's environmental performance and learning points ¹¹. The report is based upon feedback from a range of stakeholder groups. A stakeholder group is defined as any person or organisation that influences or is influenced by Train 2000. The groups range from the beneficiaries of the organisation to funding bodies, other business support agencies, management and staff.

¹¹ Learning points are areas from which the organisation can take future action or areas of improvement.

Each of the stakeholder groups was engaged in the social audit process either through interviews or questionnaires. The methods used depended upon the numbers of people in each group. For example, the management committee were much smaller in number and so interviews were used. In the case of service users, postal questionnaires had been sent out to a small sample. The response rate to the postal questionnaires was, however, very low - only seven per cent. It was for this reason that staff within Train 2000 felt that their existing means of data collection were inadequate, as they did not engage a representative sample of women using the services. It was also felt that the social audit failed to fully demonstrate the belief that there were wider or softer outcomes and impacts, such as increases in confidence due to the organisation's activities. Comments such as those shown below are used as examples of this. Feedback from the one of the funding bodies also demonstrates the link made between the objectives of the organisation and the intangible impacts of the courses and advice offered.

Comments from service users

"I'd never be afraid of looking stupid again."

"I can speak with confidence with a bank manager as I understand the business language needed."

"We probably wouldn't have got nearly as far as we did without the programme's help. Have done other business courses in the past and this was the best one."

Source Social Audit (2001)

Table 9.3

Comment from funding body

“Clients benefit from the training programme – training is very scarce in the city these days! Also I know clients like the friendly and informal way in which the business advisors work”

“Clients benefit from confidence, self belief, awareness of available support, basic marketing skills...the confidence that women had in Train 2000 staff to support them. Ability of staff to source support from other organisations.”

Source Social audit 2001

Table 9.4

Taking these observations into account the chapter seeks to explore the impact of Train 2000 in relation to the identified gaps in evaluation. These have included the failure to engage fully the service users; the failure to uncover ‘soft’ impacts such as increases in self-confidence; the failure to present information about the types of businesses set up; the failure to trace impact for those women who did not set up a business; and the inability to trace impact over extended periods of time.

The following section explains the background to the methods used. Theoretical considerations about the methods are included within chapter 5.

Identifying the Gaps: Developing a Research methodology in Train 2000

As a result of talking to staff within Train 2000 and reading the results of the social audit report, I felt that my aim of wanting to uncover and unpack the impact of social economy organisations fitted with an organisational need in Train 2000 - to demonstrate the impacts the organisation had had, yet had so far been unable to record.

Analysis of the data showed that the organisation only recorded an output or impact for 22 per cent of the women who used Train 2000 between 1999 and 2001. Each of these outputs was linked only to business start-ups. This meant that no other outcomes, such as, new employment or training were recorded. This can be attributed primarily to the requirements of the funding bodies and the lack of time and resources to evaluate outcomes outside of those needed to ensure the organisation's funding. The chief executive of Train 2000 stated:

'It was difficult to balance the needs of impact evaluation and the needs of the organisation and service delivery..'

This supports Townley and Wilks-Heeg's (1999) claim that output monitoring only served the needs of the funding bodies. The following section reveals the methods used in order to explore the wider impacts of Train 2000 beyond the outputs required by the funding bodies.

A series of meetings was set up with different members of staff, for example, management staff in order to gauge the overall organisational objectives as well as administrative staff with whom I was able to work through the records and filing systems within Train 2000.

It was my intention to find out what happened after the women left Train 2000. I wanted to know, for example, what role or impact Train 2000 had had in women's lives. Did gender matter? Had Train 2000 had an impact for those women who had

not set up in business and what were the implications of the research findings and how did these findings relate to the theory behind evaluation and social economy?

Over 1000 women had used Train 2000 prior to 2002. I took a sample of 603 women who attended the courses delivered under the NOW programme (details outlined earlier on). As I had contact telephone numbers for all of these, I used a semi-structured telephone interview to obtain results which could be compared to the previous case study (Schoenberger 1999). The telephone interviews were carried out over a four-week period in March 2002 from within the offices of Train 2000. The calls were made both in the day and the evening in order to maximise the success rate

Each of the telephone interviews lasted between fifteen and thirty minutes and the interviews were semi-structured. This meant that answers were recorded on answer sheets comprising of a mixture of open and closed questions. The response rate was 29 per cent. The relatively high response rate was achieved by telephoning, was and if necessary, telephoning back at more appropriate times for the women in the sample. The telephone interviews enabled me to engage a broad sample of clients. For example, it had been easier to contact a group of local Somali women by telephone as they were apprehensive about being interviewed formally by outside researchers. The telephone interviews were tailored to the two groups: those who had set up in business and those women who had no recorded output. The following table highlights the division between the two groups in the sample taken and the response rates for each. The table shows that a total of 179 interviews were completed. Forty of these were women who had set up in business straight away and 139 were with women for whom no output had previously been recorded.

Table to Show Samples Taken within Train 2000

	<i>Numbers in Sample</i>	<i>Number of Responses</i>	<i>% Response Rate</i>
Group 1 (Those who had set up in business)	135	40	24%
Group 2 (Those who had not set up in business)	468	139	29%
Total	603	179	29%

Table 9.5

The following section summarises the results of the research. The first part focuses upon the inadequacy of the current output figures. The second part outlines findings such as the types of businesses set up and the numbers of staff taken on. This is followed by an analysis of the geography of business outputs.

Identifying the Wider Impacts

The previous table showed that of the 603 women who accessed support through the New Opportunities for Women Programme 135 were recorded as having set up in business. The results indicate therefore that a further 17 per cent of women had set up within the twelve months following their visit to Train 2000.

The additional business starts were recorded and given to Train 2000 so they could be reported as outputs to Government Office Northwest (the monitoring body for European funding in Merseyside). Yet whilst there were 33 extra business start-ups recorded, the statistics suggest there could more businesses set up by women in the remainder of the sample whom I had been unable to contact. This highlights some

major flaws in the ways in which programmes are evaluated by the funding bodies, which are explained below.

The results indicate that the figures are based wholly upon the amount of data an organisation can collect themselves and this is affected by the time available to staff within the organisation to balance the delivery of programmes with the evaluation. The results show that the relationship between programme delivery and evaluation can place a boundary upon the breadth of evaluation. The results show that organisations infrequently have the chance to go back to people after they have left the organisation. The evaluation therefore underestimates the potential outputs.

Where business start-ups were recorded, the information collected failed to go beyond the data required by the funding bodies. For example, Government Office Northwest requested only the name of the person accessing the support, their national insurance number, and the type of business¹². The figures recorded by Train therefore did not record collect such data as the types of businesses that had been set up, the number of businesses which actually took on staff, where the businesses were created, and how successful they had been. The following section highlights the results I collected from women who had set up business, including the types of businesses, the survival rates, the numbers employed, and the recorded turnovers.

¹² The national insurance numbers were collected from all programmes funded under the second round of Merseyside's Objective 1 (funding?). These national insurance numbers have been collated and placed into a central database. However, as yet there has been no analysis of this data.

Figure 9.1 shows the types of businesses set up. The graph shows that the most significant category is the arts and cultural category. This includes businesses in which women have set up as designer dressmakers, art and textile designers. In one case a woman had been making costumes for the Manchester Commonwealth Games which were held in 2003. Another respondent had set up a percussion group, which travelled to local schools teaching dance and music. The types of work within this category appeared to be spontaneous rather than planned i.e. taken on a ad hoc basis or demand led.

The second most significant category is that of childcare. The flexibility of working from home and being able to look after their own children were cited as incentives for women with young children to set up as childminders. There were also a growing number of clients planning to set up childcare nurseries.

The childcare category is followed by a category in which women had been involved setting up community or social economy-based organisations. The types of organisation set up within this category will be discussed in more detail further on as these include cases in which support is given on a longer-term basis. The community-based, or social enterprise, category is followed by those women who have set up in the professional services. This might include, for example, accountancy businesses, training and a variety of consultancy-type businesses. The remaining business categories were; catering, health, information and technology (IT) and service-led businesses. The IT companies include graphic design businesses, IT consultancy and new media development. These categories are followed by a smaller number of

businesses in beauty, home care, domestic-related activities, such as cleaning, and tourism related businesses.

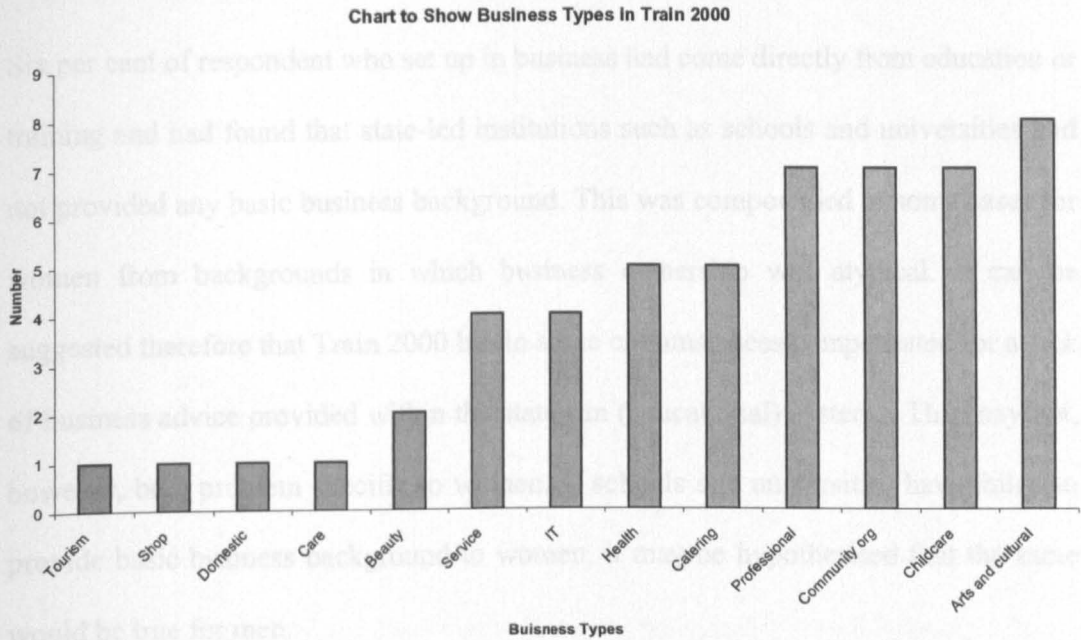


Figure 9.1: Business Types Recorded in Train 2000

The research results do appear to reflect earlier studies completed by researchers such as Servon (2000) which argued that female-led businesses under perform in terms of number of employees, VAT registrations, sales turnover, capital assets and range of markets. This is supported by the fieldwork results which indicate that the types of businesses are for the most part service- led; very few take on any staff and reported turnovers are very low. This was also the case, however, for business start-ups recorded in SMART, suggested that this might not be a gendered problem. Rather these could be key characteristics of businesses set up by people (both men and women) entering into self-employment within the first year of trading.

Analysis of the sources of support and funding taken by women illustrate that there are spaces which women have felt unable to approach, such as the banks. Only six per cent of women who set up in business had approached a bank for help or support when setting up. Some women did not even have their own personal bank accounts.

Six per cent of respondent who set up in business had come directly from education or training and had found that state-led institutions such as schools and universities had not provided any basic business background. This was compounded in some cases for women from backgrounds in which business ownership was atypical. It can be suggested therefore that Train 2000 has in some circumstances compensated for a lack of business advice provided within the state-run (educational) systems. This may not, however, be a problem specific to women. If schools and universities have failed to provide basic business background to women, it may be hypothesised that the same would be true for men.

In contrast to earlier statements about women-owned businesses under performing in relation to male-owned businesses, the survey results indicate that 79 per cent of the recorded business start-ups were still trading up to eighteen months after they had been in to Train 2000. This sustainability rate correlates with the national average of 80 per cent (for business remaining open after twelve months) recorded by the Small Business Service in 2002 for both men and women, and contradicts earlier studies which stated that the survivability rates were much lower for female-owned businesses (Servon 2002).

9.2 Train 2000: The Results

The Emerging Geography of Train 2000

The following section details the locations of business start-ups and areas from which women have come. The discussion suggests that there is an emerging geography to these patterns, which relate to the organisation's accessibility to women.

The first map illustrates the wards in which women using Train 2000 enterprise development services were resident. The map shows that the usage of Train 2000 decreases in density as distance from Train 2000 increases. The highest density areas are those to which the organisation is closest to i.e. the wards of Dingle and Granby. It should be noted that Train 2000 had originally been based within Blackburne House (a local women's training and education centre). Blackburne House is in itself a social enterprise which has strong links with the black and minority population within the Granby Toxteth area of Liverpool¹³. Both Granby and Dingle wards are categorised as 'deprived' under the Pathways criteria. The second category of wards runs from Everton in the north, to Croxteth and Broadgreen in the east, and Allerton in the south. The areas in which the lowest densities were recorded were to the north of the city. These include, for example, Fazakerley and Breckfield. In the north of the city, there were also a sizeable number of wards from which there were no respondents .

¹³ Train 2000 has since moved to a city centre location

ALL WOMEN WHO USED TRAIN 2000

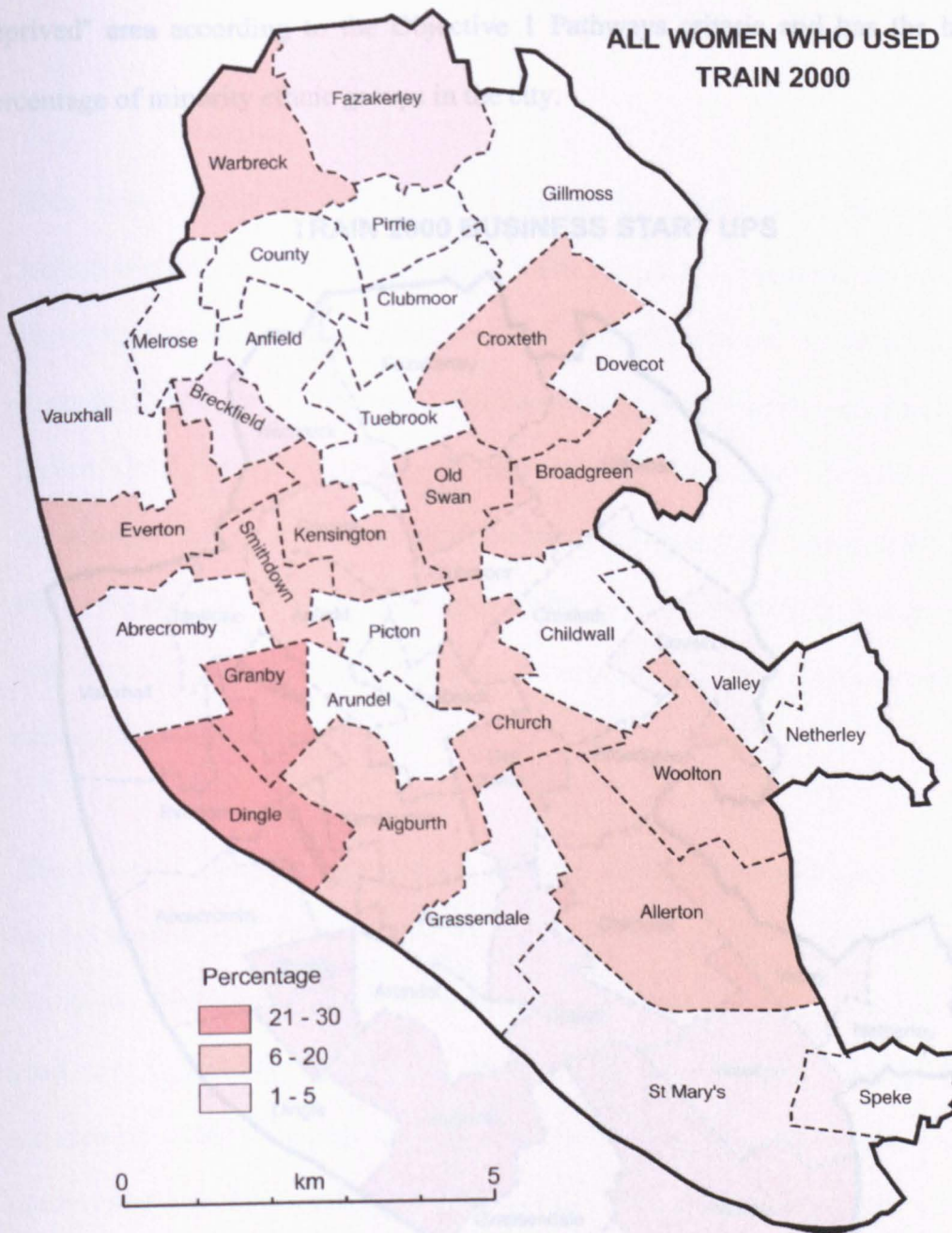


Figure 9.2: Chart to Show Densities of Women Using Train 2000 by Ward

The second map illustrates the wards in which business start-ups have been recorded. The map shows that the wards in which the most business start-ups have been recorded have been clustered in areas to the south of the city, in areas such as Aigburth, Allerton and Woolton. These are areas which are all traditionally perceived to be relatively affluent. However, the map also shows that high number of business start-ups were recorded in the Granby ward. Granby is categorised as a 'highly

deprived' area according to the Objective 1 Pathways criteria and has the highest percentage of minority ethnic groups in the city.

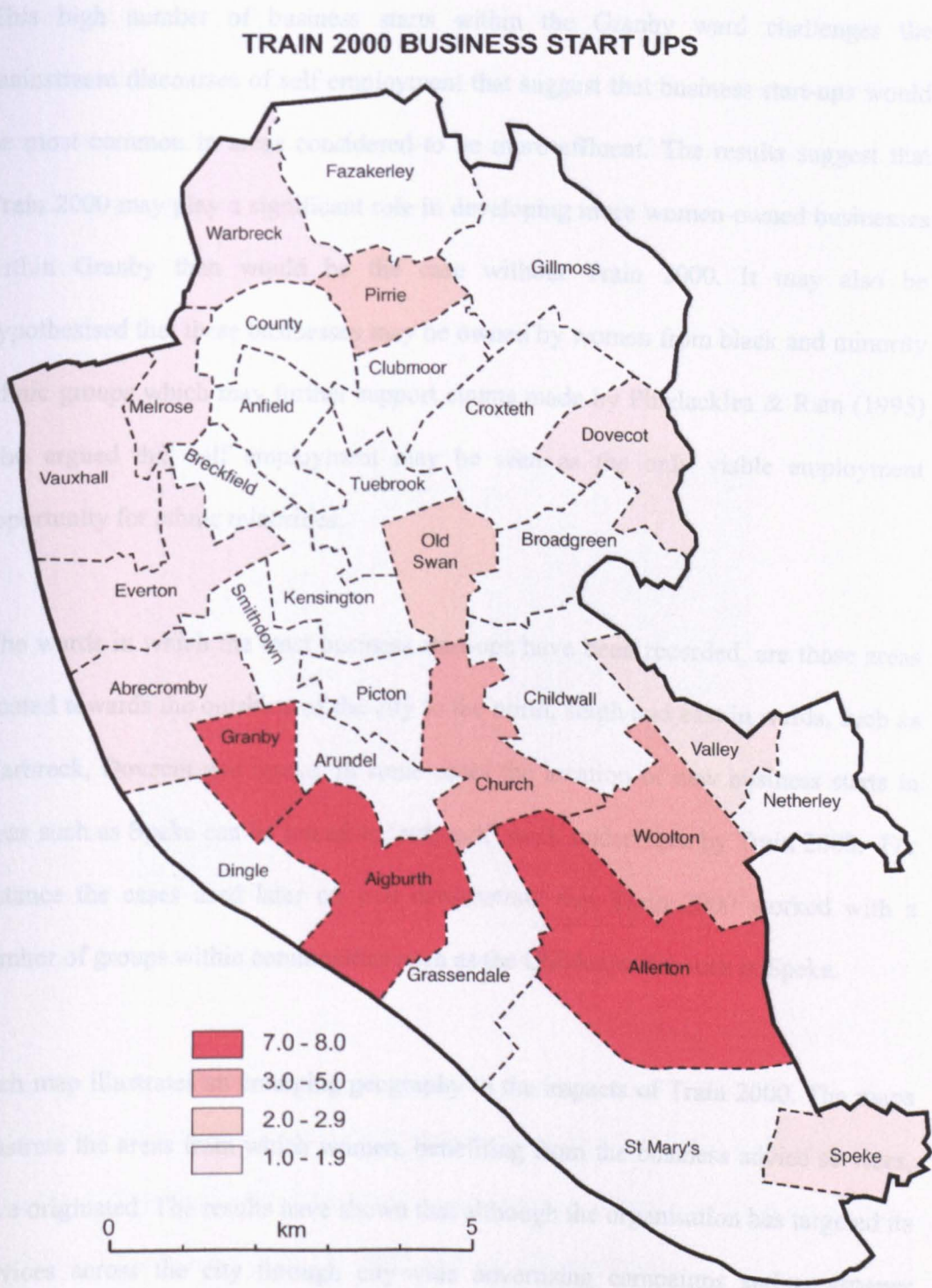


Figure 9.3: Business Start Ups in Train 2000

This high number of business starts within the Granby ward challenges the mainstream discourses of self employment that suggest that business start-ups would be most common in areas considered to be more affluent. The results suggest that Train 2000 may play a significant role in developing more women-owned businesses within Granby than would be the case without Train 2000. It may also be hypothesised that these businesses may be owned by women from black and minority ethnic groups which may further support claims made by Phizlacklea & Ram (1995) who argued that self employment may be seen as the only viable employment opportunity for ethnic minorities.

The wards in which the least business start-ups have been recorded, are those areas located towards the outskirts of the city to the north, south and east in wards, such as Warbreck, Dovecot and Speke. In some cases the location of new business starts in areas such as Speke can be linked to 'outreach' work undertaken by Train 2000. For instance the cases used later on will demonstrate that Train 2000 worked with a number of groups within communities such as the Childcare Network in Speke.

Each map illustrates an emerging geography to the impacts of Train 2000. The maps illustrate the areas from which women, benefiting from the business advice services, have originated. The results have shown that although the organisation has targeted its services across the city through city-wide advertising campaigns and newspaper articles the density of business starts has been highest in wards traditionally seen as affluent, such as Woolton and Allerton in the south of the city, thus reflecting

mainstream discourses of enterprise development. However, the results have also shown that there have been high numbers of business starts recorded in wards such as Granby, an inner city area, categorised as a Pathways area with a large black and minority ethnic population. The numbers of women using the services, however, appear to reflect the proximity, and therefore accessibility, of services. The organisation's latest move to a city centre location (see figure 9.4) may change these patterns.



Figure 9.4 New City Centre Base of Train 2000

The sections above have sought to demonstrate the impacts of Train 2000 in terms of the types of businesses developed and the emerging geography of their client base. The following sections analyse the wider impacts of Train 2000.

Looking Beyond the Outputs and Looking for Alternative Outcomes

The following diagram illustrates the outcomes for 139 (29 per cent) of the 468 women who had not previously been tracked by Train 2000. The diagram has been divided into three separate parts, similar to the diagram presented within the previous case study in figure 8.12. The first category shows those women who have not set up in business (shown in red), and who therefore are not active. The second category shows those who have set up in business, and therefore are active. The third category was used in the previous chapter for businesses that have closed. However, none of the businesses interviewed in Train 2000 had closed.

The results show that nearly half of the women, for whom no output had previously been recorded, were likely to either have already been in business or, set up in business within the following eighteen months of using Train 2000. This shows that are benefits to taking a longer-term view of impacts i.e. tracking outcome over time (Robson et al 1994). The remaining half of the sample had not set up in business. The results show that some of these women had gone into new employment. In other cases the impacts were less tangible, and included such outcomes as increased self-confidence. These impacts will be demonstrated through the utilisation of theory of change methodology presented by Kubisch (2001) in chapter 3.

Breakdown of Client Types in Train 2000

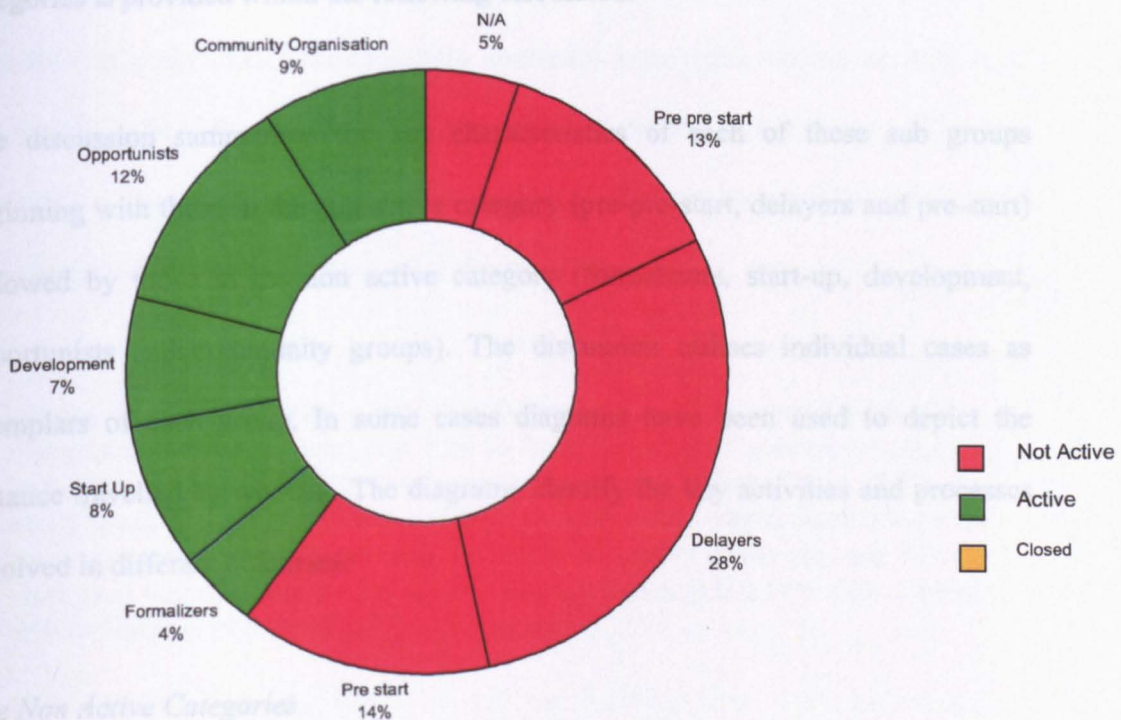


Figure 9.5

As with the analysis of SMART, each of the categories (active and non active) has been divided into smaller sections as illustrated on the diagram. For example, the non-active category has been broken down into three sub groups; pre-pre-start, delayers and pre-start. These three categories represent 1) those women unlikely to ever set up in business 2) women who may set up in the future 3) women who are about to set up. The second category has been labelled the active category. This has been divided into five sub headings; formalizers, start-up, development, opportunists and community groups. The sub-headings are used to separate cases in which 1) women come to set up their own businesses, 2) women who want to formalize work they have already been doing 3) women in business who want to access funding 4) those who are

looking to access additional grant funding and 5) those women who have set up a community-based or social economy organisation. An explanation of each of these categories is provided within the following discussion.

The discussion summarises the key characteristics of each of these sub groups beginning with those in the non-active category (pre-pre-start, delayers and pre-start) followed by those in the non active category (formalizers, start-up, development, opportunists and community groups). The discussion utilises individual cases as exemplars of each group. In some cases diagrams have been used to depict the distance travelled by women. The diagrams identify the key activities and processes involved in different outcomes.

The Non Active Categories

The category in which women have been categorised as non-active has been divided into three sub groups; pre-pre-start, delayers, and pre-start. The term non-active is used to describe whether or not women have set up in business. It should be noted that the term has not been used to describe whether or not women are economically active,– as many were working. The following discussion outlines the characteristics of these three groups. The breakdown of the groups illustrates the different contexts and situations of women at the time they visited Train 2000.

Pre-pre-start

The first sub group the pre-pre start-up group are those women least likely to start their own businesses. The accounts illustrate that women in this group are the most

vulnerable in terms of the labour market. There is a greater probability that women within this group work in low paid and low skilled jobs. Women within the pre-pre-start-up category have few ideas about what they want to do and they have no resources in place. The following case examples have been chosen as they most adequately reflect the cases of women included within this category. The first quotation is from Jean who worked as a part-time kitchen assistant but had at least three or four different ideas about what she could do:

“I was thinking of starting my own business. I was looking for ideas but wasn't sure what I wanted to do. I mean there was a lot of research involved. I had a few ideas, a clothes stall, a shop, or even a florist...Train 2000 was really good, the counsellor was really good, but I could maybe have done with some more help with the research. I used to do market stalls, you see. Now, I work part-time for Sefton Council as a kitchen assistant but I am still thinking of it [setting up in business].”

The diagram below has been used to illustrate that there was no change in Jean's employment status.

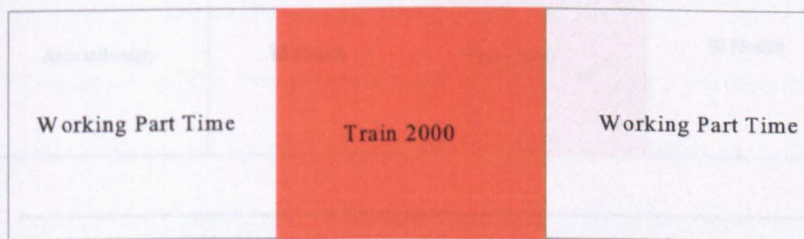


Figure 9.6

In some cases within this category women had been led to believe that self employment could offer a means of returning to the labour market after a significant

period of unemployment, which may have resulted either from personal illness or family related reasons such as caring for a sick relative. In these cases, the accounts reveal that the overall outcomes are more likely to be affected by wider processes than can be changed by an organisation. This has been demonstrated in the case below.

“It was all a mistake. When the course was suggested I didn’t know what I wanted to do. It was a pointless exercise really. I had already run my own business before. As far as the course went, it was very good because I didn’t have anything like that before. It’s bloody hard work – to be honest, I had been laid off sick and when I came along it was my first dive into the world. I had done massage and aromatherapy which made me ill and I’m still in the same situation.”

In this case personal illness had been the contributing factor to the overall outcome. It could be reasonably assumed that Christine would not have set up in business despite regardless of how good or bad her experiences at Train 2000 were.

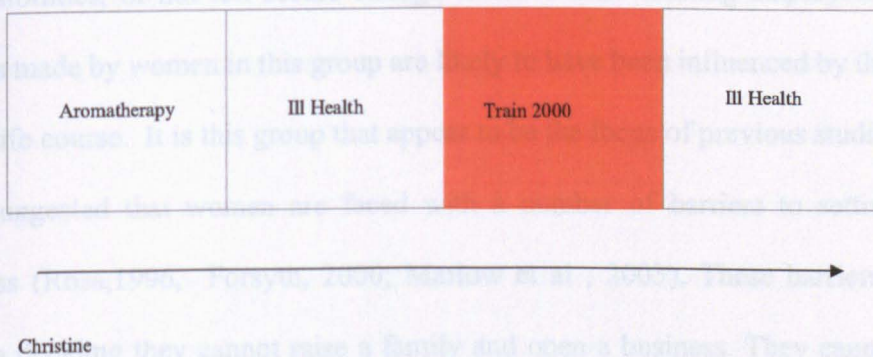


Figure 9.7

It is interesting to note the analogy used in describing this respondent’s experience of Train 2000: ‘her first dive into the world’. This narrative depicts a situation in which she felt she was ‘outside’ of other people’s experiences and that her visit to Train

2000 represented a way 'back in' to a world she had felt withdrawn from. The binary of either being 'in' or 'out' is linked directly to her everyday experiences, her interaction with others, and her ability to work. The pressure placed upon people to work is something that was considered in chapter 1. Here, however, there are cases in which this pressure appears to manifest itself physically. Women such as Christine have felt pressured into work, work is associated with a feeling of 'inclusion' and being out of work linked to a feeling of 'exclusion'. In some cases this can make women more vulnerable because further pressures are piled onto women who cannot work because of stress-related illnesses.

Delayers

The 'delayers' category is the most significant category in terms of the numbers included. The results show that this group are women who postpone their business plans, because they have chosen to have families; taken on extra caring responsibilities; or not felt secure enough to leave their existing employment. The choices made by women in this group are likely to have been influenced by their stage in the life course. It is this group that appear to be the focus of previous studies which have suggested that women are faced with a number of barriers to setting up in business (Rosa,1996, Forsyth, 2000; Marlow et al , 2003). These barriers include women deciding they cannot raise a family and open a business. They cannot invest money into a business if they have other financial commitments such as mortgages.

What distinguishes this group from others is the plans each of the women expressed to go back to the idea later.¹⁴

The decision not to set up in business did not mean women had opted out of work. Women in this category had chosen alternative means of earning income, which in many cases meant women had taken on part-time employment. The following cases illustrate the dilemmas women faced in making the decision to take part time work. The factors influencing their choice affect the interplay between women's employment and the labour market, leading to more women than men taking part time work characterised by low pay and low skill requirements (Speak 2000).

The choice not to set up in business is not based upon a personal preference or ambition to do a different type of work. Instead the choices made are more likely to have been time-related. Part-time hours are considered to be more amenable to the situations of women who have children or other caring responsibilities. The types of part-time employment taken are, however, indubitably low paid and low skilled. The results suggest, however, that the relinquishment of opportunities offered by self employment are compensated for by a resolution that the part time employment will be taken only on a temporary basis until such a time that they can go back to their business ideas, for example, when their children reach school age. In these cases the role of Train 2000 cannot produce a business output. The impact is affected by much

¹⁴ This may have been influenced by the perception that as interviewer they felt that I would prefer to hear that would want to set up in business. However, in the majority of cases I felt that women gave veracious accounts of their intentions and I looked for further clues within their interviews to determine whether or not they were likely to set up, such as specific skills acquired or plans put in place to acquire the necessary finance .

larger complex relationships between the need, or desire to care for families and the need to provide (earn income) for families and dependents.

These cases raise some important questions. Why have the majority of mothers been forced to take jobs that are comparably low paid and low skilled? The results suggest that there is a need to address wider processes, such as, a greater degree of acceptance in the labour market in family-friendly working practices for both men and women (Speak, 2000).

Although Train 2000 wish to encourage women to set up in enterprise, the results here suggest that there is a sizeable group for whom enterprise is secondary to the need to care for families. The impact, in output terms, is then diminished by women's own circumstances and therefore related to life stages. That is not to say all women who have families decide not to set up in business. There are cases here in which women have chosen to combine the two roles. The following cases have been chosen because they best reflect these trends.

"I was thinking of renovating second hand furniture. I've been to college...But the baby's still young. It's more of a hobby, something I can carry on later...I was thinking of becoming a teaching assistant instead, because the hours fit in better with the children. I think it's a great idea. The one-day courses are really helpful. I really enjoyed going on them and I would think about setting up again in the future."

“I came to do the business course and I had used Blackburne House before and was very impressed with the premises. My father was ill and has since died and I have not set up. But Train 2000 was very useful, very informal. My intention is to start up again when I’m motivated again. Things had been difficult in my personal life. I have wondered if at some point I could come in with a query. I would probably just ring up and have a one-to-one session. I’m currently working part time as a social care worker and I have just finished my NVQ training.”

The case below shows that the respondent had two jobs, one as a nursery nurse and one as a bar maid. This meant she had no time in which to look at setting up the business properly. The fact she had two jobs reflected the fact the neither of the jobs brought in enough income to meet the needs of her family. Both jobs were relatively low paid and she was working both jobs on the same days as well as having to look after two children. The respondent did have help from her husband who also worked. His work was contract-dependent and they did not know from one week to the next where he might be working, if at all.

“I went because it was free. I wanted set up a soft play area for children. I mean absolutely everything was of value. My advisor was Claire and she was brilliant. There was other training available on tax and things and I met other people who wanted to set up in business. But I couldn’t find the time. I had to get a second job. I’ve got two jobs, a baby on the way and a three-year-old. I’m a nursery nurse in the day and a barmaid in the evening. I would still like to set up in the future. The support I received was brilliant and I would recommend it to anyone.”

Pre-start

The final sub group in the non-active category are the women in the pre-start group. The pre-start group are those women who were less likely to set up either, because they lacked the required resources (time or money) or were unsure about what they wanted to do. The results indicate that Train 2000 has a proactive role in the eventual business start-up, although, in some cases, this can take up to twelve months.

The women who have been categorised as pre-start went to Train 2000 with a clear idea and proposal for the businesses they wanted to open. They had a clear idea of what they want to get out of the course or advice offered. This might have been a completed business plan, or advice concerning finance and funding. The women are classed as pre-start because they are in an intermediary stage where they are waiting for particular things such as funding, premises or training qualifications. The likelihood of women within this group setting up would appear to be quite high and the factors indicating this are included within each of their transcripts, as the examples below show:

“I wanted help with the Prince’s Trust. I was looking at setting up a distribution company. It was brilliant! Really, really helpful. I couldn’t fault it. There was a booklet with help for a business plan. I’m waiting for my Prince’s Trust money to come through.”

“I came to Train 2000 just to do a business course and a business plan. All of it was useful. They gave us a lot of help. I’ve been on some other drama training but I’m in the process of putting a business plan together.”

The following sub-groups are those in which women have set up or are already in business. The impacts of Train 2000 are normally related to the business outputs. In the cases above wider contexts and processes diminish the impacts. The bulk of Train 2000's impact is within the following groups and the discussion will illustrate the ways in which women have benefited.

Those in the Active Category

The active category has been broken down into four sub groups 1) start-up 2) opportunists 3) formalizers and 4) development. Each of the sub-groups represents women who had either set up in business or women who had already been in business yet benefited from advice from Train 2000. The active category has been sub-divided because each group has different needs and therefore the impacts upon them were different, and in some cases, unexpected.

Start-up

The first category is the business start-up category. The results demonstrate 17 per cent of women not previously tracked by Train 2000 had set up in business¹⁵. The increase in the numbers of business start-ups can be accounted for by those cases in which women had not recorded their business start (because they had not got round to it and / or did not consider it to be important), or they had not opened whilst at

¹⁵ This is not necessarily equivalent to 17 per cent more business starts as more than one woman may have set up in one business

Train 2000. This is understandable as the results suggest that it can take up to twelve months to bring together the necessary resources needed to set up businesses. In many of the cases women had been waiting for the grant funding applications to be processed by such bodies as the Prince's Trust.

These extra business starts are of importance because they add to the business start count for Train 2000. Furthermore, the results indicate that these cases are disproportionately likely to be in deprived groups, or are businesses with a greater chance of survival than average, as women in this group have usually had to delay their businesses in order to wait for grant funding, which is judged upon the likelihood of success.

Cases within this category have often been made more difficult to analyse as they have drawn on multiple sources of support. This raises some of the difficulties associated with untangling cause and effect (Robson and Bernet, 2000). The results indicated that 35 per cent of women access more than one programme or source of support. In one case a respondent had approached as many as seven different business start-up and advice agencies within Liverpool that ranged from a CBED enabling body, to statutory bodies such as Business Links. This leads to a problem of attribution. What role did Train 2000 play? Would the respondents within this category have set up without Train 2000?

Added Value?

The results suggest that Train 2000 provides benefits or impacts over and above those provided by agencies not focused upon gender. The benefits are crosscutting and are

therefore relevant across the different categories presented. It is possible to demonstrate that in each category women reported increased self confidence gained from the training, the support of business advisers (who were all women) and the support of peers. These are all benefits or added value developed within the boundaries of a 'gendered space'. The words of the respondent quoted below reflect this:

"I came because it was dedicated to women. I wanted to get an insight into how to get a business plan together. I was advised to go by the Prince's Trust. I was doing graphic web design and multi-media. I found the after care support very valuable. Also through Blackburne House I managed to find a number of business contacts. The course was absolutely brilliant! ... It gave me confidence to go ahead and do it. Before, I had been unemployed. I had trained in this field, kind of doing bits and pieces freelance. I did something for a film company and I also do some work cheaply and on a voluntary basis.... I know my trade but setting up a business is difficult. The information you receive about funding from elsewhere is not very good. The council aren't the most effective businessmen... I also went to ACID, ACME, Business link and GME, but I was very disappointed. It was a guy from London who only asked me two questions in one hour. I also went to EDT. I'd rather just deal with women all the time. Men are single-celled. There are more women in the creative industry anyway."

In some cases Train 2000 was recommended by other agencies such as the Prince's Trust because the women needed more preparatory work in their business plans, before applying for a grant or loan. In these circumstances Train 2000 helped women who might have otherwise not been successful in applying for grant aid. For example, Claire stated:

"I had been to the Prince's Trust and I needed help finishing my business plan. It was a beauty business. They [Train 2000] help you with anything and show you what needs to be done and you improve on things you don't know. I'm in the process of setting up my own business. I'm currently finishing my level 3 beauty therapy NVQ."

The following case exemplifies that in some cases the business starts that take the longest to set up can be those in which women may be considered to be those in most need of extra support. The case shows the influence of other programmes and support bodies, set up under such schemes as the New Deal for Communities. Without such interventions the difficulties the respondent could face would be greatly increased and presumably prevent her from setting up. John said;

Someone recommended it because it was for women. In another business organisation. I passed the course and got funding the first time round. The service was very personal. There was one consultant who went through everything. It built my confidence. I think having someone there saying you can do it helped. It was fantastic. It got me to where I am - on the way. I have had problems trying organising appropriate childcare. It's hard with kids... I'm a single mum...Setting up in business is all about the 'know how' isn't it? There was useful things on the course, like the Inland Revenue told us to hold on and register when we were actually making money... I do get quite a lot of help. I got a free computer from Kensington Wired Up¹⁶ and I'm doing a computer course so I get an NUS card and get money off bus fares."

Opportunists

A separate sub-group, 'opportunists', consisted of those women who had gone to Train 2000 because they had been led to believe that they were eligible for grant funding. In the majority of cases the women in this category were already in a business, often in partnership with their partners or husbands. However, there is negligible funding available for those already in business and, as a result, not many women within this category benefited financially. Conversely, there were a number of women who had benefited in unexpected ways as the following cases will show:

¹⁶ Part of the Pilot New Deal for Communities Scheme

“I was already set up in business but I found it useful to go on a refresher course. Things like meeting a tax man in the flesh were actually really, really helpful. I felt a lot more confident in business skills.”

“I came on it looking for grants but was given confidence and enthusiasm by the course. I saw it advertised, and I wanted information about funding and loans. I’m already in business doing greeting cards and calendars, and I was looking for financial support. But it’s a super course – it reawakens you and is pro-active.”

Formalizers

The ‘formalizing’ sub-group are women who have undertaken pieces of work on an intermittent basis. The cases included within this group indicate that women within this group were likely to lack formal contracts and work independently. The contracts of work were short-term and were paid on completion. The work was often sporadic and usually unplanned. As a result the women within this category did not have any formal processes in place for paying tax, national insurance, or processes to cover themselves in cases where they become sick or wanted to take a holiday.

The women in this category worked in a space between the informal and formal economy. They lack the protection of formalised economic activity, yet provided services on a legal basis, which would remove them from any illegality. In some cases the work was highly skilled. These observations can be seen as a symptom of the growing flexibility required by the labour market whereby employers gain by paying for services traditionally delivered in-house only when they are needed. For example, some women had been given one-off training contracts. They had been brought in to

help deliver specific projects and so on. Often the women felt that they benefited because the payments for work were seen to be much higher than would be the equivalent if they worked in the same job full time. They often failed to take into account the costs associated with having to cover such things as their own national insurance contributions, tax and pensions – if indeed they considered paying any of these at all. As similar cases were not found in SMART, this suggests that this might be a gendered impact.

The women within this group approached Train 2000 as they began to realise that there was potential to develop the ideas into a business, yet did not know how to go about it. In most cases the shift required in order to make the work part of a full time business requires financial investment as well as an appropriate client base (networking). The results also indicated that there was a degree of self-confidence required by women who had made the transition. For example, the acceptance of intermittent work represented women's uncertainty about managing their own time or setting conditions on the work because of the uncertainty about where the next piece of work would come from. This in turn meant women accepted one job at a time, and worked solely on that job until it was completed. The vulnerability of their situations - being at the mercy of growing flexibilisation in the market - was often exacerbated by the lack of appropriate contacts, or social capital (Westall, 2001). For example, women within this group often stated that they did not know any accountants, solicitors or other professional people that could help aid them develop their business and were reluctant to use somebody without recommendation. In these cases Train 2000 provided a forum in which women could get advice and training and meet new contacts. The following cases have been chosen because they best exemplify these trends. Again the

importance of the gendered environment is highlighted, and this will be discussed in more detail further on.

“I saw it in the paper and was looking for extra help – I was already doing freelance consultancy work and wanted to make it more formal. There was a couple of things I found valuable. The range of stuff on offer in a relatively short amount of time and it was at convenient times, not in the day. I have attended a lot of the network meetings. It would be useful to possibly to have an introduction service to accounts and fees – ‘how much is the going rate?’ – like the guy who came in for law. And a list of web designers and places that do marketing and other services that I might use. I work from home. I didn’t get any loans and grants, I didn’t want to. The problems were just about knowing what to do, the work was there. I had been told it wasn’t worth going to places like Business Link. From what I was told by my brother-in-law I was led to believe that the credibility of the people giving out advice wasn’t very high, but I didn’t get that at Train 2000.”

“Somebody else recommended it. I was in web design and IT consultancy. I probably found the financial side most valuable. I sorted out the books and I wouldn’t have had the faintest idea before...Yeah, the various networking groups are very helpful, terrifically helpful. Women are more confident working with other women.”

Development

The last sub-group has been labelled the ‘development’ group because it refers to women who had already been in business and used Train 2000 for advice and support to help improve their businesses. A significant number of the women within this category belonged to a Childcare Network with whom Train 2000 had carried out outreach work¹⁷. For many of the child carers it was the first time they had completed a business plan. One respondent had been a child carer for over ten years and did not have a business plan. In some cases women had felt they were not operating

¹⁷ The women had set up training courses in community centres close to where the child carers lived. They tailored the courses to childcare and focused upon new legislation and funding available to child carers.

businesses. For example, they did not know how to charge people when they picked up children late because they felt uncomfortable. As one woman said ‘*You’ve got to like taking money off people*’. Some of the child carers had said that they had been aware of all the new funding and support that was available but had been unsure as to how to access the different sources¹⁸. This suggests that for women already set up in childcare the new government initiatives such as Sure Start and Early Years schemes have appeared very complex. The initiation of the childcare network was in part a recognition of the need to represent the needs of individual child carers who worked mainly from home¹⁹ and the network had asked Train 2000 to help out. Train 2000 played an intermediary role through which individual child carers had been able to improve the service they provided.

“I came as part of Speke Garston Partnership for childminders - a network promoting quality childminding. I think it was business planning for women. Train 2000 came to us which was good and the support and staff were helpful. Parking was provided, which was good. Now training, but there wasn’t any when I started. Liverpool Early Years is improving the situation. I am working for the partnership at the moment. The incentive to progress came from support from Train 2000 was very good. We needed a different approach. Being a mum it has to be more flexible and they were able to provide a tutor in a local venue.”

“I came as part of the childminders’ network. I found all of it of value. If it hadn’t been for that, I wouldn’t have done it. It’s put on for you. Not doing it on your own but with other people.”

“I went because the course was put on by Speke Garston Network of Childminders. It was a self-awareness course, which taught us how to be more business - like not letting people walk over you. Because you’re working from home people pick up the children late and it’s hard to stop it happening. It’s a fine line...I did get an Early Years Sustainability grant.”

¹⁸ Given the rapidity of the changing funding regimes and the rapid development of programmes such as the National Childcare Strategy.

¹⁹ The funding had been obtained through the local Pathways partnership.

The following quotation shows that one group of child carers managed to access a number of grants as a direct result of the advice received from Train 2000:

“We got a £10,000 grant from Dingle Opp’s. We got that just after the business course. We were also able to get £10,000 from LCC. The Scarman Trust and Give a Child a Chance gave us £1000 and Early Years got £500. Problems – grants are hard to come by, hard to find wages. I think we’ve been lucky going into childcare people have been a lot more understanding. If we’d opened a shop we wouldn’t have a chance. Going into banks. Never approached them until we had the funds (Natwest).”

The following section illustrates the cases in which women came to Train 2000 as part of community-based or social economy organisations, as opposed to the cases above in which women had primarily come for help in progressing within the mainstream economy.

9.3 Social Economy and Opportunities for Women’s Empowerment

Of the 24 new business starts within the start-up category, 7 are categorised as either community-based or social economy organisations. Each of these 7 was centred upon the needs of children or women within areas defined as Objective 1 Pathways areas. This included, the Sudanese women’s group in Toxteth, a children’s playgroup in Dingle and a community centre called Clock Community Room in Everton. In each of the cases the groups had formed prior to visiting Train 2000, as a reaction to an identified common need. For example, the women within the Sudanese group had experienced problems in establishing themselves as economically active, because of their political status as asylum seekers within the UK which meant they were forbidden from seeking work within the formal economy within the UK until their political status as asylum seekers had been cleared. The Somali women’s group was formulated to support first and second generation Somali women in dealing with

particular issues such as education, employment and cultural issues, such as the practice of female circumcision. Other groups were centred upon the needs of women from communities considered to be highly deprived. One group had been set up by eight school friends in an area considered to be highly deprived, in order to encourage women to become more economically empowered by encouraging the development of organisations such as a women's credit union. The group now has over 27 local members.

Each of the groups within this category had been set up in order to alleviate different pressures faced within communities and they were arguably bottom-up. Each of the groups had two defining characteristics: 1) they were all women 2) within each group all of the women had experienced similar problems. The cases therefore indicate that gender can provide a successful organizing mechanism for bottom-up community development. In this context, Train 2000 provides a legitimate source of support, because it, too, is gendered. None of the cases within this group approached any other support agencies even though they could have received help with formulating constitutions, applying for grant funding, or formulating business plans from a number of other bodies, including the twelve or so CBED enabling bodies.

The cases show that many of the groups had required long-term support for periods longer than six months. This reflected that the needs of the groups were complex. Many other organisations would not have the same amount of time to dedicate to one off projects. However, Train 2000 were able to work with the group because the activities related to their overall social objectives rather than the outputs of one funding programme. For instance, in many of the cases the women involved with the

groups had no experiences of running businesses; some had never worked, and lived in areas considered to be socially excluded. By supporting these groups Train 2000 are supporting women who would not normally approach an organisation such as Train 2000 and they are as a result reaching women considered to be hardest to reach. The impacts of helping support other social economy organisations and women's support groups is twofold. Firstly it leads to a very tangible output: the formation of new social economy organisations. Secondly, there are important individual impacts which are similar to those discussed in other case studies which revolve around people's own self confidence and self esteem. These impacts are, however, much greater in groups where the relative starting points are so much further behind than among women in other groups considered to be less socially excluded.

The location of these types of projects within deprived areas indicates that there is a geography to community-based initiatives that correlates with places and localities considered to be socially excluded. However, as the previous chapter has shown, the relationship is much more likely to be place-specific. For example, not all Pathways areas demonstrate the same levels of social economy activity.

The women involved were more likely to seek the help of another gendered organisation for reasons of mutual empathy or the perception of common goals. The location of Train 2000 within Blackburne House undoubtedly contributed to this.

From a democratic evaluation standpoint these projects would be seen to be more fitting to the wider objectives of Train 2000 than the other business outputs, as they relate to wider issues of social justice, community development and empowerment.

Each of the following cases demonstrates some of the different projects and groups Train 2000 has helped support. A diagram has been included underneath some of the examples to illustrate the factors which have helped each of the groups to develop. The diagram can be used to trace the types of influence Train 2000 had and seeks to illustrate why particular outcomes came about i.e. tracing the theory of change (Kubisch et al,2001).

Case 1 Parent Support Group

“We’ve got a voluntary group ‘Parents Like You’ on Everton Road and we needed help with the constitution. It’s a community business and we got our first year’s funding from Liverpool City Council and we have funded two part-time posts – me and my friend. We found the constant reassurance of value. It was new to us both. Before, I was a hairdresser. Karen set up Parents like You, and I was having problems with my own daughter but the social services people are quick to judge parents and we found that there was nothing in place for parents. Any support is useful. Knowing you have a back up of people. Now there’s a network of so many people involved. It’s a totally new avenue... Problems? It’s always difficult to find funding because we’re not charitable. So I have work part-time in other places so I do a three day course at Burton Manor and at Weston Spirit I do one day course.”

The Formation of a New Support Group; A Case Study of Factors Affecting its Development

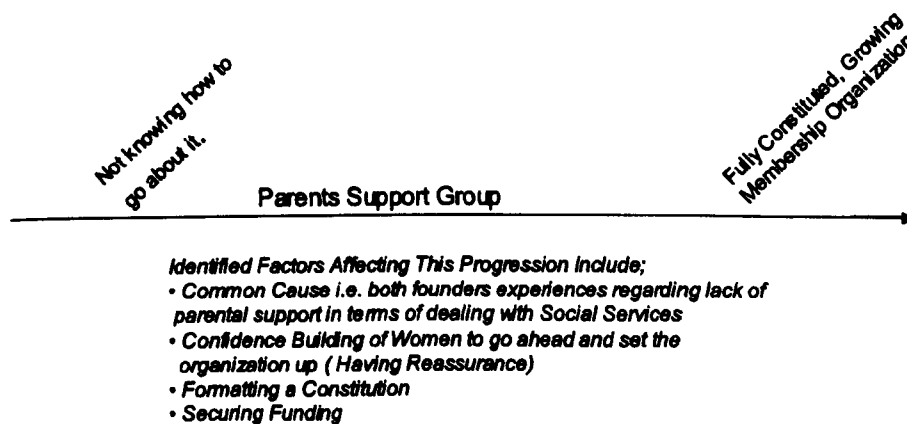


Figure 9.8: Case Study 1

Case 2: Women's Action Group

"I'm involved in setting up a women's action group. Everyone at Train 2000 was fantastic. The support was ongoing over six months and was really good. Supported 100 per cent all along. Now the group is constituted and got a bank account and now putting in for funding. The group aims to get women into business, to gain a job with a higher rate of pay. To encourage women to get enough money, not needing benefits, saving money which people in these communities can't do. Plan to eventually fund some posts...Problems? Getting members together when it was convenient – work and family, difficult with 27 members. We were lucky that one of the members knew someone who ran a youth centre. But we are looking to expand – Jubilee Drive area...I do voluntary work in the social business – counselling and two days a week as a drugs worker and I sit on the panel for a chair friends association...We were a group of eight, came to the training – known each other for years through school and community"

Group of women with an idea of premises and what they wanted to do

Women's Support Group

Constituted Group with Bank Account and Plans to fund Staff

- Factors Affecting this Progression;
- Common Cause i.e. to get more women into employment earning and saving money
 - Growing Membership
 - Voluntary Work of Some Members
 - Six Months of Ongoing Support

Figure 9.9: Case Study 2

Cases 3 and 4: Youth and Community Work

“I’m a member of a steering group [for] Clock Community Room, St Domingo Road, which was a derelict building and needed a business plan. Train 2000 was excellent. I didn’t really want to go on it but when I went on it I thought it was brilliant, and I didn’t think I’d be able to do it but being in a group working things out was good.. The pros and the cons [of setting up] are still going on and there’s still lots to do. I’d be terrified of setting up my own business.”

“I came because I work at Breckfield Neighbourhood Council. The course was interesting and helped me with my job, managing the resource centre. They had no one to deliver the training and I did my own mini course as a result of the training (from Train 2000). This was my first paid job. I’m at college at the moment and I’ve been able to develop myself mixing community and voluntary work. I’m doing a reach out access course, English and maths and maybe want to be a support worker or mentor...It was nice to see women who had a lot of difficult issues. I always wanted to educate myself. It was lovely to mix with other types of people. There were some who went into business and some who didn’t but will probably excel further...Most people don’t realise they’ve got a flair for it because they had a lot of lot of talent in struggling with life – families, children and no money.”

Figure 9.10: Case Study 3 and 4

Train 2000 has been able to help women who have come together to set up support groups. The organisation has had a key role in helping groups to employ staff and look at ways in which groups can further develop. Train 2000 has as a result become an enabling body for other social economy organisations based upon the needs and empowerment of women within areas and groups traditionally perceived to be most disadvantaged. Each of these projects has the potential to develop subsidiary

community based businesses, co-operatives and social enterprises, such as the credit union developed by one community group.

The following section seeks to depict the 'added value' that a social economy organisation such as Train 2000 can provide. In addition to the tangible outputs such as new businesses, businesses in deprived areas and groups, and new social economy organisations created, there are less tangible impacts that affect women individually. These less tangible impacts have been recorded across each of the categories previously presented, i.e. active and non active. The section begins with a discussion about the gendered space created by Train 2000. This is followed by respondents' descriptions of the different ways they had benefited from a women-only environment.

9.4 Using the Social Economy to Create a Gendered Space for the Promotion of Women's Empowerment

By providing training and advice to women, with an all-women staff team, Train 2000 have excluded men from the courses. This creates a 'gendered space' different to most women's everyday experiences (McDowell 1999). This gendered space distinguishes the experiences of women using Train 2000 from experiences they may have had in other similar agencies.

The results suggest that the 'gendered space' provides a supportive environment for women constructed upon the relationships, both, between staff and service users, and between service users themselves. This suggests that the most intangible impacts such

as increased confidence and self-esteem can be linked to the spaces in which new bonds, networks and relationships can be formed. It is the 'gendered space' that adds value to the business services provided by Train 2000. The following table records some of the comments made by women in the course of this research.

Gendered Spaces and Quotes Taken from Interviews with Women in Train 2000

"I was halfway there and needed more information and felt more comfortable with it all being all women" (106)

"From the initial meeting, speaking with other women helps. I think women need representation. Having a woman representative saying "We are doing it helps" and it's not predominantly men. It was pretty good advice." (128)

"Women are more confident working with other women." (87)

"It was nice having advice from a woman's point of view. I had already approached other advice agencies, which were mainly men." (69)

Figure 9.11: Quotes about Gendered Spaces

Whilst the majority of women going to Train 2000 are not proactively feminist in their reasons for going, there are cases in which the experiences appear to help women recognise different kinds of male hegemony and orthodoxy experienced within their own lives. For example, Janine went to Train 2000 as a result of advice from her husband, yet when asked what she thought the most valuable thing had been, she said that it was not having men there saying shut up.

"I was thinking of setting up own business. It was my husband's idea. But I have young children and it was probably too early and I've now left work with stress...All the service was good. The girls were very knowledgeable and very good in pointing you in the right direction. I didn't need anything else. They even had the banks in and other contacts...It was excellent training. It gives you the confidence to go out and do it, and it's great not to have blokes there butting in saying, "Shut up, woman."

The Somali women's association is also a good example of this. The association has been set up to support women within the Somali community. However, the group has begun to look at other opportunities that exist for other women in their community, such as developing the capacity to help provide employment and training.

The mixture of backgrounds of women using Train 2000 is also a distinguishing factor. The women were of mixed academic ability, women were from different socio-economic backgrounds, cultural backgrounds and had varied beliefs, perceptions and norms. This eclectic mixture of backgrounds seemed to create a positive and vibrant environment in which to work. Not one member of staff showed that they had not enjoyed working there (unlike other organisations within this research). In many cases women had the opportunity to mix with different types of women than they would normally have come across in their everyday lives. The following case was taken from an interview carried out with Jean who had got a job as a community worker as a result of going to Train 2000. She stated;

“It was lovely to mix with other types of people. There were some who went into business and some who didn't...Most people don't realise they've got a flair for it because they had a lot of lot of talent in struggling with life – families, children and no money.”

In some cases the difference in women's experiences promoted new opportunities for self-reflection. For example, the following table lists some of comments made by women interviewed that relate to different perceptions about women's roles in relation to working and being in business.

Quotes about the Perceptions Women's Roles

"I never thought women had the scope to own their own business."(15)

"People think because you're a woman you're daft. I got overestimates and people saying, "Can I speak to the managers?".(26a)

"For many women it is seen as a second career by their partners: 'You can do it as long as there is tea on the table" (91)

Figure 9.12

In all the cases it was clear that women had benefited in both tangible and intangible ways. The tangible impacts can be illustrated using a breakdown of the numbers of women who had set up in business, the types of businesses and so on. For those who had not set up in businesses, however, the impact is much less clear. Using individual cases it has been possible to show some of the alternative impacts. These include cases in which women have applied for new jobs or put their plans on hold for reasons such as raising a family. Table 9.6 demonstrates the impact of Train 2000 in building women's confidence.

Quotes about Confidence

"It did change things. I felt a lot more confident in business skills and actually got taken on teaching marketing at CADT. I felt confident enough to send off my CV. It reminds you that you're not on your own." (48)

"People who have been there and done that give you confidence" (57)

"It gave me confidence to go ahead and do it" (68)

"There's more available to women now. Confidence building, advice with accounts and everything is certainly available" (77).

"It's such a big step. It's convincing yourself you can do it" (119)

"The service was very personal. One consultant who went through everything. Advised me to go on the course. It's having someone there saying you can do it. It was fantastic. It's got me to where I am on the way." (11)

Table 9.6

The increase in self-confidence can be attributed to a number of factors such as the support of peers on the course, the personal support of the business advisers or the knowledge imparted through the courses. These processes, in part reflect the debates that surround social capital formation. For example, women formed common bonds, they were given opportunity to meet people outside of their everyday experiences, such as bank managers, people from the tax office and so on. These relationships are discussed by women cited in Table 9.7.

Quotes about Working with Women

"Learning from other women and their experiences." (74)

"It was exposure to other people and what they were doing." (88)

"It was a very mixed ability group of women with mixed backgrounds. I enjoyed being a part of that group." (85).

"Hearing other people's ideas" (98)

"There were good discussions." (32)

"It was good to talk somebody." (64)

"I was halfway there and needed more information and felt more comfortable with it all being all women." (106)

"The best thing was networking and hearing the experiences of other women." (120)

"It was very accessible, friendly and very relevant input. Learning from other women and their experiences I learnt a lot" (74)

"From the initial meeting, speaking with other women helps. I think women need representation. Having a woman representative saying, "We are doing it." helps and it's not predominantly men. It was pretty good advice."(128)

"Women are more confident working with other women."(87)

"That's why I liked the course. It's run for women by women."(41)

"It was nice having advice from a woman's point of view. I had already approached other advice agencies, which were mainly men."(69)

"Still harder as a woman being taken seriously. It feels like a lot of doors are still closed. It was good to have support from women."(119)

"Having a woman representative saying we are doing it helps and its not predominantly men. It was pretty good advice and a good atmosphere" (128)

Table 9.7

It could be argued that had Train 2000 focused upon both men and women, as had been the case in SMART and EDT, these particular trends would not have occurred.

The added value of Train 2000, or what it could provide over and above similar organisations, was 'gendered' space. By formulating a 'gendered space', the services could be tailored to the needs of women. For example, the courses are run at times that fit in with those women who have to care children; subsidies are given to all women who attend the courses in order to help cover the costs of travel; and extra help is available for those women who have to pay for extra childcare. The organisation also appeared to be more sensitive to the needs of service users than may be the case in other agencies. This was demonstrated by the development of new programmes incorporating courses centred around building confidence and self esteem, as well as offering appropriate means of loan finance. These services were

not so well developed by other similar agencies in the public or private sectors. Some of the cases already quoted have already highlighted show that in some cases the advisers provided much more than business advice. This was also true for the next respondent quoted:

“Train 2000 was outstanding. Big pat on the back. Without that support I probably wouldn’t be working now. I wanted to know how to do a business plan. But I couldn’t take the place on the course because I got a job offer and for financial reasons I took the job. Lisa was very supportive through a personal issue – and the extra support made me feel like I can always come back”.

The following section draws together some of the main points made so far. It provides a short synopsis about the success of the programme and illustrates how the social economy model has been used by Train 2000 to help them meet their social objectives.

9.5 Conclusions

This chapter has shown that Train 2000 has relied upon the output figures recorded for the funding bodies, which had centred upon the number of microbusiness starts. These were, for the most part in the private sector and not the social economy. Although these outputs were disaggregated to reveal the number of women from black and minority ethnic groups and numbers of jobs created, other important facets such as the types of business created, the sustainability of the businesses and location were not recorded. The outputs recorded were restricted by the organisation’s lack of resources for data collection.

The social audit has been used as a means to demonstrate a more holistic approach to measuring impact. However, the restrictions placed upon the organisation, in terms of time and resources, meant that they had not been able to engage fully the group of stakeholders the programmes had been set up to benefit i.e. the women service users. The social audit did however provide some qualitative feedback, suggesting that there may have been important intangible impacts such as increased self-confidence. As a result, it was felt that a more holistic account of impact would necessitate a methodology that engaged the largest, and arguably most important stakeholder group: the service users (Anastacio et al, 2000). Given the low response rate of postal questionnaires and difficulties associated with trying to engage a broad enough sample into face-to-face interviews, telephone interviews were used in order to trace the outcomes and impacts of the NOW programme on women previously not tracked.

The results reveal that there is an emerging geography to Train 2000 that indicates that women who live within close proximity are more likely to use the services regardless of socio-economic background. Whilst the majority of business starts reflect mainstream patterns, i.e. business starts are most common in affluent southern parts of the city, the results indicate that significant numbers of businesses were created in Pathways areas, most significantly Granby ward, which has the highest density of black and minority ethnic populations. This indicates that Train 2000 has played a significant role in helping to create businesses in areas and groups traditionally considered to be socially excluded. However, the areas in which no business starts have been recorded suggest that place matters. Why, for example, have there been businesses created in Granby, Everton and Aigburth, and not in Picton, Kensington and Breckfield, which are also Pathways areas?

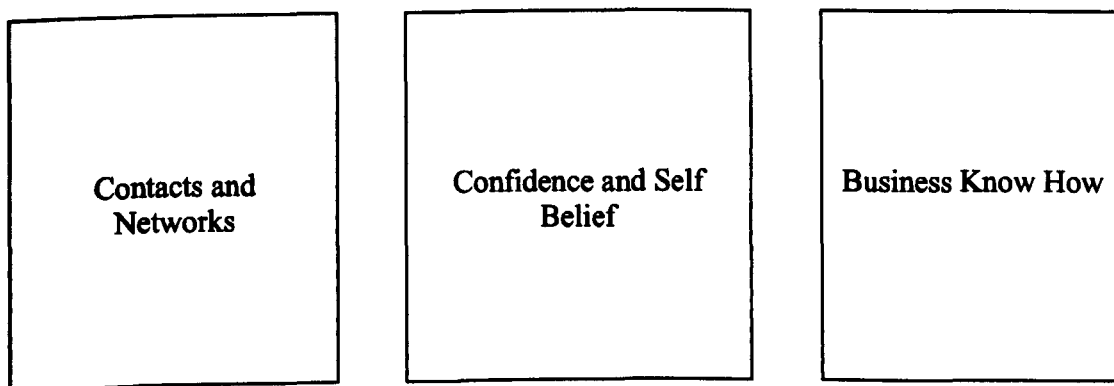
The results indicate that up to half of the women not tracked by Train 2000 could either be in business or likely to set up in business within the twelve months after leaving the organisation. These figures suggest therefore that up to four in ten women who use Train 2000 will be in business or set up their own businesses. Which is higher than the two in ten business start-up figure currently used by Train 2000. For those women that do not set up in business the theory of change model has been used to show other impacts.

The chapter has shown that often the decision about whether to set up or not depends upon wider labour market processes which dictate that the only employment flexible enough for women wanting to combine care of family members with paid work is part time work that is more likely to be low paid and low skilled which in turn demonstrates the complexity of issues faced by organisations such as Train 2000. This reflects the work of researchers such as Speak (2001), Forsyth (2001) and Bruegel (2001).

There are cases in which Train 2000 can have a clear impact, for example, by providing opportunities for women to network with people they would not ordinarily meet. For example, the cases used have demonstrated that women met people from the tax office and the banks. The results have shown that some women have benefited in terms of increased self-confidence, and feeling of new opportunities linked to increased social capital and changing gender identities.

The results showed that women were likely to come to Train 2000 for help with issues around business finance, marketing and business planning before accessing mainstream service providers, such as the banks and private sector business support agencies. In some cases women have gone back to Train 2000 (both in cases where women set up and where women do not) to join the Women in Business Network. Not only do women benefit from business-related knowledge, therefore, but also from the networks and relationship formed and renewed self confidence in themselves (see figure 9.13).

Figure 9.13 Diagram to show three main impacts of Train 2000



Analysis showed that women valued the opportunity they had to mix with other women on the course which reflects the findings of Marlow and Westall (2003) who found that women valued the opportunity to share common concerns. The discussion illustrated that women mixed with people outside of their everyday experiences. The gendered space meant women felt less inhibited than might have been the case had the programme been mixed (both men and women), and in women were enthused by peers in the group. Women could also use the support of their business counsellors with whom they could book one-to-one sessions when they needed extra support. In some cases the support received related to factors and issues that would not normally

be under the remit of a business support agency. These included, for example, problems relating to financial difficulties and family-related problems.

The primary research has shown that the programme reached under represented groups. The organisation provided a forum or space in which women are able to come together. This helped to form a common bond, and so to create social capital. This in turn helped women to challenge orthodox gender perceptions, as demonstrated by the woman who said, *'I never thought women had the scope to own their own businesses'*. The experience opened up new opportunities not just business ownership. There were much wider impacts than business outputs. Train 2000 was run for women by women and the feedback suggests that it was delivered successfully. Notably, there was no negative feedback.

The chapter demonstrates that Train 2000 and other similar organisations have localised impacts. For example, there have been more businesses start-ups in those wards surrounding the organisation. The move to a city centre location may therefore have an impact upon the geography of impact. Whether or not this would widen the areas within which impacts are recorded or exclude women in areas such as Granby which are now further away from the organisation remains to be seen. There were cases in which outreach work had helped women to access the services and this is something that could be developed by the organisation.

The formation of partnerships such as PROWESS represents a recognition that, in order to promote wider empowerment of women, there needs to be a larger-scale joined-up approach. These moves support Amin et al (2003)'s observation that social

economy organisations are too localised - that is they are trying to counteract processes which affect a far wider geographical area. Working in partnership with similar organisations elsewhere in the UK, Europe and, more recently, India and South Africa, means the organisation has potentially a much broader and far reaching impact.

The social economy model is used by Train 2000. The model has enabled a group of women brought together, in recognition of inadequacies of the public or private sector, to provide quality business support to develop an organisation run to meet, primarily, social objectives. However, it relies upon funding for its sustainability and as such the management team have reluctantly engaged with the market. The organisation's ownership, and structure mean that it has flexibility not available in the public sector. This responsiveness is enhanced by a management team who have firm beliefs in a common social cause i.e. empowerment of women.

The results suggest that Train 2000 has provided a distinctive service. The tailored courses and advice have helped people who would not have been able to approach other similar organisations in the public or private sector. Train 2000 aims to help women gain from the mainstream economy. Yet the organisation has yet to fully develop alternative notions of community-based economies especially in areas and groups categorised as deprived. This illustrates the tensions and impact of neo-liberalisation. Empowerment of women has meant Train 2000 have had to focus on empowerment using the mainstream economy.

Chapter 10 Exploring the Potential of Social Enterprise: The Furniture Resource Centre

The Furniture Resource Centre (FRC) has been chosen as the third case study organisation because of its environmental focus. This provides an opportunity to examine Lloyd's hypothesis that there is strong potential for new sources of jobs to be created within the environmental sector (Lloyd, 2001). FRC began as a community-led charity. It has now developed a number of subsidiary social enterprises and is held up as a best practice example of the new market-led approaches to the social economy (SentU, 2003). The case study is illustrative of the continuing blurring of boundaries between the social economy and the public and private sectors (Saxon-Harold 1990). The following section describes the background to the FRC and aims to fully explain the organisation's growth and development as a way of contextualising the case study research.

10.1 The FRC: The Background

In its current state the FRC is almost unrecognisable from the organisation that it was almost twenty years ago. The discussion will show how the organisation has changed from a charity run by two volunteers in 1988, collecting and redistributing second-hand furniture to people in need, to an organisation that now employs 75 people and has a turnover of over £5 million. The discussion will also highlight some of the issues this change raises in relation to the wider social economy.

The FRC was set up in 1988 as a church-led, charity, redistributing second-hand furniture items to people in need in Speke. The organisation, now known as the FRC Group, moved from Speke in 1994 and is now located in one of the city's main business parks less than one mile from the city centre. In 2003 the organisation consisted of five social enterprises: the One Stop Furnishing Service, Revive, Bulky Bob's, the Cat's Pyjamas and a Ben 'n' Jerry's franchise ice cream shop.

The most developed social enterprise of the group is the One Stop Furnishing Service for registered social landlords. The One Stop Shop Service is the oldest of the social enterprises and was unique at the time of its inception. The One Stop Shop evolved from a change in the Fire Safety Regulation act of 1995, which prevented the selling, or redistribution of any furniture that lacked the required fire safety standards. The change in legislation meant that FRC would have been prevented from redistributing any furniture which did not meet the required standards. Moreover the service would have had to close had changes not been put in place. Two new measures were therefore introduced in order to make the organisation financially sustainable. First the organisation developed training and employment for long-term unemployed people in the upholstery and restoration of the collected furniture. It was this service that came to symbolize the work of FRC. Second, the organisation developed a service to sell furniture packages to registered social landlords.

This change represented the first and probably the most significant move in terms of the organisations aim to generate its own income through trade rather than grant aid (Morrin et al 2004: 74). This development fitted with the argument that social

economy organisations needed to delocalise their activities (see, for example, Amin et al, 2003: 40-41). The scale and growth of this enterprise, however, was much larger than the organisation had expected. The success of the One Stop shop has enabled FRC to diversify and grow in a way not seen elsewhere within Merseyside or the Northwest, although there have been some other notable successes in Glasgow, London and Bristol. The FRC Group therefore became one of the largest of the social economy organisations in Merseyside.

The group also encompasses Revive. Revive is a high street store that sells low cost furniture, much of it second-hand and collected by FRC, in order to sell to low-income households. Revive was set up in 1998. The customers are largely referred through a base of over 100 locally-based referral agencies within the city from local citizens advice bureaus to specialist advisory organisations for marginalized and disadvantaged groups. The Revive service has probably been the most difficult to develop. For example, the shop is located among other major high street retailers whose target market also low-income households. When the shop opened, some local traders claimed that the shop was unfair competition because 1) FRC received grant aid and 2) sold furniture it collected from people who no longer wanted it. This raises issues around local displacement (Pearce, 2003) which this chapter addresses: It examines the extent to which the jobs created within the social economy displace other jobs in the mainstream economy; whether the social economy offers equal pay and conditions to the public or private sectors; and whether the social economy constitutes unfair competition to other similar organisations within the private sector.

The third service, Bulky Bob's, was set up in 2001 in order to collect and recycle bulky household waste such as beds, wardrobes, sofas, tables, chairs, washing machines, and fridges (SEU, 2002, 2003). In Liverpool, Bulky Bob's has a contract with Liverpool City Council to collect items from some 40,000 homes per year. The white goods it collects are given to another local social enterprise Create for recycling and the wooden furniture given to a local youth training project. Other items are sold within the FRC group, via the Revive retail outlet.

Of significance here, is the development of what has been termed a 'social economy contract', which has been awarded by Liverpool City Council on top of the agreement made for the collection of bulky household waste. The 'social economy contract' encompasses agreements and targets, such as the training and employment of a set number of long-term unemployed people and increases in the amounts of waste being recycled or reused. For example, by the end of the contract Bulky Bob's has to have achieved a recycling rate of 30 per cent. The extra contract is worth £400,000 over three years and it is the first of its kind to be used in the UK (DTI, 2003). The social economy contract was formed on the basis of 'Best Value'. Best Value was introduced by the Government in April 2000 as a method used to ensure that all councils deliver services of a good standard at a reasonable cost. It forms part of a wider Government modernisation agenda for public services (LCC, 2003).

Bulky Bob's now has contracts to deliver this service in three other national local authority areas. It has been held up as a key part of refocusing the procurement strategies of other local authorities around the country (SentU 2003). The opening up of other local authority services to the social economy sector is currently being

heavily promoted by the DTI (2002, 2003). As is the case with Revive, there are observations of researchers in the public sector who claim that the services threaten to displace other public sector workers and that the social economy is unable to provide equal pay and conditions (Pearce, 2003). The chapter therefore seeks to explore some of these concerns: Are local jobs displaced? What are the benefits to such contracts being awarded to social enterprises? What is the added value?



Figure 10.1 The Bulky Bob's Collection Van – depicting the partnership arrangement between a social economy organisation and the local authority

In addition to these businesses the group has also established a workshop-based package, called the Cat's Pyjamas, for people wanting to learn about social enterprise development. In 2003 the group entered into its first partnership arrangement with a private sector company when it opened its Ben 'n' Jerry's ice cream shop in Chester. The shop provides employment and training to young (16-25) long-term unemployed people. This new development is significant because it represents the first move towards partnership working between the private sector and the social economy

sector, not yet seen elsewhere in the UK. In part this move is more aligned with observations of researchers in the 1990s who had predicted that the boundaries between the social economy and the public and private sectors were would begin to merge (Saxon Harold 1990, Kendall & Anheier 1999).

Table 10.1 illustrates the growth of the organisation from the opening of its first social enterprise in 1993, to 2004. The table shows the growth in the number of staff and highlights the cumulative increase in turnover. However, there has been a decrease in turnover in this last year, which is unexpected given that the group has more social enterprises than it has ever had before. The second chart illustrates the growth in profits for the organisation up to 2002. Notably traded income as a proportion of grant income has continued to grow. (Amin et al 2003: 37, SEL 2001, SEU 2003, Morrin et al 2004: 74). The table shows that in 2000, 93 per cent of the organisation's income was from the sale of its goods and services rather than public funding; a reversal of the case in 1993/94 where 84 per cent of the organisations turnover came from grant income (See Figure 10.4).

Growth of turnover and staffing and grant/sales ratio from 1993 to 2000

Year	Turnover	% Grant Income	% Sales Income	Staffing	Group Profit / Loss
1993/94	£ 264,941	84	9	17	£11,543
1994/95	£ 689,816	54	46	25	- 839
1995/96	£ 1,190,551	29	68	24	£19,417
1996/97	£ 1,881,062	19	79	38	£10,435
1997/98	£ 3,035,277	11	84	51	£55,962
1998/99	£ 3,111,149	18	81	62	£221,885
1999/00	£5,421,464	7	92	71	£411,776
2000/01	£6,682,950	7	93	150	£504,320
2001/02	£7,629,318	10	90	94	£773,358
2003/04	£4,916,185	-	-	78	-

Table 10.1 Source: Growth of Turnover and sales income in FRC 1993-20000 adapted from FRC (2000, 2001, and 2002) & Morrin et al (2004: 77).

Chart to Show Profit and Loss FRC 1993-2002

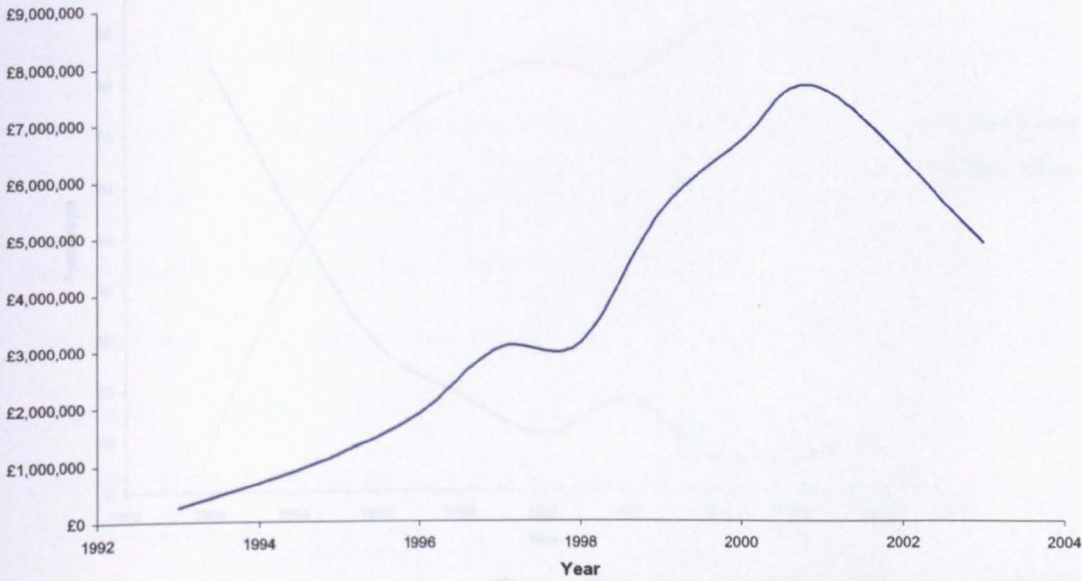


Figure 10.2: Turnover in FRC

Chart to Show Profit and Loss FRC 1994-2002

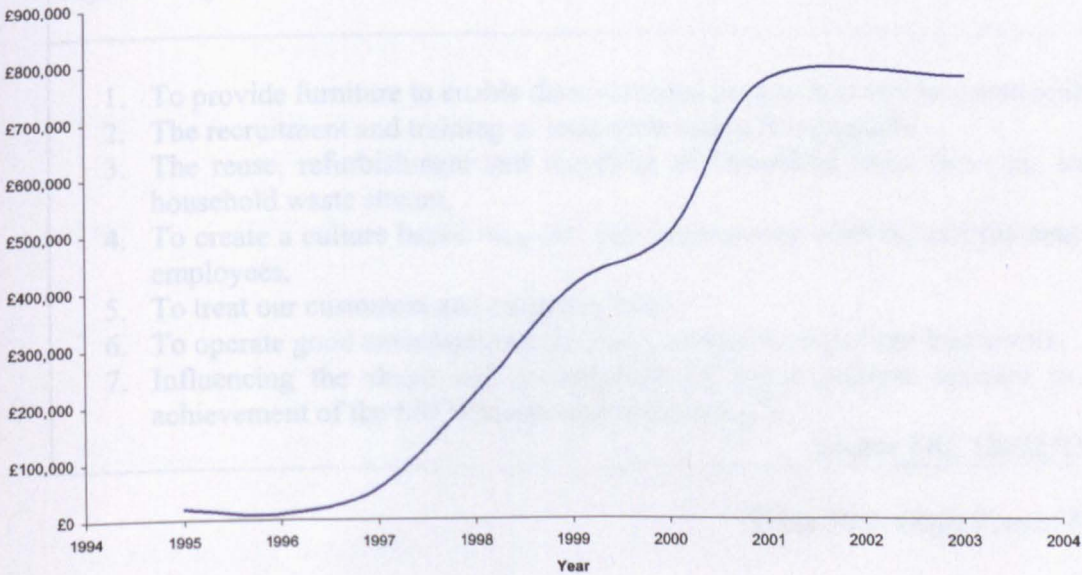


Figure 10.3: Profit and Loss in FRC 1994-2002

Chart to Show Proportion of Grant Income to Traded Income FRC 1994-2002

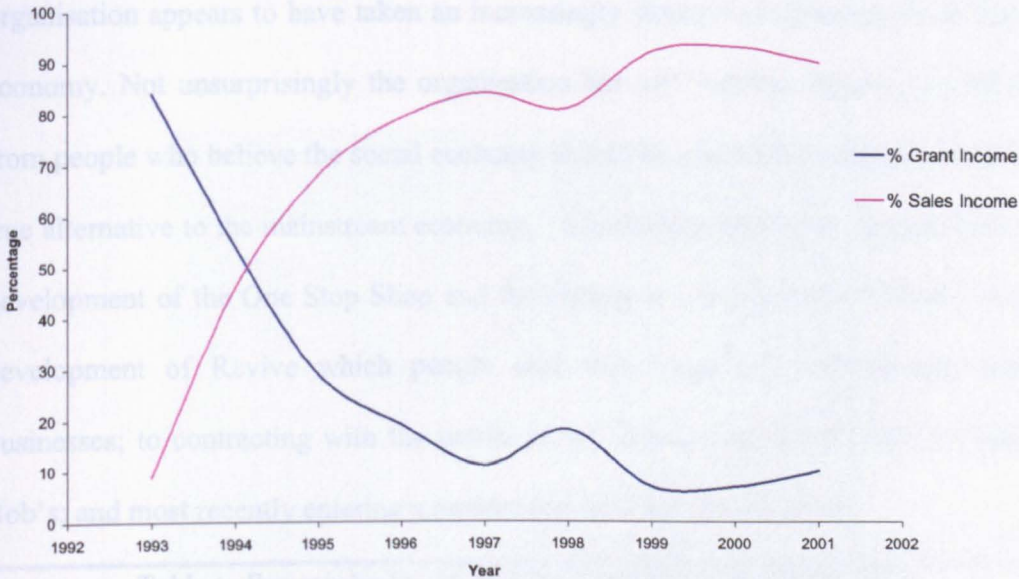


Figure 10.4: Grant and Traded Income 1994-2002

The FRC group has seven social objectives that are shown in Table 10.2.

Objectives of the FRC

1. To provide furniture to enable disadvantaged people to access accommodation
2. The recruitment and training of long-term unemployed people
3. The reuse, refurbishment and recycling of household items from the bulky household waste stream.
4. To create a culture based on a fair and empowering working environment for employees.
5. To treat our customers and suppliers fairly.
6. To operate good environmental practices in the running of our businesses.
7. Influencing the shape and development of social policies relevant to the achievement of the FRC Groups charitable purpose.

Source FRC (2002/03: 4)

Table 10.2: Objectives of FRC

The following table summarises the key developments in the growth of FRC since 1988. The table illustrates the main points of its development. It demonstrates that the organisation appears to have taken an increasingly market-led approach to the social economy. Not unsurprisingly the organisation has met varying degrees of criticism from people who believe the social economy should be community- based and offer a true alternative to the mainstream economy. Contested points have ranged from the development of the One Stop Shop and the change to earning traded income; to the development of Revive which people said was competing with private sector businesses; to contracting with the public sector through the development of Bulky Bob's; and most recently entering a partnership with the private sector.

Table to Summarise the Main Developments in FRC 1988-2004

1988	Charity – collecting and redistributing second-hand furniture to people in need
1994	Change in Fire Safety Regulation. 1) Began to train the long-term unemployed in re-upholstery and logistics. 2) FRC began to trade and sell furniture to registered social landlords.
1998	Opened a Revive a high street store through which the collected second-hand furniture could be sold to low income households.
2000	Opened Bulky Bob's and took their first major public sector contract with Liverpool City Council.
2001	Opened the Cat's Pyjamas in order to meet the demand from visitors wanting to visit FRC.
2003	Partnership with the private sector. Opened Ben and Jerry's Ice Cream Shop.

Table 10.3: Developments in FRC 1988-2004

This section has provided background knowledge to help the reader contextualise the research and therefore to relate the impacts to the wider context and debates. The following two photographs illustrate the original sign located at the back of the

organisation and the new entrance which was built with lottery funding. The two images are used to depict the change in the way in which the organisation has re-orientated itself, from being a charity to what is a very commercially-orientated company.



Figure 10.5 How the FRC Began – the original sign from when it was a two-man charity displayed on the back wall.



Figure 10.6 The FRC – the new front entrance

Having described the growth of the organisation, I shall now describe the background to this research. The discussion outlines the means of evaluation within the FRC group, which included social and environmental audits. The section uses Bulky Bob's as the main focus of the research because of its relationship with Liverpool city council (the CASE partners) and also its environmental focus, which provide the starting points for an examination and exploration of the wider social and environmental impacts of Bulky Bob's service.

Social Audits

Of the three case studies, FRC has completed the most social audits. The organisation has completed a social audit every year since 1997. Each of these reports has included an range of in-depth information about the organisation broken down into social, environmental and economic impacts. The last social audit report (2003) included: feedback from customers who had received furniture from the one stop shop; information about suppliers, such as their location, because the organisation tries to spend locally; figures about the rates of recycling within the organisation; feedback from Revive customers and attendees of the Cat's Pyjamas programmes; and feedback about staff development and their levels of satisfaction with the organisation; information about the equal opportunities policies; background information about the ILM programmes; and information about the environmental policies of the organisation.

The extent of the information is much wider than that collected within other case study organisations and is probably more than most national organisations. In 2002

the organisation was given a national award over companies such as the Co-operative Bank by Accountability ²⁰, one of the most recognised national bodies endorsing social audits. The organisation has also begun to complete environmental audits which detail everything from the organisation's use of gas, electricity, and water to the organisation's policy towards waste recycling and purchasing.

My purpose here is not to judge the social audit reports. I do, however, wish to convey the major differences between the experiences of FRC and the other case studies in the way the reports are used. For example, FRC have been able to use their social audits as a key marketing tool. They have also sought sponsorship to enable them to complete the social audit each year. Sponsorship funds have enabled them to allocate over £30,000 to the exercise year upon year. This is considerably more than other smaller organisations could afford.

Having completed more than six reports, the organisation has had more experience in the social audit process than the other case studies. As a result some of the major criticisms of social audits, for example, that they lack external verifiability (Gray et al 1997) and fail to engage all stakeholders (O'Carroll 2003) have been addressed by FRC. The following section therefore outlines the ways in which the social audit reports have developed over time. There are four central points of change in the way in which the social audit process has been implemented within FRC which relate to 1) the way stakeholders are consulted 2) the methodology used 3) the depth of analysis and 4) the verification of reports (see table 10.4). The changes reflect trends in both the type of impact the organisation has set out to measure, in the ways that impact has

²⁰ ACCA is the standard applied by Accountability one of the nationally established bodies and standards of social accounting. Should you explain what ACCA is here? Also some repetition of the wording about Accountability in the text.

been measured. For example, over time the organisation has sought to engage with more stakeholder groups. This has been achieved mainly through the co-operation of a number of partner organisations commissioned to carry out the extra research work. The outsourcing of work has helped the organisation to overcome the lack of internal expertise in terms of social research methods, which was highlighted as a criticism of the social audit process by Spear (2003).

Recently the organisation has sought to use different models and methods of measuring impact, for example, they have looked at using models such as Ethical Explorer and Local Multiplier 3 developed by the New Economics Foundation. These models incorporate a package of methods designed to help measure an organisations local economic impact. The Local Multiplier 3 is based upon the principle that whenever a sum of money is invested into an area, a proportion will be re-circulated therefore increasing the value of the original amount of money invested. The model requires an organisation to identify the amount of money it generates, where it spends that money and where that money goes after the organisation has spent it. For example, it requires an organisation to identify whether or not suppliers are locally based, as well as asking staff to indicate where they are most likely to spend their money. The answers to these questions are combined in order to provide an indicator of an organisation's local economic impact. Staff at FRC, however, informed me that they had felt uncomfortable about asking people where they spent their money. The example raises ethical issues around the boundaries of evaluation and the types of information and questions an organisation can be expected to ask of people. The following table summarises the four main points of change and provides examples of each.

Table 10.4 : Central Points of Change in the use of the Social Audit Model

	<i>Types of Change Over Time</i>
Stakeholder Engagement	Gradually progress from internal stakeholder engagement to engagement of internal and external stakeholder.
Methodology	From using feedback from questionnaires, adoption of more appropriate models such as Ethical Explorer and Local Multiplier 3
Analysis	Move from presenting raw data to benchmark both against FRC's own previous performance and other comparable organisations
Verification	From the use of an unpaid voluntary social audit panel they look at using professional auditors

So far the chapter has outlined the growth and development of FRC and shown that the organisation has a more developed background in social auditing than the other two case studies. It has shown noted that FRC has managed to secure more resources and has brought in external expertise in order to help them complete the audit. They have also looked at new models, although some of these have been open to challenge. There are some trends in the development of the social audit that seek to address some commonly raised concerns such as the lack of stakeholder engagement and verifiability (Seyfang, 1999a).

The following section details the environmental impacts of Bulky Bob's. The section seeks to illustrate the added 'environmental' value that the service has provided. Bulky Bob's provides a good example because the contract has nearly come to an end and the organisation's performance could play a major role in influencing how future public services are contracted out. The Bulky Bob's contract has been under intense attention from others within the social economy because of the way in which the

service was contracted out with the addition of social and environmental clauses under Best Value criteria.

Environmental Impact

Table 10.5 highlights some of the key statistics used to measure the performance of Bulky Bob's since 2000. The table shows that the number of collections of unwanted bulky household goods within Liverpool has increased each year from just under 30,000 in 2000 to just under 45,000 in 2004. The amount of bulky household waste collected has increased by almost 1000 tonnes. This has meant that FRC have been challenged with not only collecting more unwanted furniture, but also with finding ways of increasing the amount to be recycled or reused. They have, for example, been researching ways to recycle old carpets and televisions. Partnerships with other local organisations have also been central to this aim, such as that with Create, who have reused and recycled almost 20 per cent of all the white goods collected

Table 10.5 also shows that the recycling rates have increased year upon year from 12.5 per cent in 2000, to 36 per cent in 2004. This is six per cent over the agreed requirement set by Liverpool City Council. Over four years nearly 3000 tonnes of bulky household waste has been taken out of the waste stream and not taken to landfill. This equates to just over 65,000 items. Thirty-seven per cent of these were furniture items such as tables, chairs, sofas and beds. Sixty-three per cent were white goods such as washing machines, fridges, freezers and cookers. However, the increase in the amount of tonnes being collected has meant that the number of tonnes going to landfill was more in 2003 than it was in 2001. This is not a reflection of the Bulky Bob's service, but a reflection of the growing amounts of rubbish being thrown away.

Placing recycling targets may therefore only be part of the solution. It may be argued that measures need to be put in place in order to reduce the amounts people throw away. However, without Bulky Bob's the amount of waste going to landfill or dumped elsewhere would be doubled.

In addition to these very clear quantifiable impacts it could be suggested that the Bulky Bob's service has contributed to wider awareness of the issues surrounding the environment and the reuse and recycling of household waste. For example, as part of the work carried out as a participant observer, I telephoned over 50 customers of Bulky Bob's. The results of this telephone survey indicated that since the service had begun people had noticed that less rubbish was dumped in their local areas. It was also apparent that more people had used the service because they knew that their goods could be reused. This suggests that there may be wider impacts of such services in that they help to raise public awareness about environmental issues.

Table 10.5: Bulky Bob's Collection Statistics

	2000-2001	2001-2002	2002-2003	2003-2004	Total
Total Visits	29201	42332	43092	43457	158082
Completed Collections	25925	37811	38226	38756	340718
Aborted Visits	3276 (11%)	4,521 (11%)	-		
Tonnes Collected	2031	2729	2923	2951	10634
Tonnes tipped	1777	2143	1982	1931	7833
Tonnes recycled	254 (12.5%)	607 (22%)	949 (32%)	1021 (35%)	2831 (36%)
White goods passed on to Create Furniture	4106	7575	15475	17721	44877
Items Pulled Out of the Waste Stream	3588	6 088	6 042	4521	20239
Complaints	2	5	8	14	29

Source: FRC (2000/01: 12).

As Table 10.1 shows, the service has had positive impacts for the local environment. It has shown that the recycling rates can be increased and this should help the city meet the required EU legislative controls due to be introduced in 2006 which require all local authorities to have a recycling rate of 15 per cent. Currently Liverpool's recycling rate is only 2 per cent, one of the lowest in the UK (Brennan & Ackers 2003). However, there are no reasons why this service could not be provided within the private sector. In fact the local authority have just awarded the contract for street collections and recycling to a major private sector company. An informant working for the local authority explained to me that the private sector has an advantage in

competing for such tenders. A bid put together by a social enterprise, such as Bulky Bob's necessarily includes the costs associated with providing added social and environmental benefits, such as the training of long-term unemployed. What impact does this have? Has Bulky Bob's contributed added value to the local economy? What wider impacts has it had? Can these be incorporated as key decision-making factors in contracting decisions of the local authority? The following section seeks to explore the impact of the employment created for the long-term unemployed.

Intermediate Labour Market Employment

Bulky Bob's activities centre on the collection, sorting, reuse and sale of collected furniture goods. These activities require relatively low level labour market skills and are used to provide intermediate labour market (ILM) employment and training for long-term unemployed. The ILM model contrasts to the original community business model where community members and beneficiary groups took over all aspects of the organisation including management and sales. In FRC and similar organisations the employment is divided between full time staff who carry out the administration, sales marketing and management and the ILM workers, who normally carry out the lowest skilled work.

Intermediate labour markets (ILM's) have arisen out of a need to provide an intermediary labour market service which can offer the chance of a real job, as opposed to other types of training provided mainly through government schemes (Amin et al 2003: 31). In the UK ILM contracts last twelve months. Contract lengths can vary between different European countries. For example, in Germany the ILM

contracts can last up to three years. ILMs can provide the experience, support and qualifications to local people who have been excluded from the mainstream labour market (Lloyd, 2000: 4). In the UK the best known example of ILM development has been Glasgow Works (Amin et al, 2003: 70). Glasgow Works was launched in 1994 to help long-term unemployed people (defined as those out of work for 12 months or longer) back to work. Glasgow Works employs nearly 300 people within a wide range of environmental and community based projects within Glasgow. These projects include a community motivator scheme which employs people as leisure attendants and guides tasked with encouraging Glasgow residents to participate in sports, arts, cultural and other leisure activities. Glasgow Works also employs community development workers, health action workers; and a range of environmental improvement project workers (Glasgow Works 2002). In 2001 62 per cent of all ILM participants of Glasgow Works went into further employment and over half of the people unemployed for over three years found a job when they left (Glasgow Works, 2001: 7). The total cost per job outcome for Glasgow Works in 2001 was around £16,000. In FRC the estimated cost is about £18,000.

10.2 Results: FRC

Measuring the Impact of the Intermediate Labour Market Programme

Campbell argues that job generation on its own does not work for particular groups of people, based upon the observation that long-term unemployment persists in particular areas (Campbell, 2000: 655). He presents a case for locally-based measures to 'reconnect' people more effectively to the job opportunities that do arise. These measures include the development of ILM programmes and support for third sector and social economy organisations, on the assumption that labour market interventions

work best at the local level, because they are better able to respond to local labour market needs and meet the requirements of local people (ibid: 657). However, he stresses that not enough is known about the impact of such measures (Campbell 2000: 662). Most studies that do exist do not examine the quality and duration of jobs people go into, nor subsequent longer-term effects on individuals or their life chances. He states that the evaluations to date cannot tell us why things worked. This links to the ideas presented by Kubisch et al (2001) and the theory of change model; in particular the arguments that certain factors that produce particular outcomes in some contexts, but not others. He argues that there is a need to complement quantitative assessments of performance, for example, numbers into jobs, with more qualitative local studies which are able to examine why certain types of action are likely to be effective.

Campbell (2000) argues that a system of tracking individuals is likely to be important in a multi-agency environment when individuals and their needs, in a holistic sense, are the focus. Instead of focusing wholly upon the job outputs, he argues that the impact of such programmes could be considered in terms of how far people have moved along 'the pathway to employment' which resembles the 'distance travelled' idea presented within the previous chapter (2000: 662).

Building upon these ideas the chapter seeks to explore the wider impacts of the ILM employment provided. It will build upon the work of Hopkins (1995) and Littlewood and Moran (1999) who found that the employment opportunities provided by community businesses could give individuals who had previously been long-term unemployed new skills and confidence. The findings draw in part on the alternative

approaches to evaluation used by researchers such as Kubisch et al (2001) and Townley and Wilks-Heeg (1999). For example, the research sets out to identify how the ILM experience has benefited individuals. Has it lead to wider positive changes for people? Have ILM participants gone on into further employment? What other factors have helped people to find employment? What other impacts have there been? Should employment of ILM employees be the overall measure of the success of such organisations? What other factors affect particular impacts? The discussion begins with an outline of the quantitative outcomes of the ILM programmes delivered by FRC.

In 2000 FRC offered 53 ILM places. In 2001 this was increased to 77. This high number of places has not been matched since. By 2003 the number of long-term unemployed offered ILM contracts had been reduced by more than 50 per cent and was less than 35. Although in 2004 the number had increased slightly.

Table 10.6: ILM Employment in FRC 2000-2004

	Number of Long-term unemployed on the ILM Programme	ILM Male/Female Ratio	% Black and Minority Ethnic Groups	% of ILM employees who went into further employment or training	% Unemployed		
					6-12 months	12-24 months	24 months +
2000/01	53	1:10	-	80	39	29	32
2001/02	77	1:10	-	60	40	32	28
2002/03	33	1:10	9	90	19	81	0
2003/04	48	All men	24	70	9	73	12%

The ratio of females to males has been very low. Prior to 2004 there was only one woman for every ten men. In 2004 there were no women. The organisation links this to the type of work being offered, for example, logistics work involves driving, deliveries and warehouse work which involve heavy lifting. They have tried to recruit more women, without success. In cases where women have been taken on, they have left soon after they have started, there reasons for which are unclear. There are reasons given such as the work being too strenuous or other personal reasons such difficulties at home. The organisation has also struggled to provide employment to people from black and minority ethnic communities. The table above illustrates that in 2003 only 9 per cent of the ILM employees were from black and minority ethnic backgrounds in 2004 this had increased to 23 per cent. This compares to a recorded level of only 6% of minority ethnic groups in the surrounding area. This figure In order to achieve this increase the organisation has had to seek out key contacts within the black minority ethnic communities because the numbers of people applying for employment from these communities were so low. The employment offered has therefore been dominated by white males.

The rates of ILM employees going into employment has fluctuated. In 2000 80 per cent of the ILM employees went on into further employment or training. In 2000/01 the rate dropped to 60 per cent.

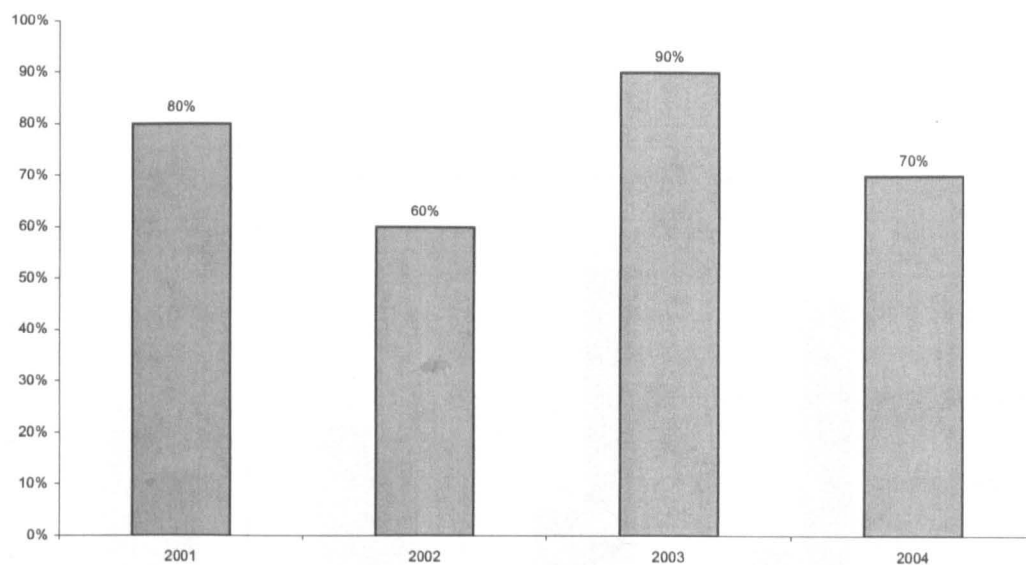


Figure 10.7: Percentage of ILM Employees into Employment

In 2002/03 the rate increased to 90 per cent, followed by a drop in 2004 of 20 per cent (see figure 10.7). The rate, has however, always been higher than other local ILM schemes whose average was 54 per cent (LCC, 2002).

The following chart illustrates the breakdown of ILM employees each year according to the length of unemployment. The chart illustrates that the proportions of people unemployed longer than 24 months was greater in 2000 and 2001 than it has been in more recent years. For example, the chart shows that almost 30 per cent of ILM employees in 2000 and 2001 had been unemployed longer than 24 months. This had decreased to 0 in 2002 although the proportion increased again to 12 per cent in 2003. The chart shows that the proportion of people unemployed for 6-12 months before joining the ILM programme has decreased since 2001.

Chart to Show Length of Unemployment Amongst ILM employees 2000-2004, FRC

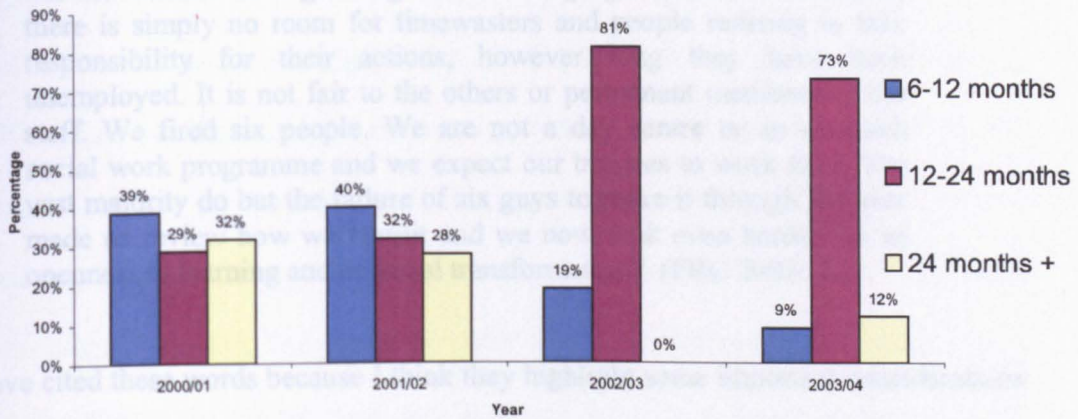


Figure 10.8: Length of Unemployment Prior to Joining the ILM Programme

In contrast there has been a significant increase in the numbers of participants who have been unemployed for 12 and 24 months. These trends reflect changes in the organisation. For example, the rapid growth of the services offered by FRC meant that in 2002 and 2003 the demands upon the organisation were greatly increased. As a result, it was felt by some members of staff, that the people taken on the ILM programme were those most able to carry out the most work and therefore those who were most likely to go into further employment i.e. those not so hard to reach (Lloyd 2001). However, since 2003 changes have been put in place to redress this trend. Specific efforts have been made to recruit people who have been unemployed longer than 24 months. There have also been concentrated efforts to increase the numbers of women and people from black and minority ethnic backgrounds. FRC's experience, however, highlights some important considerations about the balance between the business needs and the need to meet social objectives. For example, in 2003 six employees on the ILM programme were sacked for not attending work on time and general bad behaviour. The chief executive stated;

“In the context of a growing and challenging business environment there is simply no room for timewasters and people refusing to take responsibility for their actions, however long they have been unemployed. It is not fair to the others or permanent members of our staff. We fired six people. We are not a day centre or an outreach social work programme and we expect our trainees to work hard. The vast majority do but the failure of six guys to make it through the year made us review how we recruit and we now look even harder for an openness to learning and personal transformation” (FRC 2003: 26).

I have cited these words because I think they highlight some important considerations about the impact and overall objectives of ILM organisations. The Chief Executive’s words clearly illustrate the importance felt by the organisation about getting people to fit in; getting people to work. In one other organisation within the city (the work from which I have not been able to use because of restrictions placed upon me by the 1993 Data Protection Act) indicated that quite often ILM employees had been given written warnings about late or bad behaviour, such as people not turning up on time, walking out of work, fighting and breaking equipment. The chapter indicates that the pressure upon ILM employees increases, as the needs of organisations become more market-orientated. The results of the interviews included later will show that ILM employees had felt the pressure of increasing production, having targets increased weekly and so on. ILM employees were expected to clock in and clock out. In one organisation ILM employees were docked one hour’s pay if they were over five minutes late. Such measures are designed not only to benefit the organisation but are also designed to instil a work ethic. Some respond well to this, while others find it much more difficult.

Of the 33 people taken on in 2002, 26 people went on into further employment. This is the equivalent of 78 per cent. The files show that 13 of these were kept on full time

by the FRC Group themselves. A further four got driving jobs within Liverpool, and nine found jobs elsewhere. These jobs included cleaning operatives, mail sorters and retail assistants. The results suggest that the employment created by the FRC group itself has had significant impact on the employment rate of the ILM employees. For example, over 50 per cent of those who got jobs were taken on by FRC. Of the remaining 13, 9 had taken jobs within the private sector. Those jobs were, however, likely to be service led. The jobs were likely to paying minimum wage which was at the time around £4.50 per hour and some of the jobs required people to work unsociable hours. The demand for people to fill these jobs is currently quite high within the city. Local recruitment agencies have reported that there is shortage of labour for these jobs. One other social enterprise had reported that a factory supplying parts to Jaguar in Speke had telephoned and asked if they could interview all of the ILM employees, who were only three months into their training contracts. Whilst this process could be viewed as a good indicator of local economic growth there are issues concerning the quality of work and the length of contracts offered. For example, if the jobs offered last only a few months it could be argued that the former ILM employees would have benefited from staying on the ILM contract and gaining new qualifications and over twelve months of work experience.

The following chart illustrates the proportions of funding used to provide the ILM employment. The chart shows that in contrast to much of the literature surrounding FRC only 30 per cent of the total costs of providing employment to the long-term unemployed has been met by FRC. The remaining two thirds has come from a mixture of public sources such as Liverpool City Council (part of the aforementioned social economy contract), European Social Funds (ESF) through Merseyside's

Objective One programme and New Deal for Communities for which there is one area in Liverpool. These findings suggest that whilst FRC and other similar organisations are held up as examples of the way in which social economy organisations can become self-sustaining, the provision of training and employment for the long-term unemployed, a major objective for FRC, is heavily subsidised by public sector grants.

Chart to Show how FRC ILM Employment Is Funded 2003/04

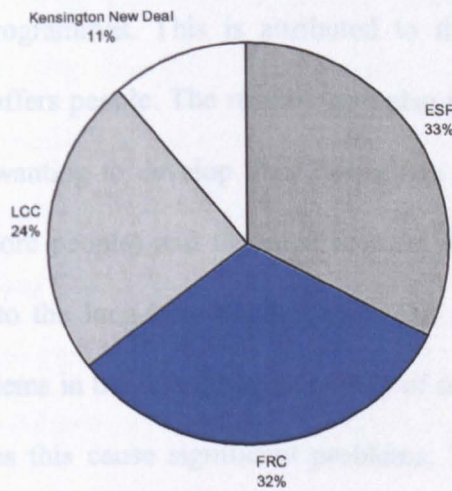


Figure 10.9: Funding Sources of FRC ILM

Some might argue that they are not grants because the public sector pays for an outcome. In legal terms, however, they are classed as grants. It could be argued therefore that the debates that surround the push for organisations to reduce their grant dependency require much further analysis. The case here reveals that only certain parts of the business can be self-sustaining, namely those parts that operate no differently to a similar private sector organisations, and that the added social and environmental benefits of the organisation require subsidy.

Emerging from these results are a number of issues relating to ILM employment. Firstly, it appears as though the main types of work in which ILM programmes are created appear to be in areas traditionally dominated by men. As a result the participation rates of women are low. Programmes have to take positive action if they are to reach those hardest to reach, for example those who have been unemployed longer than two years, and people from minority groups and communities. The rates of success in terms of getting people into employment have been consistently higher than government-led programmes. This is attributed to the work experience and qualifications the ILM offers people. The results have also illustrated the difficulties faced by organisations wanting to develop their businesses (because they argue this enables them to help more people) and the need to meet their social objectives by providing employment to the long-term unemployed. The difficult issues faced by people can present problems in the day-to-day activities of social enterprises. Only in a minority of cases does this cause significant problems. The sacking of six ILM employees was unusual. The results have also shown that the ILM employment is likely to need continued public sector investment, contrary the social enterprise literature's claims that they can become self sustaining. The following section outlines the views of those who believe that there are important wider changes and impacts of ILM employment. This section contextualises the main aim of research, which was to explore the types of impacts the ILM had upon individuals as well as to identify the factors that led to particular outcomes in different contexts, as called for by Campbell (2000: 663).

Individual Stories within Intermediate Labour Market Employment

The staff and people running ILM programmes have recognised and been able to recount that there are multiple individual stories from ILM participants regarding the impact upon themselves and their families. In FRC I came across people who had been able to open their first bank accounts, who had taken their families on holiday for the first time, or had been able to put a deposit on a new home. Not only did people have individual stories, there were noticeable changes in the way in which people behaved and felt. This supports Littlewood and Moran's (1999) claim that ILM employees did appear to become more confident. One member of the training team had reported that around about three or four months into the employment, employees on the ILM programme would begin to complain about things, such as the way in which training was delivered, or shifts they had been given. This was seen as a sign of the growing confidence, and therefore a sign of progression.

In 2001 the organisation set about trying to record some of the more intangible impacts of ILM employment, such as increases in self-confidence and improved quality of life. The organisation devised an interview sheet that was to be incorporated into the monthly reviews of each of the ILM employees. Figures 10.10 to 10.12 are examples of the sheets used and example answers have been shown below. (The three cases chosen have been used only to demonstrate the types of information recorded rather than as a basis for any further analysis.) The sheet is divided into 13 questions. The first five questions are typical of questions that would be included in the normal monthly review. Questions 6-10 revolve around wider impacts. For example, question 6 asks how individuals have benefited financially, and some people answered that they have been able to go on holiday, or start going out more. The sheets also record

people's job search activities and note whether or not they have been for interviews. Question 10 asks people about whether or not there have been any changes in their social life. The last two questions focus on the types of other support they would benefited from.

Example sheet taken from the FRC work with ILM Participants

1. Name *****	6. Finances Nothing changed from last interview	10. Socially Got to meet everyone at the Christmas party meal and it was more relaxed. Get together, enjoyable time
2. Date 11/01/02		
3. Action from previous review Build up knowledge before I have my theory test	7. Job Search and placement activity Attended a job search club the other day. Nothing Else	11. Additional support None, I am receiving all the help I need
4. Progress to date Completed all initial certificates, manual handling, health and safety etc, clait, and passed my ADR certificate and have received a date for my theory test	8. Are we delivering what we said we would? Yes, I have learned a lot since coming here. Really tough job but have enjoyed the challenge and I am more qualified now, than I was 9 months ago.	12. . Marks out of 10 for training 8
5. NVQ units/ Qualifications Gained None	9. Marks out of 10 for training n/a	13. Marks out of 10 for the group n/a

1. Name *****	6. Finances Stable	10. Socially OK.
2. Date 07/01/02		
3. Action from previous review ***** would like to have a go at Queen Anne Frames (this is a more difficult type of upholstery)	7. Job Search and placement activity Everton job search every Tuesday. Not attended any interviews as yet.	11. Additional support No.
4. Progress to date ***** feels that the progress he made on the olives (a type of chair) had been set back by going back to drop in seat the week after which he found soul destroying	8. Are we delivering what we said we would? Yes	12. Marks out of 10 for training 8 - one drop in seat too many
5. NVQ units/ Qualifications Gained Working towards his NVQ level 2	9. Marks out of 10 for training n/a	13. Marks out of 10 for the group 5 Don't really know about the rest of group

1. Name *****	6. Finances Everything ok	10. Socially Same as month before
2. Date 24/08/01		
3. Action from previous review To have help with her English which would improve her ability to work as part of a team	7. Job Search and placement activity None at present	11. Additional support I asked for help last month with my English and nothing has happened.
4. Progress to date ***** has worked well but has found the upholstery to be a physical struggle	8. Are we delivering what we said we would? Yes	12.. Marks out of 10 for training 9 very good to work with production
5. NVQ units/ Qualifications Gained ***** is going to do her NVQ level 2 in sewing which she is more than capable of completing	9. Marks out of 10 for training	13. Marks out of 10 for the group 5 some people work hard some people don't

Figures 10. 10-12

Up until this research, the forms had never been taken out of the files kept for each ILM employee. I had thought the records could contain some rich, detailed information about the types of changes that had taken place in people's own circumstances. Analysis of the forms showed that the information collected was insufficiently comprehensive to provide an exhaustive account of the wider intangible impacts, which was linked primarily to the effect of the interviewer and way in which questions were structured. For example, each of the sheets was filled in by an interviewer as opposed to the individual themselves. As a result, the information contained within them was more often than not a subjective representation of what the interviewer felt people wanted to say.

It had appeared as though the interviewer had been looking for particular answers around particular questions. Some of the answers were quite often repeated for different people. In the finances section, for example, it was often stated that people had begun to save, whilst in the social section it was written that people had begun to go out more. Whilst I do not question the validity of the information, the true representation of people's individual experiences is difficult to untangle given the influence of the interviewer and the search for particular types of answers. The categories or questions used have also predetermined the types of answers people had given. In that sense not much can be made of the information collected within the sheets other than basic data such as qualifications gained.

My reasons for not using the sheets were also supported in later interviews with ILM employees who stated, for example, that the sheets became an arduous task for which they would end up making up answers, as the following quotation illustrates:

“The boss would say, “Oh, fill that in.” and you’d make something up and give it back to them...Sometimes you would struggle and your boss would say you could say that or you could say this. You know what I mean. Or they would say, “Are you happy with this side?” or, you know, “. I could see you weren’t that happy with that. Do you want me to say something about that?”

Although the sheets did not help in the analysis of uncovering the wider impacts of ILM employment, they did provide some useful background information. For example, each file contained copies of people’s application forms from which I was able to track people’s work histories. I was also able to track the types of employment people went into. The following section utilises the information to provide a contextual background to the circumstances and experiences of individuals. For example, the files showed that there were common patterns between particular groups of people and the types of employment they had had and the patterns of unemployment.

The files and records of the 12 ILM employees who started with FRC in November 2001 shows that the group can be divided into two main categories which are shown in the table below. The two groups have been distinguished mainly by age. For example, the first group are in their forties and fifties, the second group are in their late thirties and early forties.

Table 10.7: Categories into which ILM employees can be divided

Group 1

In their late 40's and 50's. Left school at 16 or under with no formal qualifications. Have had one or two periods of unemployment lasting from 2 to 15 years. Likely to have 3 or 4 main types of jobs.

Group 2

In their 30's and early 40's. Had left school at 16 in order to take some form of vocational training. Have a pattern of temporary and seasonal employment. Experienced repetitive periods of unemployment likely to last from 6 to 12 months. In total can be unemployed up to half of their working lives.

The table shows that the first group consists of participants in their early forties through to their late fifties who are likely to have left school at 16 with no formal qualifications. People in this category are likely to have experienced periods of unemployment more than once, though rarely more than twice. The following page includes a case example taken from one of the files (pseudonym's have been used in order to protect the identify of individuals).

The second group consists of younger people aged 30 to late forties. Each of the participants in the second group had left school at 16 (in the late 1970s and early 1980s) although unlike the first group they had gained basic qualifications and were likely to have left school in order take some kind of vocational training. The patterns

of work, however, lasted months rather than years. For some the work was seasonal. The group were more likely to have experienced unemployment more than once but rarely longer than two years. Additionally they were much more likely to move elsewhere to find work. The second case example has been chosen because it best reflects some of these main characteristics.

Group 1 Case Example Jimmy

Jimmy was 57 when he joined FRC after being unemployed for seven years. Jimmy left school in 1958 aged 15. He was taken on as an apprentice joiner by a Liverpool-based building company from where he became a qualified window fitter. Through the 1970s Jimmy worked as a security officer for the City Council. He was then unemployed from 1978 through to 1980. He returned to work in order to retrain as a plumber from 1980 onwards, which he was able to do up until 1994, when he had to leave work in order to care for a sick relative. Although Jimmy had been registered as unemployed he was not actively seeking work as he was receiving benefits for looking after a dependent relative which prevented him from earning anything over £50 per week. By the time he was able to apply for a full time job in 2001 aged 57, Jimmy felt he lacked the relevant experience to get a job. He said that he did not feel he would be successful in applying for any jobs because he had not worked for so long. He saw the advertisement for FRC in his local library and thought that it would be a good way to get back into the labour market. Jimmy ended up with a full time contract within FRC.

Figure 10.13

Group 2 Case Example Jamie

Jamie left school in 1986 with basic qualifications in all of his school subjects. At 16 he began work in an Oxfam furniture shop doing furniture renovation. However, he was unemployed for a year after this until he got a job in 1989 as a shop assistant and fork lift truck driver for a building company, which lasted for three years. He was again unemployed for two years. In 1994 he got a job as a labourer and fork lift truck driver for a paints company. In 1995 he was unemployed for another year. He applied for a training contract within a building company which he kept for one year, before being unemployed for a further six months. His last job as an upholstery cleaner had lasted three years, but since 1997 he had been out of work. In total he had been unemployed for eight years - the equivalent of half of his working life. When he joined FRC he was £5 pounds a week worse off than he had been not working. His files stated, however, that he felt that getting his NVQ in upholstery would benefit him more in the long term than not working. Before leaving FRC he recorded in his monthly reviews how he would miss not only coming into work but also the social side of work. He recalled how he had built up some solid friendships at work and benefited financially by the middle of his contract. For example, he had been able to take his family on a two week holiday.

Figure 10.14

The categories provide a background to understanding the context of people joining the ILM programme. The groups are divided primarily by age. Age appears to be indicative of the patterns in people's work histories. For example, group 1 were more likely to be older and experienced longer periods of unemployment. Those in group 2 had experienced shorter periods of unemployment but had many more short term jobs than the people in group 1. This reflected the findings of Kelvin & Jarret (1985) who

had concluded that young people were more prone to unemployment than other sub groups although this was likely to be short bouts of unemployment.

It should be noted that given the low number of female participants these patterns are more representative of the male work patterns amongst ILM employees. These categories raise some questions about the types of impacts of ILM employment. For example, what can the ILM offer a person who has been unemployed for the last five years, and who feels there is no place for them in the labour market? And what can ILM offer a person who has throughout his working history not had a contract that has lasted longer than twelve months anyway? The following section reports the results of an in-depth group interview with people from the ILM programme run in 2001/02.

Exploring the Wider Impacts of ILM Employment

In order to fully explore the types of impacts the ILM had upon people a focus group was organised in November 2002 to which I invited twelve of the people who had started with FRC in March 2001. The group was chosen primarily because each of the individuals had completed their twelve month employment contracts six months prior to the interview. This meant I would be able to gain an insight into the types of impact the ILM experience had over time. The group chosen had been working at FRC whilst I had been placed there as a participant observer. I felt that there would be a degree of shared experience, which would benefit the interview situation because I felt that there was a degree of trust, which enabled participants to talk more freely about their experiences. The situation felt very much like the lunchtime situations in which I had participated with ILM participants whilst working within FRC. I had

wanted to avoid the feeling that I was an outside observer with no understanding of their lives and their experiences, and wanted the interview experience to be beneficial to the participants as well as myself. A more detailed account of the methods has been included in an earlier chapter. Although the following section outlines some key points relevant to the results and issues that emerge.

Letters of invitation were sent to 12 people. I had been able to offer £15 costs to participants as well as drinks and refreshments. The interview was organised in the evening to accommodate people who may have been working. Out of the 12 people invited to the group interview 4 turned up. The low number was not unexpected. In some cases the non-attendance could have signified people's negative approach towards the ILM experience. Part of the reasons for the low turnout could be linked to the fact that people felt singled out because of their unemployment. This issue had been raised by staff members in the training team who were trying to break down the divides between the full time staff and the ILM staff. For example, ILM participants were no longer referred to as 'trainees'. They were 'employees' and the organisation rarely used the term 'ILM'.

Of the four that did turn up, there were three men and one woman. They were all from white ethnic backgrounds. The following table summarises some background information about each of the participants. Pseudonyms have been used in order to protect people's identities.

Background to each of Focus Group Participants

Terry is aged 57. Terry had been unemployed for seven years prior to joining FRC. Over his working life he had been unemployed for nine years. He had to leave work in order to care for a family member and felt that he lacked the skills and confidence to find employment elsewhere. He had previously had various jobs within the building and plumbing industries.

Chris was 32. He had been unemployed for two years prior to joining FRC. Over his working life he had been unemployed for a total of five years. Chris had found himself out of work and had agreed with his wife that he would stay at home to look after the children whilst she went to work. He had however found this experience difficult and, as soon as he felt the children were old enough, began to look for something else to do and applied to FRC.

Dave was 30. He had been unemployed for one year prior to joining FRC. Over his work history he had been unemployed for a total of six years. He had previously worked in London in a factory. He had moved to Liverpool to live with his parents when the company he worked for moved to France.

Donna was 35 and she had never worked. She lived with her parents at the time she had applied to FRC. Whilst at FRC she met her husband who was also an ILM employee, who had died in the time since she had left the organisation.

Table 10.8

The table illustrates that the experiences of each of the individuals had been very different. Although Terry could be categorised as Group 1, Chris and Dave could be categorised as Group 2. However, Donna's case was slightly different because she had never worked prior to FRC. Her case may demonstrate the need for an extra category of people who have never worked, whose situations are very complex and the needs therefore specialised. Since each of the participants had left the organisation, they had not really kept in touch. Of the three men, Chris and Terry had got permanent contracts within the FRC Group itself. Dave had set up his own business, which was trading successfully at the time of the interview. Donna's

situation had not changed and she was not working. Her case illustrates the difficulties of measuring the success of ILM programmes solely upon the job outcomes. This will be discussed in more detail further on.

The following section has been divided into four parts. The discussion begins by comparing the effects of unemployment upon each of the interviewees. Some of the experiences reflect observations drawn out in literature from researchers such as Haworth & Evans (1987) who found that people who were unemployed felt the need to find alternative ways in which to fill their time, as well as noting the lack of confidence of unemployed people, and the impact of unemployment upon families. This is followed by an outline of the reasons for applying for an ILM placement, and the specificities of what it was about the ILM experience that stood out from other similar training schemes and government led programmes such as New Deal. The impacts of the ILM programme have been broken down into a number of key themes, such as the impact upon individuals, the impact upon people's families, soft and hard outcomes and sustainability of different impacts.

Experiences of Unemployment

This section details people's experiences of unemployment. It was clear that time had been a significant factor for the interviewees prior to joining FRC. The interviewees talked about how difficult it was to find enough things to do in order fill the time they had. The amounts of money they could spend were limited because of the lack of financial resources and this excluded them from their normal social activities such as going to the pub, or meeting with friends: As one respondent said,.

“Its mental laziness because you get into a rut. It’s quite easy to get into a rut. You could cabbage quite easily if you’re not working. I used to, if I had the money, go to the pub or just (pause) read the papers, do crosswords, walk.”

Some people had found other types of work to do. This involved paid and unpaid work which varied from work for family and friends, to informal employment in pubs as shown in the following quotes.

“I just used to do painting, painting for people in the summer. I used to just go round where I was, did my house, me mum’s house.”

“The pub work was a stop gap, money in the pocket. I was just scallywagging basically, as they do in Liverpool, anything for money.

The interviews illustrated that people felt isolated.

“I was very quiet... I never went out the house for years. My wife went to work and that. I looked after the kids and I never used to speak to anyone for days on end.”

One respondent made a link between employment and space, using the term ‘I just needed some more space’. This analogy is used in other chapters by interviewees. It illustrates further the concept that work opens up a new space: a space in which people can feel ‘included’.

“I wanted to get back into work. I mean I used to get the kids up, take them to school, wash the dishes then end up watching This Morning, Richard and Judy, and it was alright for a couple of years but I reached a point where I felt I just needed some more space. But it was like, “Who’s going to have the kids?” and such like. I can’t remember how it worked out but I just said, “Right. I don’t care. I’m just going for it, you know?”

The results suggest that people coming onto the ILM have felt isolated. They may have been working outside the boundaries of the formal economy and been very aware of a need to fill their own time as a means of maintaining an individual purpose. This demonstrates the association between work and feeling included into a much wider space.

Negotiating a Way Back into Work

The interviews revealed that none of the respondents had been actively seeking work. One person had enquired about FRC, after seeing the ILM programme advertised in the community centre. He was told, however, that he would have to wait six months in order to apply because he had not been claiming unemployment benefits for long enough, despite the fact that he had not had employment within the formal economy for over two years. This case illustrates a flaw in the targeting of people. The cases demonstrates that more often than not, the people likely to need ILM employment most are those who are not actively seeking work, and therefore not likely to be registered for unemployment benefits. None of the respondents had applied anywhere other than FRC. In some cases this was because of their perception that they would not be given a chance in the mainstream economy. For example, one respondent stated:

“They just didn’t want to know. If you’ve got a long-term record of not being employed, even though it’s not your fault, they just don’t acknowledge you. They don’t really want to know.”

Each participant had heard about the positions being offered through an organisation located close to where they lived. This included the library and a community advice centre. In one case, the respondent had seen the advertisement when looking at the community notice board. Prior to this he had thought that working again would not be a possibility. These cases therefore demonstrate that interventions are best advertised locally, as argued made by Campbell (2000: 657). It was felt by the interviewees that

organisations like FRC would give those people discounted within the mainstream economy a chance. One said:

“The likes of this company, I think, would bypass nerves. If you were a bag of nerves, they would say, “We’ll take them on anyway and bring them out”. But a lot of other companies they wouldn’t do that.”

The Impacts of Intermediate Labour Market Employment

The impacts of the ILM employment can be broken down in to both tangible and intangible impacts. The results showed that unemployment had affected people’s confidence. For example:

“It was good because your confidence, you know the longer you’re on the dole the more confidence you get zapped, you know what I mean?”

“It gave me the confidence to go out there and pass me test and then that opens so many other doors, especially when you’ve got your licence behind you.”

“I think your confidence gets knocked and everything and you’ve got to feel that you have a purpose in life. You know feel, well, like.. yes I’ve done a hard day’s graft there.”

“ It had a very big impact on me career wise and lifestyle as I got a full time job and I got responsibility at work that I would never expected on a training contract. I’m in charge if the boss isn’t in. I run the shop if he’s not here. I’ve got the keys, I know, if, God forbid, something happened to Revive that I’ve got the confidence that I could walk into most places with the qualifications and knowledge that I’ve got now. It’s got a hell of an impact. I wish it’d have been twenty years earlier though”

On an individual level, the research suggests that ‘work’ is embedded in one’s own identity and purpose. Work becomes a necessary goal in order to be part of a wider society. The following quotations illustrate the way in which people regarded work as necessary to their own identities and purpose.:

“You grow up with that kind of thing, don’t you? From leaving school it’s “What are you going to do?” Get a job, then work your way up the ladder kind of thing and that’s the way it is. It’s been embedded in your head and passed on in generations.”

“You know you’ve got a purpose, haven’t you? You’ve got a purpose of coming in, getting up and going to work and doing something positive...its like a knock on effect. You’ve got something to get out of bed for, which is basically what everybody needs.”

“I mean it was alright. It was novelty for a couple of years. But because I’d always worked and that, I got fed up. It was just like two years of total boredom.”

In some cases, work made people feel like they had a new place in society. For example,

“Your social life was non-existent, but if you’re earning a wage and you’ve got a proper job and a steady job, it changes your lifestyle. It changes your lifestyle completely. It alters your social standing, your family standing, you now have cash behind you that you never had before and that makes the world go round...it has an impact on everything. You can buy things, you’ve got your whole standing, and its better basically if you’ve got a proper job. Your standing is better.”

In other cases there had been some more tangible impacts, such as the money, as shown in the quotes below.

“I was doing all kinds of training jobs which are good for your self-esteem, but no good for the bank balance. You’d get your bus fare or ten pound on top of your dole and that’s about it. It was good for your own knowledge, good for your DIY and such like but no good for your money, no good for your bank balance.”

“I think that’s the big plus for this place. You had a proper living wage, a living wage and you’re getting something at the end of it.”

“All’s I was used to was a pittance, you know, on the social and when you get offered training with a qualification at the end of it for a living wage, well that’s like sort of, at the time, winning the lottery, you know what I mean?”

“It’s good to have a wage. I hadn’t had a wage for a while so it was good to have a wage definitely and err you flitter it away at the beginning, then I

started saving because I wanted to do this and I put a few jobs away and then I was doing jobs as well on the side kind of thing to build up my money. so I could get things. You know, I've got a van. It gives you foundations, doesn't it?"

It can be argued that the ILM enforces the feeling that work equals inclusion and success. In this sense it can be argued that the social economy maintains the social system as it is. For example, Eme (2001: 321) argued that the social economy endorsed the standard salaried framework as the dominant legitimate order and it therefore displaced other patterns of social participation.

Why are Intermediate Labour Market programmes different?

One respondent said that the money had not been the biggest impact, because he had been earning money within the informal economy. The difference was where the money came from.

“So there was a difference in what you were doing. It wasn’t the money that made the difference, it was where the money was coming from that made a difference and there was a difference in what you were doing.”

This suggests that the feeling of being within the formal economy gave people a sense of pride. It was accepted within wider society. The quote shows that the respondent found increased self worth from earning the money more legitimately.

The results show also that the ILM differentiated the experiences people may have had, had they gone straight back into the mainstream labour market, because of the strong bonds formed between each of the employees. The following quotes illustrate how people felt more confident about going into work because they felt they had a good bond with other people within the organisation based upon the kinship between ILM employees.

“You know what I mean. You know everybody then. You knew everybody straight away. You know it was kind of a bond wasn’t it? We went into the workplace and it was and it set us off really.”

“Coming in here and straight away you’re talking to people and you’re doing this and doing that and you’re going out there and you know that you feel like you’ve got a purpose”

“When you walk through the door and there’s a multitude of people you don’t know from Adam and then within a fortnight they’re all your mates. You know you can buzz off each other and that’s why I thought it was a

lot better than any job I've ever started, put it that way, in any company...As I say you go in to other jobs or other positions and you're just left standing on the corner, don't know who to talk to, who's telling you what. I've just never seen induction training like it. You might go somewhere for a day but not a for a fortnight."

"When you start a new job you feel like a leper, not knowing who's who and that. But starting as a group, we all started off at the job and we bumped into each other, we knew each other and we have a gab, you know."

The interviews suggest that the first few weeks are those weeks in which people feel most vulnerable. The induction programme is designed in order to help build team work and confidence and the quotes used here demonstrate that interviewees felt that the induction programme was unlike those experienced elsewhere. It is interesting to note how people had found themselves doing things that they never imagined they could do such as standing up and talking in front of a group of people. One respondent commented:

"I was very nervous when I was coming here. I didn't know what to expect and I think if they'd told me you know you're going to stand up in front of twenty strangers on your first day and tell them about yourself, I wouldn't have come here."

When asked to list three words that describe FRC the following words were included by respondents;

"Professional, Original, Confident, Enjoyable, Interactive, Professional, Helpful and Unique"

The words indicate that the experience of the ILM employment had been positive for individuals. The results of the group interview have given an insight into the experiences of people on the ILM programme.

Pressures of Working to Meet Market Needs

For those that had stayed within the organisation it was interesting to note some of the changes they had noticed. For example, one respondent felt that the new trainees were not getting the same opportunities they had been offered. He reported how trainees were under pressure to keep up production.

In some cases employees who had been kept on by FRC were being offered extra training if they agreed to leave after completing the training - presumably to give more people a chance of getting employment. The following case illustrates this, and also shows, however, that the respondent would not be accepting the offer because he likes the job he has within FRC and does not want to leave.

“ They’re offering the drivers the opportunity to do a class one but what they’re saying is they’ll front the money if you leave basically. If you pass your test you’ve got to leave within three months or they want their money back.

- Are you going to leave?
- No. I’m not going to do it.”

These issues reflect the concerns raised by those who think that the social economy should be a true alternative to the mainstream economy rather than a bridge to it (Pearce, 2003). If the social economy can offer full time good quality jobs to, is this better than providing intermediate labour market opportunities?

10.3 Conclusion

The discussion has outlined the main impacts of unemployment upon people as way of increasing the understanding of the impact of ILM employment, as the two are inextricably linked. For example, the need to fill one's own time, the feeling of isolation and loss of self confidence, are all characteristics that the ILM employment seeks to address. The discussion has highlighted that getting back into work was seen as regaining a place within society and explored the notion that work is inherently tied up within people's own identities and perceptions of themselves. The ILM does stand out to people as being different to other training schemes. It is seen as a real job. Participants are paid a salary as opposed to a subsidy on top of their benefits and the work is judged as it would be in the mainstream economy. For example, they are pushed to reach targets and so on. In terms of impacts the ILM employment gives people confidence, qualifications and experience. However, the impacts are controlled by whether or not they find employment. The progress made by an individual during the twelve months can be lost if they do not find employment at the end. For example, Donna had found employment. However, this had ended after only two weeks. The qualifications and experience had not helped her in the mainstream economy. Such cases raise questions about the true purpose of the social economy. Should it, for example, offer a true alternative to the mainstream economy where people like Donna can find more permanent solutions? Or should it concentrate on trying to help as many people as possible by providing intermediate labour market solutions?

The ILM model undoubtedly reinforces the idea of a work ethic. It does not challenge wider labour market processes. There are benefits to the ILM such as the interaction between people; and the way it can build peoples' confidence. The support given to people in the first few weeks also seems to be critical.

The discussion has suggested therefore that there are four main impacts for people taken on an ILM contract after having been unemployed for a significant period of time which are both tangible and intangible (see figure 10.15). These impacts are cross cutting i.e. are similar for employees in both of the identified categories. For example, the results show that people benefited from having the security of a twelve month salary. They began to feel better about themselves, which in turn increased their confidence. For some there were changes both in terms of making new friendships in the workplace but also in the family. For example, some participants had been able to take their families away for the first time, knowing they had some kind of job security. One of the respondents had had said that he felt much better about himself, which had in turn impacted in a good way on his children. The results showed that employees had benefited from new social networks both emotionally. One respondent said that he had got much more than he had expected. For example, he had got a job, and been given responsibility he had never had before. It was clear that the ILM directly led to him getting the job within FRC. He had got to know the people working there and had formed relationships with them. When a job came up he felt able to apply for it. Prior to this he had thought he might not ever get a job again. The actions that led to this were directly related to the fact he had been employed on the ILM programme. The intangible impacts i.e. increase in confidence and self worth, had given him the ability to apply for the post.

Figure to Show Impact of ILM Employment

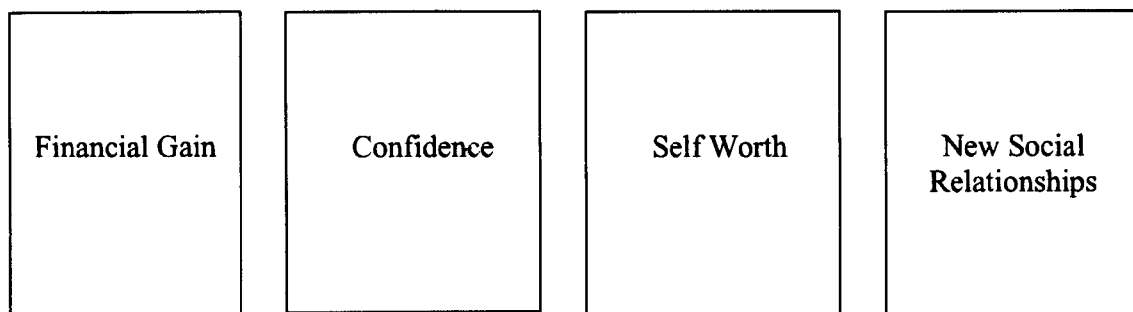


Figure 10.15

In terms of environmental impact the chapter has demonstrated that the Bulky Bob's has significantly reduced the amount of waste going into landfill. Some preliminary research also suggested that such a service can help to raise wider public awareness about environmental issues. Liverpool currently only recycles 2 per cent of its household waste. It has one of the worst recycling rates in the country (Brennan & Ackers 2004: 73). If Liverpool is to meet the EU target of recycling 15 per cent of household waste by 2006, services need to be improved. Plans have been put in place to set up recycling schemes for all other household waste. These have, however, been awarded to a private sector company based upon price i.e. the costs estimated by FRC were higher than the private sector. This illustrates the difficulty of awarding contracts according to 'Best Value' criteria.

FRC offers employment to the long-term unemployed through ILM programmes. The cost of each place is £18,000 compared to Glasgow Works the best known national examples whose jobs cost an estimated £16,000. The chapter shows that ILM programmes and other locally based labour market interventions are relatively under-

researched and the chapter therefore sets some key research questions based upon exploring the impact of ILM employment.

The results show that the employment is taken up mainly by white males and the types of employment offered through the ILM tend to be low skilled and directed towards to the needs of manufacturing and service industries. Analysis of ILM employment in FRC shows that there have been fluctuations in the rates of people finding work. The highest rates were recorded in the year when FRC were able to keep on a number of the ILM employees full time and in years when the training has been geared to meet specific local labour market needs such as the current shortage of drivers qualified to drive light goods vehicles. This reflects Porter's (1996) belief's that the social economy can be used to support the private sector.

The organisation has had to take specific measures to ensure that it is taking on those in most need, for example, those unemployed for longer than six months. The results also show that there are problems experienced in employing people from these groups. Some have caused problems for the organisations in 2003, and 6 ILM employees were laid off. Although unusual, the case highlights some important issues for the sector such as whether or not they can lay off employees and maintain that they are still socially orientated. The results show that the employment of long-term unemployed is likely to require ongoing subsidy which runs contrary to the claims that social economy organisations can become self-sustaining (SentU, 2003).

The research has drawn upon the wealth of individual stories from people who have been on ILMs. It has shown how organisations have sought to measure these impacts,

some of which have not been suitable. Analysis of work histories has shown that there are two main groups of ILM employees. This helps one to understand more fully the impact in terms of the 'pathways travelled' (Campbell 2000: 662). The results of the group interviews have been broken down into three main parts 1) experiences of unemployment 2) negotiating ways back into employment and 3) the impact of ILM employment. The impacts such as confidence and financial gain are tied up in the eventual outcomes i.e. whether or not somebody finds a job. The impacts are both tangible and intangible. Analysis of individual stories reveals that people's progress was directly related to the intangible impacts such as confidence gained.

Chapter 11, Conclusion

The following chapter draws together the themes and trends that emerged from the research. The chapter has been divided into eight parts; the added value of ethnographic research in the social economy; analysis of the selection of case study organisations; application of the theoretical analysis of the social economy presented within chapter 2 to the case study organisations; analysis of the complex legal structures; measuring impact of the social economy; the social economy in Merseyside; contributions to policy and a final section which outlines possible avenues of future research. Each section draws key themes related to the research findings. The first section illustrates how the in-depth approach to evaluation has enabled the research to explore so called intangible impacts of the social economy.

11.1 The Added Value of Ethnographic Approaches to Researching the Social Economy

At the time the research began the social economy in the UK had been under researched. The thesis has therefore made a significant contribution to the discourses of the social economy by bringing together a wide range of academic and policy-led literature. The analysis has shown that there is an emerging dichotomy between the traditional, community-based ideals about what the social economy is and the ideals of the new forms of social economy development which are more market-orientated, do not prioritise any ties to a geographical community and appear to support the idea that the social economy should be financially self-sustainable.

In 2002, Amin et al presented a comprehensive analysis to date of the social economy in the UK. They argued that the social economy was blighted by high failure rates,

low quality entrepreneurship, dependence upon public sector funding, under capitalisation, modest job generation, unstable and under paid employment and limited community involvement. They concluded, however, that the evidence told a story of struggle and limited achievement set against high policy expectations based upon the experiences of only a very few highly successful projects (2002: 116). Extensive though it was Amin et al's work did not discuss the nature of work created by the social economy. Their work did not reveal how many people were employed by the social economy and who these people were. As a result it was difficult to ascertain the true role of the social economy in terms of local employment dynamics. There was no indication of the numbers of social economy organisations, or how they were distributed geographically. This further illustrates the uniqueness of the data and mapping results included within this thesis. Their work relied solely upon information collected from 60 so-called best practice examples (Amin et al, 2002: iv). The range of organisations involved in the study meant that the researchers had limited experience within organisations themselves beyond visits for case interviews and organisational literature. Amin et al had therefore relied upon feedback from managers and their equivalents about their conceptions the social economy. They had not spoken to people working in and benefiting from the social economy.

Although developed prior to the publication of this work this thesis builds on the work of Amin et al (2002). This thesis has adopted an alternative more in-depth approach. This approach has shown, for example, the distinction made between the 'corporatist' model of social economy, represented by Glasgow, and the 'distributed' social economy, represented by Bristol, is artificial and not a true reflection of reality. The

thesis has shown that in Merseyside, at least, the relationship is much more complex and that examples of both can exist within one place.

This thesis has highlighted the numbers of people likely to be employed within the social economy in Merseyside and compared this to other employment sectors. It has been able to identify the numbers of organisations and define their key characteristics. Most importantly the thesis has set out to explore and uncover the holistic impacts of the social economy. The thesis provides a more in-depth insight into the impact of the social economy upon individuals, service users and beneficiaries.

The thesis has demonstrated the potential to explore the role of the social economy in terms of alternative spaces. For example, the Train 2000 chapter demonstrates that the social economy has opened up a unique gendered space (McDowell, 1999). The results showed that this gendered space promoted self-confidence, self-esteem and new relationships and bonds. Gender brought women of mixed socio economic backgrounds together and formed a key organizing mechanism for women from different ethnic backgrounds. Staff from Train 2000 went out to work with groups of local Somali and Sudanese women within their own communities. In some cases the women from such communities then came into to use the courses and some set up businesses, others were looking at the possibility of setting up their own community businesses.

Significantly, the results suggest that impacts such as increased self-confidence and self-esteem came from the space created in which people could interact with others. In SMART there had been very little opportunity for beneficiaries to interact with one

and other. In Train 2000, however, women often kept in contact with women they met on the training courses or network events. This demonstrated the formation of social capital (Mohan and Mohan, 2002). In FRC ILM employees valued starting as a group. They valued the intense induction programmes. The formation of bonds and the value placed upon these bonds by individuals interviewed demonstrated the significance and role played by the formation of new relationships, friendships and networks. This suggests that many of the intangible impacts are intrinsically related to the networks and bonds opened up within the social economy space. This in turn suggests that the organisations that produced the most significant intangible impacts are those able to foster the development of social capital (Putnam, 1993).

The results showed the relationships drawn between work and space. In other words, being in work is inclusion, and being out of work is exclusion. The results showed, however, that the social economy can provide alternative sources of work outside the traditional conceptions of paid work. The mapping exercises showed, for example, that there are as many volunteers working within the social economy as there were full time paid staff in the social economy organisations I examined. This had not been presented previously within any literature. On the contrary, some previous literature had stressed that social economy organisations were increasingly beginning to pay their staff (Saxon-Harold, 1990).

The work revealed other new trends that had not been explored before, including the continued blurring of boundaries between the social economy, the public and private sectors. The findings from FRC, illustrated the ways in which some parts of the social economy have begun to develop partnerships and links within both the public and

private sectors. The discussion illustrated how such moves had raised a number of issues including concerns about job displacement caused by the social economy penetrating areas traditionally provided by the public sector (Duncan, 2001). The findings indicated that there may be moves towards social enterprises utilising areas traditionally delivered by the private sector and not confined to marginal economic activity. It could be hypothesised that this may be the beginning of a move in which the corporate social responsibility discourses of the private sector and the market-led approaches to the social economy begin to combine.

11.2 Selection of Case Study Organisations

The results of this thesis have drawn largely upon results from three case study organisations; SMART, Train 2000 and FRC. Each of these case studies were chosen because they could provide a unique insight into the social economy on Merseyside (Robson: 1993). The case studies each provided information and findings relating to three key themes; 1) locally based economic development, 2) gender, and 3) the potential to open up new forms of employment within the environmental sector.

SMART, the first case study organisation was set up as a community business providing enterprise development services within an area of south Liverpool which had suffered high levels of economic deprivation since the mid 1980's. The main objectives of SMART centred upon helping people to set up in micro enterprise as a way of reducing the levels of acutely high unemployment. Train 2000, the second case study was also a community based organisation, although in this case it was a community of interest (rather than geographical community). Train 2000 was set up

to support women across Liverpool, and later the whole sub region of Merseyside which included Liverpool, Wirral, St Helens, Sefton and Knowsley. Like SMART, the activities of Train 2000 centred around enterprise development. Train 2000 therefore provided a comparative case study to SMART. The Furniture Resource Centre (FRC), the third case study was chosen because of its environmental focus. FRC had been recognised as a national example of best practice in terms of public sector contracting and was widely known for the development of the subsidiary organisation, Bulky Bob's (SEU, 2001).

11.3 Application of Case Studies to Theoretical Framework of the Social Economy

The theoretical framework presented within chapter 2 illustrated six approaches to the social economy. These were set out as follows; New Right / Entrepreneurial, European, Third Sector, Market Failure, Alternative Green and New Left. It should be stressed, however, that the six approaches are not mutually exclusive. In contrast, each of the case studies used within the thesis illustrate that organisations are more likely to adopt a mixture of approaches which can change over time. The results also show that the changes in approach can develop in response to the prevailing policy spaces or changing economic and social conditions. Figure 11.1 seeks to illustrate how the three case study organisations; SMART, Train 2000 and FRC have adopted different approaches over time. The chart has two axis. The first axis runs down the left hand side and illustrates the approaches adopted by the three case studies. The top axis represents time. The coloured lines represent the three organisations. SMART's

development is illustrated by the blue line, Train 2000 is represented by the green line and FRC is illustrated in red.

It should be noted that Figure 11.1 does not incorporate examples of alternative green or third sector approaches to the social economy. This omission is not an oversight but actually representative of the structure and type of social economy within Merseyside i.e. not based upon alternative visions of sustainable communities, but a social economy which has developed largely in response to either market failure or as a product of the significant investment made into the area through programmes such as Objective 1. The following sections outline how the case studies reflect this hypothesis.

Progression of Case Study Organisations Over Time in Relation to the Theoretical Analysis of the Social Economy

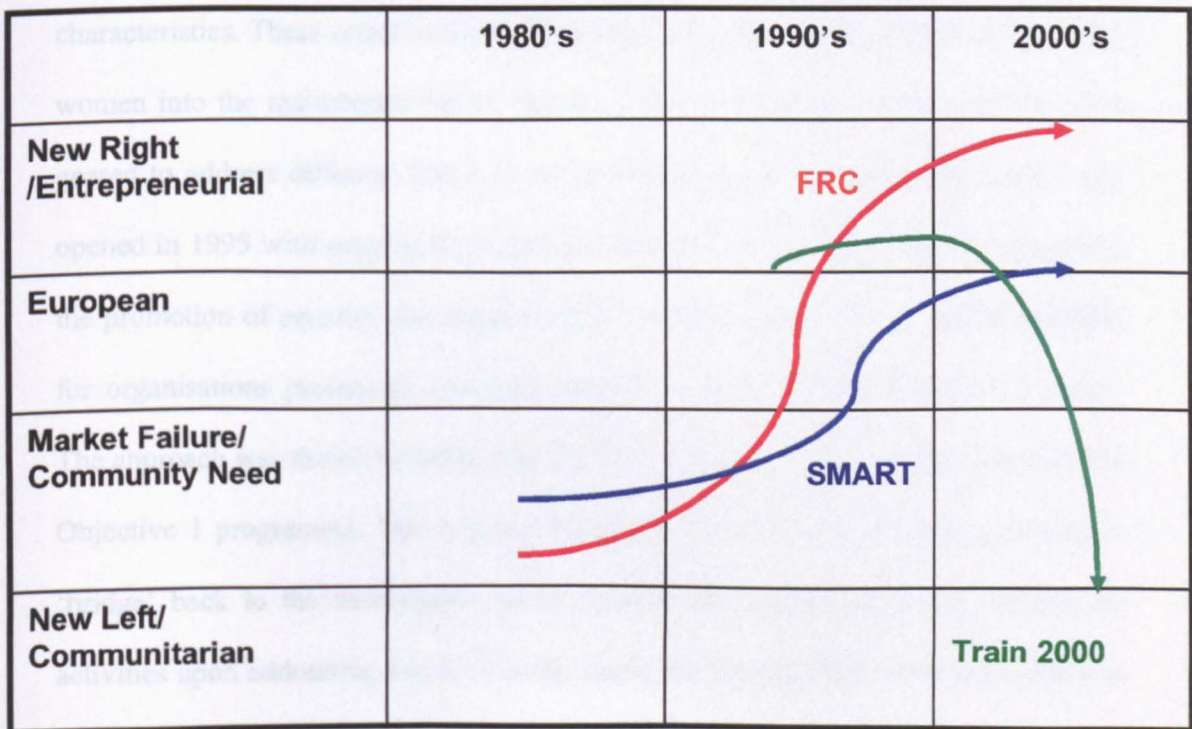


Figure 11.1

SMART and FRC were developed by people who lived in Speke which was an area which had been affected by widespread de-industrialisation and high unemployment throughout the 1980's. Chapter 6 showed that the unemployment rates in Speke reached 32%. Throughout the earliest years the activities of both, SMART and FRC, focused upon the same area and could therefore be seen as a localised solutions to market failure. It could be argued that both organisations encompassed the concept of the social economy as a shock absorber as they were both set up as a reaction to rising levels of economic deprivation in very defined geographical areas (Graefe; 2001).

In contrast to SMART and FRC, Train 2000 was not set up as a localised reaction to market failure. Figure 11.1 shows that Train 2000 adopted a European approach to the social economy. This was defined by the political and economic conditions across Merseyside at that time (mid 1990's). This approach is defined by three central characteristics. These relate to the funding structures, the overall objectives i.e. to get women into the mainstream labour market, and the means by which activities were geared to address different forms of social exclusion. For example, Train 2000 was opened in 1995 with support from both Liverpool City Council, European grants for the promotion of equality and empowerment of women, and start up funds available for organisations promoting enterprise as part of Merseyside's Objective 1 status. The approach was therefore defined by the European policies put in place through the Objective 1 programme. The original objectives therefore centred upon providing a 'bridge' back to the mainstream labour market. The organisation also focused its activities upon addressing forms of social exclusion through their work with different

groups of women, such as black and minority ethnic groups as well as women from deprived areas.

Analysis of the most recent approaches adopted by each of the case studies illustrates that FRC have developed an entrepreneurial approach to the social economy. Chapter 10, illustrated how FRC arguably underwent the most pronounced structural shifts of all 3 case studies throughout the 1990's. The line charting FRC's approach therefore shows the most pronounced shift. These shifts were discussed within chapter 10. The discussion illustrated how FRC grew from a charity run by two people into a much larger organisation which now employs over one hundred people and has a turnover in excess of £5 million. Chapter 10 went on to outline the reasons behind these profound changes. This included the change in the policy environment which meant FRC could no longer re-distribute furniture which did not meet the appropriate fire regulations; as well as the organisational belief that the organisation needed to reduce its dependence upon grants.

In some cases FRC is held up as a best practice example of a social economy organisation which has embraced entrepreneurial approaches to the social economy (SEU, 2001). The development of organisations such as FRC are therefore used as way of encouraging smaller community based organisations such as SMART to develop in a similar way by bodies such as the Social Enterprise Unit within the DTI. Analysis of SMART showed that in some cases this entrepreneurial approach was being used by the smaller organisations. For example, chapter 8 showed that SMART had begun to adopt (although later than FRC) a more entrepreneurial rhetoric and that the activities of SMART were increasingly profit seeking. This was demonstrated

through the development of childcare activities, made profitable by other national programmes such as Sure Start. Both SMART and FRC have therefore adapted their approaches to fit with the mainstream approaches to economic development which centre upon delocalising activities, and engaging with the market instead of building alternatives to it.

As a result of these trends the chart shows that both organisations have, most recently, adopted a new right or entrepreneurial approach to the social economy. The lines both finish at different points within the entrepreneurial category. The line for FRC has reached the highest point within this category, SMART is much closer to the bottom of the category. This variation represents the degree to which both organisations have adopted a new entrepreneurial approach. SMART, for example, still relies upon large amounts of public investment although chapter 8 illustrated that SMART is looking to reduce this. FRC have looked to develop new partnerships with the private sector as a means to increase their capability of raising their own finance and have therefore more fully adopted the entrepreneurial approach to the social economy.

In contrast to SMART and FRC the chart shows that Train 2000 have actually adopted the most alternative approach to the social economy. Chapter 9, showed, for example, that whilst Train 2000 had begun to adopt profit making activities through their consultancy services, all other profit making activities had remained marginal in comparison to other objectives which had centred upon the empowerment of women. The focus upon the non-monetary objectives means Train 2000 have been able to focus upon developing alternative activities such as the development of women's community businesses as well as other women's social economy organisations and

networks. This was illustrated through the growing number of community based projects Train 2000 had played a role in helping to set up. The chapter went on to illustrate that although Train 2000 still help women link to the mainstream economy they are increasingly offering increased opportunities for alternative types of development. Their approach is therefore the most alternative of the three case studies.

The alterity of Train 2000's activities was also demonstrated in the fact that Train 2000 had sought to influence national and international policy in order to ensure that funding was made available to promote women's equality and empowerment rather than accept the status quo. Train 2000 have therefore been able to open up new opportunities by influencing public policy which in turn means they do not have to rely upon the market as a means of reducing grant income.

Analysis of the three case studies suggests that the progression between approaches is impacted upon wider economic and social conditions. For example, organisations such as SMART, and FRC were formulated as localised responses to economic failure. However, both organisations have now adopted market led entrepreneurial approaches to the social economy. The reasons for such shifts can be linked to a number of changes in the prevailing social and economic conditions as illustrated within chapters 8 and 10 . For example, unemployment rates within Liverpool are at their lowest recorded levels for over twenty years. In Liverpool the unemployment is currently 6% (4.6% nationally).This unforeseen market recovery has meant that there are increased market opportunities for social economy organisations to take advantage of. For example, organisations like FRC have been able to form partnerships with the

private sector. However, in Merseyside in particular the recovery of the economy also threatens the existence of grant subsidy which has been available through programmes such as Objective 1. The research therefore indicates that there is a cumulative pressure upon social economy organisations to adopt more entrepreneurial approaches as markets begin to work more efficiently and the public sector seek to reduce their revenue spending.

The pressure to adopt entrepreneurial approaches has already raised a number of new difficulties for social economy organisations. Chapter 8, for example, illustrated how the outputs of SMART no longer reflected the original charitable objectives of the organisation and chapter 10 illustrated the difficulties associated with achieving a balance between social, environmental and economic objectives.

Figure 11.1 has provided a tool by which to illustrate the way in which organisations have adopted different approaches to the social economy over time. It has been used to show how both SMART and FRC, despite their structural differences, have moved from market failure approaches to market led or entrepreneurial approaches to the social economy. In contrast to this, the diagram shows that Train 2000 have adopted an alternative approach based upon the case study results which suggest Train 2000 are increasingly seeking to develop alternatives to market development through the development of new social economy organisations and their influence upon national and international policy. The discussion has shown how these shifts can be impacted upon by wider social and economic processes and shown how organisations are being affected by growth in Merseyside's economy and the consequent threat of grant cuts.

The following section explores the observation that the social economy consists of complex structural arrangements and how this impacts upon the future development of the social economy in Merseyside.

11.4 Complex Legal Structures and Problems with Finding Support

The case studies and literature reviews showed that organisations within the social economy lacked their own structural and legal constitutions. Many organisations had amalgamated parts of existing legislation, such as a mixture of charitable and company law in order to fit with their activities and constitutional forms. The lack of one legal body compounded the difficulties associated with accurately trying to quantify the size of the sector. The installation of the Community Interest Companies (CIC's) may go part way to rectify this problem. Although some of the people I have spoken to within the social economy believe this will only add another layer of bureaucracy to the governance of social economy organisations many of which are small and under resourced. The lack of legal structures is also reflected in the lack of dedicated support for the social economy.

The mapping exercises illustrated that the majority of social economy organisations within Merseyside were concentrated within Liverpool. This was in part linked to the CBED programme. Outside of Liverpool there were often complaints about the lack of support available. Organisations also found that it was difficult to find the correct constitutional arrangement for their own organisations. For example, when a community based organisation began to trade they were faced with complex decisions regarding constitution and governance. From my own experience of working within

the social economy I am aware that many organisations require specialist legal support when undergoing such processes and organisations often reported that it was difficult to find the right support. Many organisations relied upon advice and guidance from similar types of social economy organisations. For example, FRC had helped organisations such as Create (which recycles and reuses white goods) to set up, SMART had helped similar agencies elsewhere in the city to set up and so on. These examples illustrate the way in which the social economy has developed within a space between the public and private sector. The complex structures and changing activities i.e. increasingly looking to earn their own means of income has led to a demand for legal structures and support which do not yet exist.

11.5 Measuring Impact in the Social Economy: Some Conclusions

Although social audits are used to improve performance and engage stakeholders the results showed that the evaluation of organisations was most developed where a market incentive existed. FRC used the social audit to prove their added value to potential customers and Train 2000 used the social audit to find out what the funding bodies thought about the organisation, as this was likely to be key to whether or not they were successful in securing future funding grants on which they relied.

Chapters 8,9 and 10 had showed that prior to this research none of the case studies had been able to adequately engage the service users which was put down to a lack of time, resources and know how. This was also reflected in the observations made by Wimbush & Watson (2000) who found that the same problems were experienced in organisations wanting to evaluate the impacts of health-related interventions. The

results therefore suggest that evaluation is unlikely to be developed any further, unless there is an increased market incentive. In SMART deeper evaluation revealed results that conflicted with the CBED rhetoric i.e. the business start ups were not recorded within the most deprived areas. This analysis could affect future funding decisions if they are based upon the assumption that the business starts are being created within the cities most deprived areas. In contrast the analysis illustrated how organisations such as SMART could be used to deliver mainstream business start up services currently delivered under the Business Link contracts administered to the private sector by central government.

The participant-led evaluation illuminated important intangible impacts such as increased self confidence, new networks and formation of social capital among participants (Mohan and Mohan , 2002). For example, one single mother in SMART had ended up with her own business after talking informally to somebody in the laundrette who had recommended the organisation. Stories such as this could be used to demonstrate the types of social capital that exist. In Train 2000 translators had been brought in on order to facilitate the work being done with the Somali and Sudanese groups. This opened up new opportunities and avenues for the development of those groups. In FRC ILM employees were given a renewed sense of self-belief. The results showed, however, that these types of impacts were unique to each organisation. It cannot be assumed therefore that because an organisation claims to be in the social economy it produces positive added value. In some of the cases analysed within SMART the results showed that people felt more disheartened and more disillusioned than before they had engaged with the organisation, when had not been able to find employment. This did not demonstrate any positive added value.

It was possible to trace the sustainability of impacts by returning to participants after they had left the organisations. In FRC it was found that an ILM employee may have found alternative employment. Although in some cases the jobs found were of poor quality and in one case a job lasted only a couple of weeks. In SMART it was found that self-employment was used as a safety net in times of labour market retraction. This meant that the impacts of micro business creation within Speke were temporary rather than long-term sustainable business creation. In Train 2000 it was found that it could take some women up to twelve months to pull together the necessary resources to help them set up. This demonstrated that impacts were often inherently tied up in wider economic and social processes. For example, many women did not have the money to invest in their own businesses and had to rely upon grant applications, which took over six months to be processed. The results showed, however, that they would not have got those grants without intervention from Train 2000.

The results also showed that the potential to increase participant evaluation is limited in some cases. The low turnout of participants in the FRC focus group illustrated the difficulties associated with trying to engage some groups of beneficiaries of the social economy in any analysis of impact. In the case of FRC the low turnout of participants could be partly attributed to the fact that the ILM employment was used as a transitional step which meant people often had no incentive to return to the organisation as they could no longer benefit from it. In a community based organisation such as SMART, however, there is a clear need and more potential to develop increased community engagement in order to ensure that the organisations are responding to local need. The results showed that micro business development

only helped those people considered to be most business ready and that the needs were much more complex than had been the case when the organisation was set up over twenty years ago. There is a clear need to find out what the local needs are and participatory evaluation would be one way of doing this and could therefore be used to empower local residents by influencing organisational change. This has partly been demonstrated in Train 2000 through the introduction of translation services for both the Somali and Sudanese groups – a need which was identified through the social audit.

The results indicate that social economy organisations are often held less accountable to service users and are more accountable to the funding bodies. This means that the activities of a social economy organisation can be more heavily influenced by dominant policy genres governing funding bodies than they are a response to community need. This correlates with findings included within the work of Townley and Wilks Heeg (1999). The accountability to the funding bodies will not change as organisations rely upon them for funding. Train 2000 were able to challenge this status quo by seeking to change the national and international policy in relation to women's enterprise development. On a more local level Train 2000 recognised that there was a need for a women's only business loan fund and consequently lobbied and managed to influence funding decisions within Government Office for the Northwest (the accountable body for Merseyside's Objective 1 fund). The results indicate that this is the most likely way that organisations can truly meet the needs of the service users. If these measures are not put in place the impacts are more likely to be predetermined by policies which are not conducive to local context. The results therefore indicate that the key to building accountability to service users lies in

building upon identified needs and using them to influence the funding bodies themselves i.e. influence wider structural change (Hopkins, 1995).

The potential for in-depth approaches to evaluation are also limited by factors such as time. I was able to spend six months collecting the necessary data and it has taken over a year to fully analyse that information. Organisations, such as those I worked with, were far more restricted. Evaluation methodologies have to be formulated so that they fit in with the capacities of those people that will be carrying out the evaluation and the time they have to dedicate to evaluation often on top of their other day to day activities. This also raises issues about how often such evaluations can or should be carried out. It is currently recommended that social audits be carried out annually although organisations do appear to struggle with this. In FRC measures had been put in place to collect data throughout the year which made the process a little less arduous but this had not always been the case. When I worked as a participant observer on the second social audit report, I had to collect a large amount of information from questionnaires sent to informants, who ranged from suppliers, to funding bodies, to local politicians. Now questionnaires are sent out to people at different points throughout the year. However, the analysis of questionnaire data still takes the best part of two months with two members of staff working on it.

A number of new methods have been designed to help people measure their social impact such as the Local Multiplier 3 (NEF, 2003). The results show, however, that the impacts of social economy organisations often vary enormously which means that models are rarely amenable enough to capture the many idiosyncratic impacts of one

organisation. In FRC, for example, management staff had felt uncomfortable asking employees to track where they spent their money.

The results revealed that impact should be considered in terms of distance travelled for example, helping an unemployed 50 year old man to access employment is considered to be a greater impact than helping a , well-qualified 30 year old to set up in business.

The results showed that it was possible to untangle some of the cause and effect relationships. It was possible, for example, to identify what role Train 2000 played in relation to other funding bodies such as the Prince's Trust – they helped to improve women's business plans which helped women to apply more successfully for grants. It was possible to illustrate some of the theories of change (Kubisch et al, 2001). For example, specific advice helping women to set up and so on.

The case of FRC showed that market pressures have affected the social and environmental impacts. For example, when pressure increased upon the One Stop Shop service (due to increased demand for registered social landlords wanting to furnish homes for asylum seekers) the people employed on the ILM programme were those 'most job ready'. The trade off between environmental impacts and market processes can be demonstrated in the observation that the organisation relies upon the movement of large quantities of furniture which relies upon a heavy fleet of vehicles. The organisation has 12 vans and 3 company cars which are all run on petrol and collect and deliver furniture as far away as Birmingham everyday (see figure 11.1).



Figure 11.2 Balancing Market Processes and Social and Environmental Objectives – The Vans Outside FRC

Whilst they are reducing the amounts of landfill they are creating significant amounts of pollution. The organisation has tried to put in place measures to address this. However, the results indicate that the combination of social, environmental and economic objectives is difficult.

11.6 The Community-Based Model of the Social Economy: The Case of Merseyside

The figures show that in 2003 there were just under 300 social economy organisations in Merseyside. Sixty per cent of these were developed in Liverpool. This suggests that the CBED programme had a significant impact in terms of helping to develop more social economy organisations. CBED is unique to Liverpool. Less than four percent

the social economy organisations were to be found in the boroughs, such as Sefton, where it did not operate.

This research found that the larger social economy organisations were likely to be located within the city centre. Those social economy organisations outside of the city centre were confined to the Pathways areas. This reflects some of the concerns raised by Amin et al (2002)'s concern that the social economy could risk becoming a poor form of welfare for the poor.

Significantly, half of the mapped social economy organisations were categorised as community businesses and the number of social enterprises was less than 20 per cent. This has some important policy implications. Community businesses are much more likely to be dependent upon public sector investment. In a context of continuing grant cuts, the future sustainability of many of these organisations is threatened. It also suggests that the assumptions of the current market-led policies i.e. that the social economy can become self-financing are based upon the anomaly organisations rather than the majority. This was demonstrated further in the results, which showed that the majority of social economy organisations have turnovers under £250,000.

The combined turnover of £130 million per year could, however, represent significant investment into the Pathways areas based upon models such as the Local Multiplier 3, which argues that for each pound invested as much as £2.10 can be generated within the local area (NEF, 2002).

In contrast to the claims of Birkholzer (1998) and Lloyd (2001), the results show that the social economy in Merseyside has not been a major generator of new jobs. The social economy, at most, employs one per cent of the total labour force. Although the case studies show that it provides employment for the socially excluded which reflects the observations of Archambault (1997).

In contrast to previous analyses, this thesis showed that the social economy had as many volunteers as it did full time staff. This opened up debates around the potential of the social economy to provide alternative 'voluntary' types of work. These types of ideas resonate those who believe the social economy offers new alternative forms of sustainable development such as w Ekins and Newby (1998).

Many of the existing social economy organisations within Liverpool were developed throughout the 1990s, a period in which the city suffered high levels of unemployment and deprivation. Many of the organisations were therefore set up in order to alleviate high levels of economic deprivation and market failure in localised geographical areas, which is why many adopted the community business model. It can be concluded therefore that the majority of social economy development within Merseyside has been developed foremost in response to high levels of economic deprivation rather than new or alternative forms of holistic or sustainable development.

11.7 Contributions to Policy

In terms of policy recommendations the findings indicate that the majority of organisations require ongoing subsidy, particularly where they are located within deprived areas and where other market processes have failed. Moreover, the types of services they offer need to be critically assessed. For example, small business advice in Speke is having very limited impact. For example the results showed that the types of businesses were low income, employed no more than one or two staff, were run mainly from people's homes and were service sector led. In this case there may be other opportunities to be developed such as building links with major employers such as the airport to develop ways of linking local people to local jobs. There would, for example, be potential in identifying what current skills gaps exist and responding to them.

The results show that the added value or social benefits will not be paid for in the market economy. Whilst Bulky Bob's was able to utilise the Best Value legislation to negotiate their contract with Liverpool City Council, they lost out on another contract because they had to charge more so that they could continue to employ and train long term unemployed people.

Whilst the social economy does not appear to be a major generator of jobs, the results do show that the social economy does link people to the mainstream economy. For example, SMART helped people to set up in business who would have otherwise faced unemployment. Train 2000 linked women to improved jobs. FRC helped long-term unemployed people to gain further employment.

The results highlighted the limitations of community based approaches to local economic development. For example, the case study of SMART illustrated that there had been limited success in terms of generating further community businesses within Speke. This was linked to the lack of local resources, a lack of so-called social animatuers or entrepreneurs, and the lack of funding for groups that were not networked into an overseeing body such as the city council. The findings indicate that many of the new organisations are developed only as subsidiaries of larger organisations that have appropriate contacts, networks and resources.

The results raise some important policy considerations both within Merseyside and nationally. This have been summarised below.

Summary of Policy Recommendations

- Critically reassess the objectives of the CBED programme – for example, suitability of micro business advice. Should this be funded under regeneration or mainstream small business funding?
- Separate policies that place community businesses and social enterprises into the same pot
- Install proactive responses to developing potential social entrepreneurship – evidence suggests that there is no latent capacity in deprived communities
- Develop change within local authorities in order to make the most of policies such as best value. Evidence suggests that it still comes down to cost.
- Identify ways in which social economy can link up with new developments

- Explore relationships with both private and public sector – rather than isolating social economy organisations
- Develop capacity building for existing community based organisations, business training, and management skills. Bring in expertise where appropriate from the public or private sector to develop the potential within organisations.
- Promote the potential added value of social economy organisations

Figure 11.3

11.8 Future Research

Whilst the thesis is the result of an in-depth exploration into the impact of the social economy in Merseyside, there are still few reliable suitable sources of information about such basic facets of the social economy such as its size and structure. Whilst I have been able to map the social economy in Merseyside and provide some quantitative evidence, I have not been able to compare my results with those of similar studies from elsewhere. Where other studies do exist, the definitions used can lead to the size of the social economy being exaggerated. For example, some agencies have included co-operatives and all companies limited by guarantee. Whilst the DTI continues to develop a national mapping exercise, this thesis suggests that careful consideration has to separate classification of different types of organisations, in order to find out, for instance, how many community businesses there are compared to social enterprises.

It would also be useful to explore the role of the social economy in relation to the public and private sector. Current policy discourses have tended to disassociate the social economy organisation from the other sectors.

The development of the social economy and its potential to open up new spaces of development also offer engaging research opportunities. The gendered impact of the social economy, for example, could be explored in far more depth.

11.9 Summary

The concluding chapter has brought together the main themes of the research. The first section outlined the value of utilising an in-depth ethnographic approach to the research. The second and third sections sought to explore the application of the theoretical construct used in chapter 2 within the context of the three case study organisations; SMART, Train 2000 and FRC. The fourth section highlighted individual issues affecting social economy organisations, such as, the complex legal structures and governance arrangements compounded by a lack of a suitable legislative environment. The fifth section outlined the issues around measuring impact within the social economy. The discussion assessed issues such as the role and potential of social audits, the relationship between untangling impacts such as increased self confidence and capacity building with in-depth participant led approaches to evaluation and issues this raised in relation to both the theory of evaluation and its application on the ground within social economy organisations. The sixth section reviewed the results of the mapping exercises. The section illustrated the main facets of the social economy in Merseyside. The discussion illustrated how the social economy in Merseyside was characteristically bottom up and community led.

The seventh and eighth sections have utilised the research findings to draw together a range of policy recommendations and avenues for future research.

The eight sections have sought to provide an oversight of the main research findings. It cannot be denied that the social economy has grown and developed rapidly over the four years of this research. The policy context and local opportunities have also grown immensely. The grounded approach has meant that the research is both up to date and holds relevance for the current situation. The thesis makes a valuable contribution to the knowledge about the social economy in Merseyside, it has employed unique methods in terms collecting and gathering data and explored the so called intangible impacts of the social economy. Ultimately, the research has shown that the social economy offers important holistic impacts that are integral to improving the quality of life for local people. There is potential therefore to carry out further research on the possible future roles of the social economy, and ways in which it can be integrated into the wider economy.

Bibliography

- Abell, P. (1990) 'Labour-capital partnership: a political economy of the third way' in New Forms of Ownership: Management and Employment (eds). Jenkins, G. & Poole, M. Routledge, London: 13-26
- ACCA (2003) ACCA UK Awards for Sustainable Reporting: Judges Report ACCA
- Ackerman, S. (1990) 'Efficiency, funding, and autonomy in the third Sector' in The Third Sector: Comparative Studies of Non-profit Organizations (eds.) Anheier, H. K. & Siebel, W., Walter de Gruyter, Berlin and New York: 157-165
- Adams, J., Greig, M. & McQuaid R. (2001) 'Are spatially focused initiatives in current economic inclusion policies well founded?' in Local Economy Vol.16 (3): 236-248
- Amin, A. (2001) 'Moving on: institutionalism in economic geography' in Environment and Planning A Vol.33: 1237-1241
- Amin, A. Cameron, A. & Hudson, R. (1999) 'Welfare at work? The potential of the UK social economy' in Environment and Planning A Vol.31: 2033-2051
- Amin, A., Cameron A. & Hudson, R. (2002) Placing the Social Economy Routledge, London
- Amin, A., Cameron, A. & Hudson, R. (2003) 'The alterity of the social economy' in Alternative Economic Spaces (eds.) Leyshon, A., Lee, R. & Williams, C. Sage, London: 27- 54
- Amin, A. & Massey, D. & Thrift, N. (2000) Cities for the many not the few The Policy Press, Bristol
- Amin, A. & Thrift, N. (1995) 'Institutional issues for the European regions: from markets and plans to socioeconomics and powers of association' in Economy and Society Vol. 24 (1): 41- 65
- Amin, A. & Thrift, N. (2000) 'What kind of economic theory for what kind of economic geography?' in Antipode Vol. 32 (1): 4-9
- Anastacio, J., Gidley, B., Hart, L., Keith, M., Mayo, M. & Kowarzik, U (2000) Reflecting Realities: Participants' Perspectives on Integrated Communities and Sustainable Development Area Regeneration Series, The Policy Press, Bristol
- Anderson, V. (1991) Alternative Economic Indicators Routledge, London

- Angresano, J. (1990) 'Sweden: An example of a viable social economy?' in International Journal of Social Economics Vol.17 (4): 12-31
- Anheier, H. K. (1990a) 'A profile of the third sector in West Germany' in The Third Sector; Comparative Studies of Non-profit Organizations (eds) Anheier, H. K. & Siebel, W., Walter de Gruyter, Berlin and New York: 313-333
- Anheier, H. K. & Siebel, W. (1990b) The Third Sector; Comparative Studies of Non-profit Organizations Walter de Gruyter, Berlin and New York
- Anheier, H. K. (1990c) 'Institutional choice and organisational behaviour in the third sector' in The Third Sector; Comparative Studies of Nonprofits Organizations (eds.) Anheier, H. K. & Siebel, W., Walter de Gruyter, Berlin and New York: 47-61
- Archambault, E. (1990) 'Public authorities and the non-profit sector in France' in The Third Sector; Comparative Studies of Non-profit Organizations (eds.) Anheier, H. K. & Siebel, W., Walter de Gruyter, Berlin and New York: 293-301
- Archambault, E. (1997) The Non Profit Sector in France University Press, Manchester
- Arksey, H. & Knight, P. (1999) Interviewing for Social Scientists Sage Publications, London
- Atkinson, R. (1999) 'Countering urban social exclusion: the role of community participation in urban regeneration' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, UK: 65-75
- Atkinson, R. (2003) 'Addressing urban social exclusion through community involvement in urban regeneration' in Urban Renaissance? New Labour, community and urban policy The Policy Press, Bristol: 101-120
- Bachiega, A. & Borgaza, A. (2001) 'Social enterprises as incentive structures: an economic analysis' in The Emergence of Social Enterprise (eds.) Borgaza, C. & Defourny, J. Routedledge, London & New York: 273-296
- Bailey, N. & Turok, I. (2000) 'Adjustment to Job Loss in Britain's Major Cities' in Regional Studies Vol.34 (7): 631-653
- Ball, A., Owen, D. & Gray, R. (1999) 'External transparency or internal capture? The role of third-party statements in adding value to corporate environmental reports' in Business Strategy and the Environment Vol.9: (1-23).
- Balls, E. (1994) 'No more jobs for the boys' in Unemployment in Europe (eds.) Michie, J. & Grieve Smith, J Academic Press Ltd, London and San Diego: 116-129
- Ball, R (2002) 'Delivering new potential for community economic development?: European Structural Funds, RECHAR 11 and the West Midlands coal communities' Policy and Politics Vol.27 (4) 515-532

Barnes, T. (2001) 'Rethorizing economic geography: from the quantitative revolution to the 'Cultural Turn'' in Annals of the Association of American Geographers Vol.91 (3): 546-565

Barter, C. & Renold E. The Use of Vignettes in Qualitative Research <http://www.soc.surrey.ac.uk/sru/SRU25.html>

Bauder, H. (2001) 'You're good with your hands, why don't you become an auto mechanic': Neighbourhood Context, Institutions and Career Development in International Journal of Urban and regional Research Vol.25 (3): 593-608

Baxter, J. & Eyles, J. (1997) 'Evaluating qualitative research in social geography: establishing 'rigour' in interview analysis' in Transactions for the Institute of British Geographers Vol.22: 505-525.

Behrens, A. (2001) 'Income of private households and gross domestic product in Europe's regions' in Statistics in Focus Vol.1: 1-6

Beatty, C. Fothergill, S. & Macmillan, R. (2000) 'A theory of employment, unemployment and sickness' in Regional Studies Vol.34 (7): 617-630

Beloe, S. (1999) 'The greening of business' in IDS Bulletin Vol.30 (3): 43-49.

Bennett, R. & Sellgren, J. (1990) 'Ownership and economic development: the partnership of business and local government' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M. Routledge, London: 27-46

Bergham, J. (1995) 'Social Exclusion in Europe: policy context and analytical framework' in Beyond the Threshold: The Measurement and analysis of Social Exclusion (ed.) Room, G. The Policy Press, University of Bristol: 10-29

Big Issue (1999) Mapping the Social Business Sector; draft paper Projects in partnership Social Venture Network Europe

Binns, T., Hill, T. & Nel, E. (1997) 'Learning from the people: Participatory rural appraisal, geography and rural development in the new South Africa' in Applied Geography Vol. 17 (1): 1-9

Birkholzer, K. (ed.) (1997) Key Values and Structures of Social Enterprises in Western Europe: Concepts and Principles for a New Economy European Network for Economic self-help and Local Development, Berlin

Birkholzer, K. (ed.) (1998) The Contribution of Social Enterprise to Community Economic Development in six European Countries: Reports from Britain, Germany, France, Italy, Sweden and Spain European Network for Economic Self-Help and Local Development, Berlin

Blackman, T. (ed.) (1987) Community Based Planning and Development: Recent initiatives in architecture, planning, healthcare and economic development The Queens University of Belfast and University of Ulster Policy Press Research Institute.

Blake, D.H., Frederick, C.W., Myers, S.M. (1976) Social Auditing: Evaluating the Impact of Corporate Programs Pager Publishers, New York

Bland, J. (2001) 'Let's move on from private sector solutions' in New Start Vol.3 (108): 15

Blassingame, L. (1998) 'Sustainable cities: oxymoron, utopia, or inevitably?' in The Social Science Journal Vol.35 (1): 113

Boland, P., Mannin M. & Wallace, J. (1995) 'Merseyside: implications of objective 1 status and the Government Office' in Regional Studies Vol.29 (7): 698-705

Boland, P. (1999) "'Community" Economic Development in Knowsley, Merseyside. rhetoric versus reality' in Local Economy Vol.14 (3): 214-231

Boland, P. (1999b) 'Merseyside and Objective 1 Status, 1994-1999: Implications for the Next Programming Period' in Regional Studies Vol.33 (8): 788-792

Boland, P. (2000) 'Urban governance and economic development; A critique of Merseyside and Objective 1 status' in European and Regional Studies Vol. 7 (3): 211-222

Bonfield, P. & Hague, D. (1990) 'The Manor Employment Project: the conception, development, and transition of community based employment initiative' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M. Routledge, London: 279-288

Boothroyd, P. & Davis, C. (1993) 'Community economic development: Three approaches' in Journal of Planning Education and Research, Vol.12: 230-240.

Borgaza, C. & Solari, L. (2001) 'Management challenges for social enterprises' in 'The Emergence of Social Enterprise' (eds.) Borgaza, C. & Defourny, J. Routledge, London & New York: 333-350

Borgaza, C. & Santuari, A. (2001) 'Italy: from traditional co-operatives to innovative social enterprises' in 'The Emergence of Social Enterprise' (eds.) Borgaza, C. & Defourny, J. Routledge, London & New York: 166-182

Borgaza, C. & Defourny, J. (eds) (2001) 'The Emergence of Social Enterprise' Routledge, London & New York

Bradford & Robson (1995) 'An evaluation of urban policy' in Urban Policy Evaluation: Challenge and Change (eds.) Hambleton, R. & Thomas, H. Paul Chapman, London

- Bradshaw, M. (2001) 'Contracts and member checks in qualitative research in human geography: reason for caution?' in Area Vol.33 (2): 202-211
- Bramley, G. & Fisher, T. (2002) Services, Social Exclusion and the Neighbourhood Paper presented at Cities and Regions in the 21st Century Conference, Newcastle
- Brennan, S. (2003) Objective 1 in Liverpool: Its Impacts, the role of Communities and Lessons for European City Development Paper presented to EURA-Eurocities conference, Budapest
- Brennan, S. & Ackers, S. (2004) 'Recycling, best value and social enterprise: assessing the 'Liverpool model'' in Local Economy Vol.19 (2): 175-181
- Brentan, M. (1985) The Voluntary Sector in British Social Services Longman, Harlow
- Bristow, H. (1998) 'Joined Up Thinking for Healthy Communities' Unpublished, Merseyside Health Action Zone
- Bruegel, I. (2000) 'Getting explicit: Gender and local economic development' in Local Economy Vol. 15 (1): 2-9
- Bruyn, S. T. (1987) 'Beyond the market and the state' in Beyond the market and the state: New directions in community economic development (eds.) Bruyn, S. T. & Meehan, J., Temple University Press, Philadelphia: 3-27
- Bryden, J. & Scott, I. (1990) 'The Celtic fringe; state sponsored versus indigenous local development initiatives in Scotland and Ireland' in Global Challenge and Local Response; Initiatives for Economic Regeneration in Contemporary Europe (ed.) Stohr, W. B., Mansell Publishing Ltd, New York and London: 90-132
- Bryman, A. & Burgess, R.G. (1994) Analysing Qualitative Data London Routledge
- Bryman, A. & Burgess, R.G. (1994) 'Reflections on qualitative data analysis' in Analysing Qualitative Data (eds.) Bryman & Burgess, Routledge, London
- Bryson, A. & White, M. (1996) From unemployment to self-employment: the consequences of self-employment for the long-term unemployed Policy Studies Institute
- Burgess, J. (1996) 'Focusing on Fear: the use of focus groups in a project for the Community Forest Unit, Countryside Commission' in Area Vol.28 (2): 130-135
- Burnell, P (2004) Mersey Turns Economic Tide BBC News UK Edition June 2004, news.bbc.co.uk
- Burt, G. (1991) 'Community Business Development in Scotland' in Unemployment, Education, and Training: Case Studies from North America and Europe (eds.) Forrester, K. & Ward, K. Caddo Gap Press, California: 257-270
- Byrne, D. (1999) Social Exclusion England Open University Press, Buckingham

Caldwell, K. & Pearce, J. (1998) 'Regional Report from Glasgow / Edinburgh' in The Contribution of Social Enterprise to Community Economic Development in six European Countries: Reports from Britain, Germany, France, Italy, Sweden and Spain (eds.) Birkholzer, K. et al Berlin, European Network for Economic Self-Help and Local Development

Campbell, M. (2000) 'Reconnecting the long term unemployed to labour market opportunity: The case for a local active labour market policy' in Regional Studies Vol.34 (7): 655-668

Cannon, C. (1997) 'The struggle against social exclusion – urban social development in France' in IDS Bulletin Vol.28 (2): 77-85

Cannon, C. (2000) 'The environmental crisis, greens and community development' in Community Development Journal Vol.35 (4): 365-376

Carley, M. (2001) 'Top-down and bottom-up: the challenge of cities in the new century' in Urban Development & Civil Society: The role of communities in sustainable cities Earthscan Publications, London: 3-15

Carter, N. (1990) 'Changing ownership: meaning, culture and control the construction of a co-operative organisation' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M. Routledge, London: 323- 340

CBED (2003) Programme Outputs unpublished, Liverpool City Council

Centre for Local Economic Strategies (1993) The Green Local Economy: Building a new local economic environment New Economics Foundation, London

Charity Commission for England & Wales (2002) Review Visit Report: Furniture Resource Centre Limited , FRC, Liverpool

Chambers, R. (1997) Whose reality Counts? Putting the first last Intermediate Technological Publications, London

Chirico, S. (1998) Guidelines for Planning, Facilitating and Analysing Focus Groups Bedfordshire Health Promotion Agency

Churchill, S. (2001) 'Open information for Birmingham' in New Start Vol.3 (121): 13

Clarke, L. (1990) 'Share-ownership co-operatives – some observations' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M., Routledge, London: 279-288

Clark, S & McGregor (1997) Community Business and the Intermediate Labour Market: The West of Scotland Experience: Final Report Ceis, Glasgow

- Clasen, J. et al. (1998) Voices Within and Without: Responses to long-term unemployment in Germany, Sweden and Britain. The Policy Press. Bristol
- Cloke, P. Philo, C. & Sadler D. (1991) Approaching Human Geography: An Introduction to Contemporary Theoretical Debates Paul Chapman Publishing Ltd, London
- Cobelli, M. T. (1998) 'Regional report from the region of Torino (Italy)' in The Contribution of Social Enterprise to Community Economic Development in six European Countries: Reports from Britain, Germany, France, Italy, Sweden and Spain (eds.) Birkholzer, K et al Berlin European Network for Economic Self-Help and Local Development
- Cochrane, A. (2000) 'The social construction of urban policy' in A Companion to the City (eds.) Bridge, G. & Watson, S. Blackwell, Oxford: 531-42
- Cockburn, C (1977) 'When women get involved in community action' in Women in the Community (ed.) Mayo, M. Routeledge and Kegan Paul, London: 61-71
- Community Based Economic Development Team (CBED) (1997) Getting Results: The Third Liverpool CBED Conference Liverpool City Council
- Community Based Economic Development Unit (1998a) Liverpool Social Audit Initiative: Report of the Pilot Programme 1996-1998 CBED, Liverpool City Council
- Community Based Economic Development Team (CBED) (1998b) Community Based Economic Development in Liverpool, Economic Development Unit, Liverpool City Council
- Community Enterprise in Strathclyde (CeIS) (1997) Valuing the social economy: The Social Economy and Economic Inclusion in Lowland Scotland CeIS, Glasgow
- Community Enterprise in Strathclyde (CeIS) (2001) Confidence in the social economy
- Community Business Scotland (CBS) (2001) The Social Economy and Economic Inclusion in Lowland Scotland University of Glasgow, Scotland
- CBS Network (2003a) Social enterprise development and the Social Economy in Scotland CBS Network, Edinburgh
- CBS Network (2003b) Information Paper Social Capital CBS Network, Edinburgh
- CONCISE (2003) The Contribution of Social Capital in the Social Economy to Local Economic Development in Western Europe, Institute of Health and Social Science, Middlesex University
- Cook, I (1998) 'Participant observation in Methods' in Human Geography: a guide for students doing research projects Longman , Essex: 127-149

Crang, M. (2002) 'Qualitative methods: the new orthodoxy?' in Progress in Human Geography Vol. 26 (5): 647-655

Crang, P. (1997) 'Cultural turns and the (Re) constitution of economic geography: Introduction to section one' in Geographies of Economies (eds.) Lee, R. & Wills, J., Arnold, London: 9-15

Centre Regional and Economic Development (CRED) (1997) Prospecting for the Long Term Unemployed: Merseyside Final Evaluation Report, Department of Geography, Liverpool

Cropper, A. (2001) Evaluation Handbook for Health Action Zone funded Interventions in Merseyside Merseyside Health Action Zone

Curtis, S., Gelser, W., Smith, G. & Washburn, S. (2000) 'Approaches to sampling and case selection in qualitative research: examples in the geography of health' in Social Science and Medicine Vol. 50 (7-8): 1001-1014

Cuthill, M. (2002) 'Exploratory Research: Citizen participation, local government and sustainable development in Australia' Sustainable Development Vol.10: 79-82

Dale, B. (2002) 'An Institutionalist approach to Local Restructuring; The case of four Norwegian mining towns' in European Urban and Regional Studies Vol. 9 (1): 5-20

Deas, I. & Ward, K. (2000) 'From the 'new localism' to the 'new regionalism'? The implications of regional development agencies for city-regional relations' in Political Geography Vol. 19 (3): 273-292

Dees, J., Emerson, J. & Economy, P. (2001) Enterprising Nonprofits: A Toolkit for Social Entrepreneurs John Wiley and sons, USA

DeFilippis, J. (1999) 'Alternatives to the 'New Urban Politics': Finding locality and autonomy in local economic development' in Political Geography Vol. 18 (8): 973-990

DeFilippis, J. (2001) 'The myth of social capital in community development' in Housing Policy Debate Vol. 12: 781-806

DeFilippis, J. (2004) Unmaking Goliath: Community Control in the Face of Global Capital Routledge, London

Defourny, J., Favreau, L. & Laville, J. (2001) 'Introduction to an international evaluation' in Tackling social exclusion in Europe (eds.) Spear, R., Defourny, J., Favreau, L. & Laville, J. Ashgate, England

Defourny, J., Favreau, L. & Laville, J. 'New directions in a plural economy' in Tackling social exclusion in Europe (eds.) Spear, R., Defourny, J., Favreau, L. & Laville, J. Ashgate, England

Delors, J. (1994) Growth, Competitiveness and Employment European Commission

Department of the Environment (1994) Inner Cities Research Programme: Assessing The Impact of Urban Policy HMSO, London

Department of the Environment, Transport and the Regions (2000) New Deal for communities: Monitoring, Review and Evaluation DETR, London

Department of the Environment, Transport and the Regions (1999) Local Evaluation for Regeneration Partnerships: Good Practice Guide DETR, London

Denzin, N. K. & Lincoln, Y. S. (1994) Handbook of Qualitative Research Sage Publications London

Dey, I. (1993) Qualitative data analysis; A user-friendly guide for social scientists Routledge, London and New York

Dhesi, A. S. (2000) 'Social capital and community development' in Community Development Journal Vol.35 (3): 199-219

Dixon, J. (1995) 'Community stories and indicators for evaluating community development' in Community Development Journal Vol.30 (4): 327-336

Dobson, R. V. G. (1993) Bringing the Economy Home from the Market Black Rose Books, Montreal

Donnelly, R. (1998) 'Employment creation through community co-operation: Celtic lessons' in New forms of ownership: Management and Employment (eds). Jenkins, G. & Poole, M. Routledge, London: 81-93

Downer, S. (2001) 'Vital statistics online' in New Start Vol.3 (121): 12-13

Downie, A. & Elrick, D. (2000) 'Measuring the threads: community development and organising around the environment – A Scottish Perspective' in Community Economic Development Journal Vol.35 (3): 245-254

DTI (2003) Public Procurement: A Toolkit for Social Enterprises Social Enterprise Unit, London

DTI (2003) Social Enterprise: A Report on Social Enterprise: A Strategy for Success Social Enterprise Unit, London

Duncan, J. (2001a) 'Learning, health and enterprise – the foundations of regeneration' in New Sector Issue 46: 19

Duncan, J. (2001b) 'Opportunity or threat' in New Sector Issue 46: 25

EC (1998) The Era of Tailor Made Jobs, European Community

- Edelman, I. (2000) 'Evaluation and community-based initiatives' in Social Policy Vol.31 (2): 13-24
- Ekins, P. & Newby, L. (1998) ' Sustainable wealth creation at the local level in an age of Globalisation' in Regional Studies Vol. 32 (9): 863 – 877
- Ekins, P. Hillman, M. & Hutchison, R. (1992) Wealth Beyond Measure: An atlas for new economics Gaia Books Ltd, London
- Eldonian Group (1999) Community Regeneration Works, Eldonian Group, Liverpool
- Eme, B. (2001) 'Legitimate orders of the social participant and the logic of social change' in Tackling social exclusion in Europe (eds.) Spear, R., Defourny, J., Favreau, L. & Laville, J. Ashgate, England
- Ettlinger, N. (1994) ' The localization of development in comparative perspective' in Economic Geography Vol.70 (2): 144-166
- Eyles, J. & Smith, D.M. (eds.) (1988) Qualitative methods in human geography Policy Press
- Evans, M. & Syrett, S. (2002) Generating Social Capital? Collaborative Relations, the Social Economy and Local Development presented at the Fourth European Urban and Regional Studies Conference, Barcelona
- Everling, C. (1997) Social Economy: The logic of capitalist development Routledge Frontiers of Political Economy, London and New York
- Fagin, L. (1981) Unemployment and Health in Families: Case Studies Based on Family Interviews Unpublished, DHSS
- Fasenfest, D., Ciancanelli, P. & Reese, L. A. (1997) ' Value, exchange and the social economy: framework and paradigm shift in urban policy' in International Journal of Urban and Regional Research Vol.21 (1): 7-23.
- Fetterman, D. (1994) 'Empowerment evaluation' in Evaluation Practice Vol.15: 1-15
- Fetterman, D. (2000) Foundations of empowerment evaluation Sage, Thousand Oaks
- Figgins, L. (1997) The Role of Community Within Social Impact Assessment and the Local Agenda 21 Process Msc Environmental Impact Assessment Brighton University
- Fillion, P. (1998) 'Potential and limitations of community economic development: individual initiative and collective action in a post-Fordist context' in Environment and Planning A Vol.30:1101-1123
- Fine, B (2002) They F**K You Up Those Social Capitalists Antipode Vol.34 (4): 796-799

- Forsyth, F. (2000) 'Women's enterprise and business development: Lesson from targeted women's programmes in Glasgow' in Local Economy Vol. 15 (1): 18-32
- Forum for the Future (2000) Sustainable Wealth London Update; Promoting sustainable economic development & regeneration in London Sustainable Wealth, London
- Frey, J. H. & Fontana, A. (1993) 'The group interview in social research' in Successful Focus Groups: Advancing the State of the Art (ed.) Morgan, D., Sage Publications, London
- Fryer, D. & Ullah, P. (eds.) (1987) Unemployed People: Social and Psychological Perspectives Open University Press Milton Keynes and Philadelphia
- Fuller, D. & Jonas, A. (2003) 'Institutionalising future geographies of financial inclusion: National legitimacy versus local autonomy in the British Credit Union movement' in Antipode Vol.34 (1): 85
- Fuller, D. & Mellor, M. (2002) 'Local to me' Advancing financial inclusion in Newcastle upon Tyne Paper presented at the Cities and Regions: people and places session of CURDS 25th conference, Newcastle
- Furniture Resource Centre (2001) Proving it! Highlights of the Social Accounts 2000-2001 FRC Group
- Furniture Resource Centre (2002) Proving it? Highlights of the Social Report 2001-2002 FRC Group
- Furniture Resource Centre (2003) Proving it. Highlights of the Social Report 2002-2003 FRC Group
- Furniture Resource Centre (2004) We Do Our Social: Social Report 2003/2004 FRC Group
- Gallagher, A. (1977) 'Women and community work' in Women in the Community (ed.) Mayo, M., Routledge and Kegan Paul, London: 121-140
- Gallie, D., Marsh, C. & Vogler, C. (eds.) (1993) Social Change and the Experience of Unemployment Oxford University Press, Oxford
- Geddes, M. (1999) 'Partnership and local development in the European Union' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich
- Geddes, M. (2000) 'Tackling Social Exclusion in the European Union? The limits to the New Orthodoxy of Local Partnership' in International Journal of Urban and Regional Research Vol. 24 (4): 782-800
- Georgen, R. (1997) 'Social Co-operation in Italy' in Key Values and Structures of Social Enterprises in Western Europe: Concepts and Principles for a New Economy

- (eds.) Birkholzer, K. Berlin, European Network for Economic self-help and Local Development: 36-45
- Gertler, M.S., DiGiovanna, S. (1997) 'In search of the new social economy: collaborative relations between users and producers of advanced manufacturing technologies' in Environment and Planning A Vol.29: 1585-1602.
- Gibbs, A. (1997) Focus Groups, Social Research update 19, University of Surrey <http://www.soc.surrey.ac.uk/sru/sru19.html>
- Gibbs, D. (1994) 'Towards the sustainable city: Greening the local economy' in Town Planning Review Vol.65 (1): 99-109
- Gibbs, D. & Jonas, A.E.G. (2001) 'Rescaling and regional Development Agencies and the environment' in Environment and Planning C Vol.19: 269-288
- Gibson, J. (1978) 'Recreational Land Use' in The Valuation of Social Cost (ed.) Pearce, D. W., George Allen Unwin Ltd, London: 68-97
- Giddens, A. (1998) The Third Way; The Renewal of Social Democracy Polity Press, Cambridge
- Gilchrist, A. (2000) 'The well-connected community: networking to the 'edge of chaos'' in Community Development Journal Vol. 35 (3): 264-275
- Gilroy, R. & Booth, C. (2000) 'The Role of a Toolkit in Mobilising Women in Local and Regional Development' in Local Economy Vol. 15 (1): 9-17
- Glasgow Works (2001) The ILM Model Glasgow Works, Glasgow
- Glennville, J. & Poole, M. (eds.) (1990) New forms of ownership: Management and Employment Routledge, London
- Goss, J. D. (1996) 'Introduction to focus groups' in Area Vol.28 (2): 113-114
- Goss, J. D. (1996) 'Focus groups as alternative research practice: experience with transmigrants in Indonesia' in Area Vol.28 (2): 115- 123
- Government Office for the Northwest (GONW) (1999) Executive Summary Single Programming Document Merseyside Objective 1 Programme 2000-2006 Government Office, Liverpool
- Government Office for the Northwest (2003) So what has Europe done for us? The objective one programme EU and Merseyside, Government Office, Liverpool
- Graefe, P. (2001) 'Whose social economy? Debating new state practices in Quebec' in Critical Social Policy Vol.21 (1): 35-58
- Graefe, P. (2002) 'The social economy and the state: linking ambitions with institutions in Quebec', Canada in Policy and Politics Vol.30 (2): 247 -263

- Grahame, P.R (1998) 'Ethnography, institutions, and the problematic of the everyday world' in Human Studies Vol.21: 347-360
- Grant, L. (2002) 'Addressing women's economic disadvantage in local economies: the limitations and benefits of partnerships' in Policy and Politics Vol.30 (1): 97-113
- Gray, R., Dey, C., Owen, D., Evans, R., & Zadek, S. (1997) 'Struggling with the praxis of social accounting – stakeholders, accountability, audits, and procedures' in Accounting, Auditing and Accountability Journal, Vol.10 (3): 325-364
- Greer, J. et al (1999) 'Reshaping local governance in a divided society; district partnerships in Northern Ireland' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 79-93
- Gregson, N., Simonsen, K. & Vaiou, D. (2002) ' The meaning of work' in European Urban and Regional Studies Vol. 6 (3): 198-211
- Grootaert, C. (1998) Social Capital: The Missing Link Social Capital Initiative Working Paper (3) The World Bank, Sustainable Development Network
- Hague, C. (2001) 'Renegotiating places: the experience of low-demand housing in Salford, England' in Urban Development & Civil Society: The role of communities in sustainable cities Earthscan Publications, London: 139-153
- Hamdi, N. & Goethert, R. (1997) Action Planning for Cities: A guide to Community Practice Wiley, Chichester, UK
- Hansman H.B. (1986) 'Role of non-profit enterprise' in The Economics of Non-profit Institutions: Studies in structure and policy (ed.) Rose-Ackerman, S. Oxford University Press, New York: 57-82
- Harding, L. (2000) 'Forum for the future' in Local Economy in Vol.15 (1): 61-62
- Harding, L. (2000) 'Women's full circle fund, Norwich' in Local Economy Vol.15 (1): 62
- Harris, K. (1998) 'Some problems in community enterprise and community economic development' in Community Economic Development: Rhetoric or Reality? (ed.) Twelvetimes, Alan Community Development Foundation, London, 36-43.
- Hart, M. & Macfarlane R. (1999) ' The role of community enterprise in local economic development; beyond the job creation agenda?' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 7-39
- Haughton, G. (1990) 'Targeting jobs to local people: the British urban policy experience' Urban Studies Vol.27 (2): 185-198.

Haughton, G., Lloyd, P. & Meegan, R. (1997) 'The Rediscovery of Community Economic Development in Britain: the European Dimension to Grassroots Involvement in Local Regeneration.' Unpublished

Haughton, G. & Hunter, C. (1994) Sustainable Cities Jessica Kingsley Publishers Ltd, London

Haughton, G. (1998) 'Principles and practice of community economic development' in Regional Studies Journal of the Regional Studies Association Vol.32 (9): 872-878

Haughton, G. (1999a) 'Putting the community into economic development: challenges to social exclusion and to the economic orthodox' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 1-3

Haughton, G. (1999b) 'The future of community economic development' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 226-233.

Haughton, G. (1999c) 'The re-emergence of community economic development in Britain: the European dimension to grassroots involvement in local regeneration' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 209-223.

Haughton, G., Jones, M., Peck, J., Tickell & While, A (2000) 'Labour market policy as flexible welfare: prototype employment zones and the new workfarism' in Regional Studies Vol.34 (7): 669-680

Haworth, J.T. & Evans, S.T. (1987) 'Meaningful activity and unemployment' in Unemployed People: Social and Psychological Perspectives (eds.) Fryer, D. & Phillip, U., Open University Press, Milton Keynes and Philadelphia: 241-267

Hayton, K. (1983) 'Employment Creation in Deprived Areas: The Local Authority Role in Promoting Community Business' Local Government Studies Nov/Dec: 39-55

Hayton, K. (1995) 'Community involvement in economic regeneration – lessons from North East England' in Community Development Journal, Vol.30 (2): 170-187.

Hayton, K. (1996) 'A critical examination of the role of community business in urban regeneration' in Town Planning Review, Vol.67 (1): 1-19.

Hayton, K. (2000) 'Scottish community business: an idea that has had its day?' in Policy and Politics Vol.28 (2): 193-206.

Hayton, K. (2001) 'The role of Scottish credit unions in tackling financial exclusion' in Policy and Politics Vol.29 (3): 281-297

Henderson, P. (1998) An Introductory Guide: Signposts to Community Economic Development The Community Development Foundation LIBRARY

- Hervert, S. (2000) 'For ethnography' in Progress in Human Geography Vol.24 (4): 550-568
- Hibbit, K., Jones, P. & Meegan, R. (2000) 'Tackling social exclusion: The role of social capital' in Urban Regeneration on Merseyside – From Mistrust to Trust? European Planning Studies, Vol.9 (2): 141-161
- Hinshelwood, E. (2001) 'Power to the people: community-led wind energy – obstacles and opportunities in South Wales Valley' in Community Development Journal Vol.36 (2): 95-110
- HM Treasury (2002) The Role of the Voluntary and Community Sector in Service Delivery: A Cross Cutting Review The Public Enquiry Unit, London
- Hoban, M. & Beresford, P. (2001) 'Regenerating regeneration' in Community Development Journal Vol.36 (4): 312-319
- Hobbs, P. & Jeffers, K. (1990) 'So how many co-operatives are there? – A critical note on co-operative statistics' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M., Routledge, London: 289-302
- Hogwood, B.W. & Gunn, L.A. (1984) Policy Analysis for the Real World Oxford University Press
- Holbrook, B. (1996) 'Shopping around: focus group research in North London' in Area Vol.28 (2): 136-142
- Holden, C. (1999) 'Globalization, social exclusion and Labour's new work ethic' in Critical Social Policy Vol.19 (4) :529-538
- Hopkins, R. (1995) 'Community Economic Development: A Question of Scale' in Community Development Journal Vol.30 (1): 48-55.
- Huberman, M. (1994) An Expanded Sourcebook: Qualitative Data Analysis Second Edition, Sage publications
- Hunt, A. & Owen, G. (1998) An Impact Evaluation Model for local Economic Development Partnerships Research Brief 52 Department for Education and Employment
- Illsley, B. & McCarthy (1998) 'Community-led planning? The case of Dundee' in Scottish Geographical Magazine Vol.114 (2): 103-108
- Immink, R. & Kearney, P. (2003) Community Enterprise: A Business Planning Workbook for the Social Economy Oak Tree Press, Dublin
- International Labour Organisation (ILO) (2001) Statistics for Merseyside available through www.nationalstatistics.co.uk

Imrie, R. & Raco, M. (2003) 'Community and the changing nature of urban policy' in Urban Renaissance? New Labour, community and urban policy (eds) Imrie, R. & Raco, M. The Policy Press, Bristol: 3-36

Imbroscio, D. (1997) Reconstructing City Politics: Alternative Economic Development and Urban Regimes Sage, London

Isralowicz, R. & Singer, M. (1975) 'Long term unemployment and its impact on black adolescent work values' in Journal of Social Psychology Vol.127 (2): 227-236

Jacoms, M. (1991) The Green Economy: Environment, Sustainable Development and the Politics of the Future Pluto Press, London

Jahoda, M. (1987) 'Unemployed men at work' in Unemployed people: Social and Psychological Perspectives (eds.) Fryer, D. & Phillip, U. Open University Press Milton Keynes ad Philadelphia: 1-73

James, E. (1990) 'Economic theories of the non-profit sector: A comparative perspective' in The Third Sector: Comparative Studies of Non-profit Organisations, (eds.) Anheier, H.K. & Seibel, W., Walter de Gruyter, Berlin and New York: 21-41

Jenkins, P. & Smith, H. (2001) 'The state, the market and community: an analytical framework for community self-development' in Urban Development & Civil Society: The role of communities in sustainable cities Earthscan Publications, London: 16-32

Jessop, B. (1993) 'Towards a Schumpeterian workfare regime in Britain? Reflections on regulation, governance, and welfare state. Preliminary remarks on post-fordist political economy' Studies in Political Economy Vol.40 (Spring): 7-39

Jessop, B (1995) 'Towards a Schumpeterian workfare regime in Britain? Reflections on regulation, governance and welfare state' in Environment and Planning A Vol.27 (10): 1613-1626

Jessop, B (2002) Liberalism, Neo-liberalism, and Urban Governance: A State-Theoretical Perspective' in Antipode Vol.34 (3): 452-472

Jones, M. (2001) 'The rise of the regional state in economic governance: partnerships for prosperity' or new scales of state power?' in Environment and Planning A Vol.33: 1185-1211

Jorgensen, D. L. (1989) Participant Observation: A Methodology for Human Studies Vol.15, Applied Social Research Methods Series, Sage Publications, London

Joseph Rowntree Foundation (2002) Promoting change through research: the impact of research on local government www.jrf.org.uk

Keane, M. (2003) The Social Economy: Opportunities and Constraints Conference paper, Department of Economics, University of Ireland, Galway.

- Keartns, A. (1991) 'Active citizenship and urban governance' in Transactions for the Institute of British Geographers Vol.17: 20-32
- Kearns, A. (2003) 'Social Capital, regeneration and urban policy' in Urban Renaissance? New Labour, community and urban policy The Policy Press, Bristol: 38-60
- Kellard, K., Legge, K. & Ashworth, K. (2002) Self Employment as a route off benefit Research Report No.177, Dept of Work and Pensions, London
- Kelly, J. (2001) 'Leap of Faith' in Public Finance (April): 20-28
- Kelvin, P. & Jarret, J.E. (1985) Unemployment: Its social psychological effects Cambridge University Press, Cambridge
- Kendall, J. & Knapp, M. (1997) 'The United Kingdom' in Defining the Non-profit Sector: A Cross-national analysis. (eds.) Salamon, L. M. & Anheier, H. Manchester University Press: 249-280
- Kendall, J. (2000) 'The mainstreaming of the third sector into public policy in England in the late 1990s: Whys and wherefores' in Civil Society Working Paper 2 www.lse.ac.uk/Depts/ccs/civilsociety-work-papers.htm
- Kitchen, R. & Tate, N. (2000) Conducting Research in Human Geography: Theory, Methodology and Practice. Harlow, England, Prentice Hall.
- Kobayashi, A. (2001) 'Negotiating the personal and the political in critical qualitative research' in Qualitative Methodologies for Geographers: Issues and Debates (eds.) Limb, M. & Dwyer, C. Arnold, London: 23-40
- Kramer, R. M. (2000) 'Third sector in the third millennium?' in VOLUNTAS: International Journal of Voluntary and Nonprofit Organisations Vol.11 (1): 1-23
- Krueger, R. A. (1993) 'Quality control in focus group research' in Successful Focus Groups: Advancing the state of the Art (ed.) Morgan, D., London, Sage Publications
- Krueger, R. A. & Casey, M. A. (2000) Focus Groups; A Practical guide for Applied Research, 3rd edition, London, Sage Publications
- Kubisch, A. C., Connell, J. P., & Fullbright-Anderson, K. (2001) 'Evaluating complex comprehensive community initiatives: Theory, measurement and analysis' in Rebuilding Community; Policy and Practice in Urban Regeneration (eds.) Pierson, J. & Smith, J. Palgrave, Hampshire: 83-98
- Kubisch, A. & Stone, R. (2001) 'Comprehensive Community Initiatives: The American Experience' in (eds.) Pierson, J. & Smith Rebuilding Community: Policy and Practice in Urban Regeneration Palgrave, London: 13-33

Laville, J. L. & Nyssens, M. (2001) 'The social enterprise: towards a theoretical socio-economic approach' in (eds.) Borgaza, C. & Defourny, J. (2001) 'The Emergence of Social Enterprise' Routledge, London & New York: 312-333

LCC (2001) Building Sustainable Ways of Working; Liverpool City Council's Plan for Sustainable Development Liverpool City Council, Liverpool

LCC (2002) This is Liverpool; A 10 year prospectus for a distinct European City Liverpool City Council, Liverpool

LCC (2003) Regeneration Business Plan 2003-2004 Vision and Overview Liverpool City Council, Liverpool

Leadbetter, C. (1997) The Rise of the Social Entrepreneur Demos, London

Lecomber, R. (1978) 'Social Costs and the National Accounts' in The Valuation of Social Cost (ed.) Pearce, D. W. George Allen Unwin Ltd, London: 164-198

Lee, R. (2002) 'Nice maps, shame about the theory? Thinking geographically about the economic' in Progress in Human Geography Vol.26 (30): 333-355

Lee, R. & Leyshon, A. (2003) 'Conclusions: Remaking geographies and the construction of 'Spaces of Hope'' in Alternative Economic Spaces (eds.) Leyshon, A., Lee, R. & Williams, C. Sage, London

Leeming, K. (2002) 'Community businesses – lessons from Liverpool, UK' in Community Development Journal Vol.37 (3): 260-267

Lever, W. & Moore, C. (eds.) (1986) The City in Transition: Policies and Agencies for the Economic Regeneration of Clydeside Oxford University Press

Levitas, R. (1996) 'The concept of social exclusion and the new Durkheimian hegemony' in Critical Social Policy Vol.16: 5-20

Levitas, R. (1998) The Inclusive Society? Social Exclusion and New Labour Macmillan, Basingstoke

Ley, D. & Mountz, A. (2001) 'Interpretation, representation, positionality: issues in field research in human geography' in Qualitative Methodologies for Geographers: Issues and Debates (eds.) Limb, M. & Dwyer, C. Arnold, London: 234-247

Leyshon, A. & Lee, R. (2003) 'Introduction: Alternative economic geographies' in Alternative Economic Spaces (eds.) Leyshon, A., Lee, R. & Williams, C., Sage, London: 1-26

Limb, M. & Dwyer, C. (2001) Qualitative Methodologies for Geographers: Issues and Debates Arnold, London

Lingayah, S. (2001) 'Let's start using the scales of Social Justice' in New Start (July) (4): 27-32

Littlewood, S. & Moran, C. (1999) 'Approaches to community economic development: Contrasting styles of community led regeneration in Bradford, England' in Community Economic Development, (ed.) Haughton, G., The Stationary Office, Norwich: 182-195

Liverpool City Council (1993) Key Statistics Liverpool Wards 1991 Census Central Policy Unit Liverpool City Council, Liverpool

Liverpool City Council (1999) Liverpool Social Audit Initiative: A Report on the pilot programme 1996-1998, Liverpool City Council, Economic Development Unit

Liverpool Plus (2003) Executive Summary; Liverpool Plus Action Plan 2004/5 Liverpool Plus, Liverpool

Liverpool Vision (2003) Reports from The City Centre Conference Monday 24 November 2003

Lloyd, P.C. (1990) 'The Relationship between voluntary associations and state agencies in the provision of social services at the local Level' in The Third Sector; Comparative Studies of Nonprofit Organizations (eds.) Anheier, H. K. & Siebel, W., Walter de Gruyter, Berlin and New York: 241-255

Lloyd, M.G. (2002) 'Urban regeneration and community development in Scotland: Converging agendas for action' in Sustainable Development Vol.10: 147-154

Lloyd, P. E. (1999) 'The regional development agencies and social inclusion: widening the agenda' in Environment and Planning C Vol.17: 701-713

Lloyd, P. E. (2001) 'European Perspectives on Re-Integration' in Building Opportunities: Re-integration of the Young and Long-term Unemployed Conference Report, Sept, Quirkprint, Merseyside

Lloyd, P. E. (2000) Intermediate Labour Markets in the Environmental Sector: A Briefing study for Groundwork Greystone Advertising and Design Ltd, University of Liverpool

Local Government Association (2002) Towards a National Strategy for Local Government Procurement: The Joint Response of the Government and the Local Government Association to the Local Government Procurement Taskforce Report – Delivering Better Services for Citizens Office of the Deputy Prime Minister, London

Local Government Association (2003) National Procurement Strategy for Local Government Office of the Deputy Prime minister London

Longhurst, R. (1996) 'Refocusing groups: pregnant women's geographical experiences of Hamilton, New Zealand/ Aotearoa' in Area Vol.28 (2): 143-149

Lyons, M. (2001) The contribution of non-profit and co-operative enterprises in Australia: Third Sector Allen & Unwin, Australia

MacLeod, G. & Goodwin, M. (1999) 'Reconstructing an urban and regional political economy: on the state, politics, scale and explanation' in Political Geography Vol.18 (6): 697-730

Marlow, S. (1997) 'Self-employed women – new opportunities, old challenges?' in Entrepreneurship and Regional Development Vol.9 (3)

Marlow, S. (2002) 'Women and self-employment: Apart of or apart from theoretical construct?' in The international Journal of Entrepreneurship and Innovation Edward Elgar, Cheltenham

Marlow, S., Westall, A. & Watson, E. (2003) Who benefits? The difficulties for women in making the transition from unemployment to self-employment New Economics Foundation and Prowess

Marshall, A.J. (2003) The Urban Impact of EU Structural Funding in the Republic of Ireland: Lessons from Metropolitan Dublin Paper presented to Eura-Eurocities conference Budapest, Hungary

Mason, J. (1996) Qualitative Researching Sage Publications, London

Massey, D. & Meegan, R. (eds.) (1985) Politics and Methods: Contrasting studies in industrial geography Meuthen, London and New York

Massey, D. (1994) Space, Place and Gender Polity Press, Cambridge

Massey, D. (1997) 'Space/power. Identity/difference: tension in the city' in The urbanisation of injustice (eds.) Merrifield, A. & Swyngedouw, E. Lawrence and Wishart, London: 100-16

Massey, D. (2001) 'Geography on the agenda' Progress in Human Geography Vol.25: 5-17

May, T. (1997) 'Participant observation: perspectives and practice' in Social Research: Issues, Methods and Processes Vol.4:133-151

Mayo, E. (1996) Social Auditing for Voluntary Organisations, A VOLPROF telethon fellowship report New Economics Foundation.

Mayo, M. (ed.) (1977) Women in the Community Routledge and Kegan Paul, London

Mayo, M. & Craig, G. (1995) 'Community participation and empowerment: The human face of structural adjustment or tools for democratic transformation?' in Community Empowerment Zed Books, London & New Jersey: 1-12

Mayo, M. (2000) Cultures, Communities, Identities Palgrave, Hampshire, New York

McArthur A. (1984) The Community Business Movement in Scotland: Contributions, public sector Responses, and possibilities Discussion Paper No.17 University of Glasgow, Centre for Urban and Regional Research.

McArthur, A. (1986a) 'An unconventional approach to economic development: the role of community business' in Town Planning Review Vol.57 (1): 87-99

McArthur, A. (1986b) 'Policies for the disadvantaged in the labour market' in The City in Transition: Policies and Agencies for the Economic Regeneration of Clydeside (ed.) Lever, W. & Moore, C. Oxford University Press: 120-142.

McArthur, A. (1987) 'Local economic initiatives: community business' in Community Based Planning and Development: Recent initiatives in architecture, planning, healthcare and economic development (ed.) Blackman, T. The Queens University of Belfast and University of Ulster Policy Press Research Institute: 85-107

McArthur, A. (1993) 'An exploration of community business failure' in Policy and Politics Vol.21 (3): 219-230.

McDowell, L. (1999) 'City life and difference: negotiating diversity' in Unsettling Cities (eds.) Allen, J., Massey, D. & Pryke, M. Routledge, London: 95-137

McGregor, A. Glass, A., Higgins, K. & Sutherland, S. (2003) Developing people – regenerating place: Achieving greater integration for local area regeneration The Policy Press, London

Meegan, R. (1998) Community Based Economic Development in Theory and Practice Paper for Second European Urban and Regional Studies Conference, University of Durham.

Meegan, R. (2000) Globalisation and New Labour Geographies: The Role of the Social Economy in Local Social and Economic Development Paper presented to RGS-IBG Annual Conference 2000 University of Sussex, Brighton

Meegan, R. & Millne, H. (2000) ESRC Collaborative Studentship: Measuring the impact of community-based economic development in Merseyside Unpublished

Merseyside Information Service (2000) Pathways Impact Monitoring; Baseline Study and Progress Report, MIS, Liverpool

Merton, R. K. & Kendall, P.L. (1946) 'The focused interview' in The American Journal of Sociology Vol.51: 541- 557

Metcalf, H (1998) Self-employment for the Unemployed: The role of public policy Policy Studies Institute

Michie, J. & Grieve Smith, J. (eds.) (1994) Unemployment in Europe Academic Press Ltd, London

Millar, C. (2001) 'Community regeneration and National Renewal in the United Kingdom' in Rebuilding Community: Policy and Practice in Urban Regeneration (eds.) Pierson, J. & Smith, J. Palgrave, London: 139-156

Millar, D. (1987) 'Local economic initiatives in context' in Community Based Planning and Development: Recent initiatives in architecture, planning, healthcare and economic development (ed.) Blackman, T. The Queens University of Belfast and University of Ulster Policy Press Research Institute: 108-126

Mills, L. & Schneegans, A.(1997) 'Greener local economic development: Reflections from the UK on current European Approaches' in Local Environment, Vol.2 (3)

Mohan, G. & Mohan, J. (2002) 'Placing social capital progress' in Human Geography Vol.26 (2): 191-210

Molloy, A., McFeely, C. & Connolly, E. (1999) Building a Social Economy for the New Millennium Guildhall Press, Derry

Morrin, M., Simmonds, D. & Somerville, W. (2004) 'Social enterprise: Mainstreamed from the margins' in Local Economy Vol.19 (1): 69-85

Morris, S. (2000) ' Defining the non-profit sector: Some lessons from history' in VOLUTAS: International Journal of Voluntary and non-profit Organisations.Vol.11 (1): 25-43

Morrison, D. E. (1998) The search for a method: Focus Groups and the Development of Mass Communication Research University of Luton Press, London

Mowbray, M. (2000) ' Community development and local government: an Australian response to globalisation and economic fundamentalism' in Community Development Journal Vol. 35 (3): 215- 223

MSEI (2002) Business Strategy 2002-2006 www.msei.org.uk

Murtagh, B. (2001) ' The politics and practice of urban policy evaluation' in Community Development Journal Vol.36 (3): 223-233

Nachimas, C. F. & Nachimas, D. (1992) Research Methods in the Social Sciences. Edward Arnold, Fourth Edition, London

New Economics Foundation (NEF) (2001) Homeopathic Finance – Equitable Capital for Social Enterprises New Economics Foundation, London

New Economics Foundation (NEF) (2002) The Money Trail: Measuring your impact on the local economy using LM3 New Economics Foundation, London

Newby, L. (1999) 'Sustainable local economic development: a new agenda for action?' in Local Environment Vol.4 (1): 67-72

North, P. (1999) 'The Third Way' in Local Economy Vol.14 (3): 269-272

North, P. & Bruegel, I. (2001) 'Community empowerment: Rethinking resistance in an era of partnership' in Rebuilding Community: Policy and Practice in Urban Regeneration (eds.) Pierson, J. & Smith, J. Palgrave, Hampshire: 174-188

North, P. (2003) 'Communities at the heart? Community action and urban policy in the UK' in Urban Renaissance? New Labour, community and urban policy (eds.) Imrie, R. & Raco, M. The Policy Press, Bristol

North West Development Agency (2003) First Interim Evaluation Report of the Merseyside Social Enterprise Initiative NWDA, Liverpool

North West Development Agency (2003) Regional Economic Strategy Summary Action Plan 2003-2006 NWDA, Manchester

O'Carroll, M. (2003) A Critical Appraisal of the Verification Processes in Social Accounting Models Dissertation submitted in part fulfilment of the requirements for the Degree of Masters of Studies in Community Enterprise, Judge Institute of Management, Cambridge University

O'Doherty, R.K., Durrschmidt, P., Jowers & Purdue, D.A (1999) 'Local exchange and trading schemes: a useful strand of community economic development policy?' in Environment and Planning, Vol.31: 1639-1653.

O'Hara, P. (2001) 'Ireland: social enterprises and local development' in (eds.) Borgaza, C. & Defourny, J. The Emergence of Social Enterprise Routledge, London & New York: 149-166

Oliver, N. & Thomas, A. (1990) 'Ownership, commitment, and control: the case of producer co-operatives' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M. Routledge, London: 341- 358

Oppenheim, C. (1998) 'Poverty and social exclusion: an overview' in An inclusive society – Strategies for tackling poverty (ed.) Oppenheim, C. Institute of Public Policy Research: 11-28

Parkinson, M. & Evans, R. (1988) Urban Regeneration and Development Corporations: Liverpool Style Working Paper No.2 University of Liverpool Centre for Urban Studies.

Parkinson, M. (1998) Combating Social Exclusion: Lessons from Area- based Programmes in Europe The Policy Press, Bristol

Parr, H. (2001) 'Negotiating different ethnographic contexts and building geographical knowledge's: empirical examples from mental health research' in Qualitative Methods for Geographers Arnold, London: 181-195

Paton, R. (2003) Managing and Measuring Social Enterprises Sage, London

- Pearce, D. W. (ed.) (1978) 'Noise nuisance' in The Valuation of Social Cost (ed) David, W. London, George Allen Unwin Ltd: 31-54.
- Pearce, D. W. (ed.) (1978) The Valuation of Social Cost George Allen & Unwin Ltd, London
- Pearce, J. (1993) At the heart of the Community Economy: Community Enterprise in a changing world Calouse Gulberkian Foundation, London
- Pearce, J. (1997) 'The social economy in the U.K: Key values, structures and scope' in Key Values and Structures of Social Enterprises in Western Europe: Concepts and Principles for a New Economy Birkholzer, (eds) Karl Berlin, European Network for Economic self-help and Local Development: 18-26
- Pearce, J. (1998) 'Reflections on community enterprise and community business in Britain' in Community Economic Development: Rhetoric or Reality? (ed.) Twelvetrees, A. London, Community Development Foundation
- Pearce, J. (2003) Social Enterprise in Anytown Calouste Gulbenkian Foundation, London
- Peck, J & Tickell, A (2002) 'Neoliberalizing Space' Antipode Vol.34 (3): 380-404 Blackwell publishers, Oxford
- Penn, R., Rose, M. & Rubery, J. (eds.) (1994) Skill and Occupational Change Oxford University Press, Oxford
- Peterman, W (2000) Neighbourhood Planning and Community Based Development: The Potential and Limits of Grassroots Action Sage, London
- Phizacklea, A. & Ram, M. (1995) 'Ethnic entrepreneurship in comparative perspective' in International Journal of Entrepreneurial Behaviour and Research Vol.1 (1)
- Pierson, J. & Smith, J. (eds.) (2001) Rebuilding Community: Policy and Practice in Urban Regeneration Palgrave, London
- Pierson, J. (2001) 'Rebuilding communities: Common problems and approaches' in Rebuilding Community: Policy and Practice in Urban Regeneration (eds.) Pierson, J. & Smith, J. Palgrave, London: 207 – 222
- Pioneer Human Services (2000) Annual Report Seattle
- Podsiadlo, J. (1997) 'The social economy in France' in Key Values and Structures of Social Enterprises in Western Europe: Concepts and Principles for a New Economy (eds.) Birkholzer, K. Berlin, European Network for Economic self-help and Local Development: 27-37
- Prague Social Economy Group (2001) Report from the First European Conference unpublished

Popple, K. & Redmand, M. (2000) 'Community development and the voluntary sector in the new millennium: the implications of the Third Way in the UK' in Community Development Journal Vol.35 (4): 391-400.

Procacci, G. (1978) 'Social economy and the government of poverty' in Ideology and Consciousness No.4 (Autumn): 55-72

Procacci, G. (1991) 'Social economy and the government of poverty' in The Foucault Effect: Studies in Governmentality with two lectures by and an interview with Michael Foucault (ed.) Burchell, G., Gordon, C. & Miller, P. Hertfordshire, Harvester Wheatsheaf: 151-168

Porter, M. (1996) 'The competitive advantage of the inner city' in The City Reader (eds.) LeGates, R. & Stout, F., Routledge: 278-294

Putnam, R. (1993) Making Democracy Work Princeton University Press, Princeton

Raco, M. (2003) 'New Labour, community and the future of Britain's urban renaissance' in Urban Renaissance? New Labour, community and urban policy The Policy Press, Bristol: 235- 250

Raghuram, P. & Strange, A. (2001) 'Studying economic institutions, placing cultural politics: methodological musings' from a study of ethnic minority enterprise Geoforum Vol. 32 (3) Elsevier Science Ltd.

Ridley, F. (1986) 'Liverpool is Different: Political Style in Context' in The Political Quarterly Vol.57: 125-137

Rifkin, J. (1995) The End of Work Putnam, New York

Roberts Enterprise Development Fund (2000) Social Return on Investment Reports Roberts Enterprise Development Fund, California

Roberts, P. Collis, C. & Noon, D. (1990) 'Local economic development in England and Wales: successful adaptation of old industrial areas in Sedgefield, Nottingham and Swansea in Global Challenge and Local Response (ed.) Stohr, W. B. England, Mansell Publishing: 135-162.

Robson, C. (1993) Real World Research: A Resource for Social Scientists and Practitioner-Researchers Blackwell Publishers, Oxford and Cambridge

Robson, P. J. & Bennet, R.J. (2000) 'Central Government support to SME's compared to Business Link, Business Connect and Business Shop and the prospects for the Small Business Service' in Regional Studies Vol.33: 779-797

Rochester, C. (2000) A Community Based Approach to Evaluation paper for LEPU seminar Evaluation: A Tool for Developing Local Partnerships, University of Surrey Roehampton

Room, G. (1995) 'Poverty and social exclusion; The New European Agenda for Policy and Research' in Beyond the Threshold: The Measurement and analysis of Social Exclusion, Room, G. The Policy Press, University of Bristol: 1-9.

Rooney, E (2002) 'Community development in times of trouble: Reflections on the community women's sector in the north of Ireland' in Community Development Journal Vol. 37: 33-46

Rose, N. (2000) 'Community cities, governing citizens ' in Democracy, citizenship and the global city (ed.) Isin, E., Routledge, London: 95-109

Rose, N. (2000) 'Community, citizenship and the Third Way' in American Behavioural Scientist Vol.43: 321-39

Russell, P. (2003) The role of the EU in shaping Irish urban regeneration policy: Learning the lessons from pilot and flagship projects Paper presented at EURA-Euro cities Conference, Budapest, Hungary

Salomon, L. (1990) 'The Non-profit Sector and Government: The American Experience in Theory and Practice' in The Third Sector: Comparative Studies of Nonprofit Organizations (eds) Anheier, H. K. & Seibel, W., Walter de Gruyter, Berlin and New York: 219-241

Salomon, L. M & Anheier, H. (1997) Defining the Non-profit Sector: A Cross-national analysis Manchester University Press.

Sattar, D. & Mayo, E. (1998) Growth Areas in the UK Social Economy: UK Social Investment Forum Briefing UK Social Investment Forum

Saxon-Harold, S. K. E. (1990) 'Competition, Resources, and Strategy in the British Non-profit Sector' in The Third Sector: Comparative Studies of Non-profit Organizations, (eds.) Anheier, H. K. & Seibel, W., Walter de Gruyter, Berlin and New York: 123-136.

Sayer, A. (1997) 'The Dialectic of Culture and Economy' in Geographies of Economies (eds.) Lee, R & Wills, J., Arnold, London: 16-26

Schoenberger, E. (1999) 'The Corporate Interview as a Research Method in Economic Geography' Professional Geographer, Vol.43 (2): 180-189

Scott, G., Campbell, J. & Brown, U. (2001) 'The Contribution of Childcare to Local Employment: Poor Work or Work for the Poor?' in Local Economy Vol.16 (3): 187-197

SEN (2001) Business Plan unpublished, SEN

Seibel, W. (1990) 'Organizational Behaviour and Organizational Function: Towards a Micro-Macro Theory in the Third Sector' in The Third Sector: Comparative Studies

of Nonprofit Organizations (eds.) Anheier, H. K. & Seibel, W., Walter de Gruyter, Berlin and New York: 107-117

SEL (1999) Social Enterprise in London: Case Studies in Economic Participation Social Enterprise London, London

SEL (2001) Investing in Health: A Health Impact Assessment of a New Model Credit Union Social Enterprise London, London

SEL (2002a) Home Care Services for Elders in East London: Social Enterprise Solutions London

SEL (2002b) Social Enterprise Guide to Housing Social Enterprise London, London

SEL (2002c) Marketing a multi-stakeholder childcare social enterprise Social Enterprise London, London

SEL (2002d) Social Enterprise Guide to Childcare Social Enterprise London, London

SEL (2002e) Social Enterprise Guide to Health and Social Care for the Elderly Social Enterprise London, London

SEL (2002f) Social Enterprise Guide to Recycling Social Enterprise London, London

SEL (2003a) Consortium model for childcare social enterprises Social Enterprise London, London

SEL (2003b) Care Sector – A framework for social enterprise Social Enterprise London, London

SEL (2003c) Nurturing good management: Governance and management boards for multi-stakeholder childcare social enterprises Social Enterprise London, London

SEL (2003d) Financial Management of a Childcare Social Enterprise Social Enterprise London, London

SEL (2003e) Keeping it Legal: Legal forms for social enterprises Bates, Wells and Braithwaite, London

Servon, L. (2000) What ensures success for low-income and unemployed entrepreneurs using the micro-enterprise strategy in the US? Paper submitted from the Department of Urban Planning and Policy Development, Rutgers University, USA

Seyfang, G. (1999) Examining Local Currency Systems: A Social Audit Approach Centre for Urban Development and Environmental Management, Leeds Metropolitan University

Seyfang, G. (1999a) 'Making it Count: Valuing and Evaluating Community Economic Development' in Community Economic Development (ed.) Haughton, G., The Stationary Office, Norwich: 126-138.

Seyfang, G. (2001b) 'Community currencies: small change for a green economy' in Environment and Planning A Vol.33,: 975-996

Shaik, A (1999) Developing Social Inclusion Indicators Urban Forum, London

Silver, H. (1994) 'Social Exclusion and Social Solidarity: Three Paradigms' in International Labour Review Vol.133: 531-78

Silverman, D. (1993) Interpreting Qualitative Data: Methods for Analysing Talk, Text and Interaction Sage Publications

Small Business Service (2002) A comprehensive strategy for start-ups: A consultation document May 2002

SMART (2001) Business Plan, unpublished

Smith, S. (1988) 'Constructing Local Knowledge; The analysis of self in everyday life' in Qualitative Methods in Human Geography (eds.) Eyles, J. & Smith, D. Polity Press, Cambridge: 17-38

Smith, S. (2001) 'Doing qualitative research: from interpretation to action' in Qualitative Methodologies for Geographers: Issues and Debates (eds.) Limb, M & Dwyer, C. Arnold, London: 23-40

Social City Enterprise (2003) Finance Social Enterprise City, Manchester

Social City Enterprise (2003) Legal Structures Social Enterprise City, Manchester

Social City Enterprise (2003) Marketing Social Enterprise City, Manchester

Social City Enterprise (2003) Planning Your Social Enterprise Social Enterprise City, Manchester

Social City Enterprise (2003) Premises Social Enterprise City, Manchester

Social City Enterprise (2003) Recruiting Your Workforce Social Enterprise City, Manchester

Social City Enterprise (2003) Social Audit Social Enterprise City, Manchester

Social City Enterprise (2003) Social Enterprise Deliver It Yourself Tool Book Social Enterprise City, Manchester

Social City Enterprise (2003) Staff the Law and your Organisation Social Enterprise City, Manchester

- Social City Enterprise (2003) What is a Social Enterprise? Social Enterprise City, Manchester
- Social Enterprise London (October 2000) Introducing Social Enterprises Social Enterprise London, London
- Social Enterprise London (2001) Understanding Social Enterprise Social Enterprise London, London
- Social Enterprise Network (2000) Encouraging Enterprise Social Enterprise Network, Liverpool
- Social Enterprise Network (2000) Social Inclusion and Social Enterprise Social Enterprise Network, Liverpool
- Social Enterprise Unit (SentU) (2003) Guidance on Mapping Social Enterprise; A Draft Report to the DTI Social Enterprise Unit ECOTEC Research and Consulting Limited, London (c2453)
- Social Exclusion Unit (SEU) (1998) Bringing Britain Together: A National Strategy for Neighbourhood Renewal The Stationary Office, London
- Social Exclusion Unit (SEU) (2001a) A New Commitment to Neighbourhood Renewal National Strategy Action Plan, SEU, London
- Social Exclusion Unit (SEU) (2001b) Preventing Social Exclusion; Report by the Social Exclusion Unit www.cabinetoffice.gov.uk/seu
- Speak, S. (2000) 'Barriers to Lone Parents' Employment: Looking Beyond The Obvious' in Local Economy Vol.15 (1): 32-45
- Spear, R. (2003) Social Audit and the Social Economy CRU, Open University, Milton Keynes www.ny.airnet.ne.jp/ccij/conf/spear-2e.htm
- Springett, J. (2000) Practical Guidance on Evaluating Health Promotion Liverpool John Moores University on behalf of the WHO-Euro Working Group on the Evaluation of Health Promotion
- Stanley, J. & Rattray, A. (1978) 'Social Severance' in The Valuation of Social Cost (ed.) Pearce, D. W., George Allen Unwin Ltd, London: 140- 163
- Stephens, P, Lynch, R & Jordan, B (1999) 'Poverty, Exclusion and New Labour' in Critical Social Policy Vol.58: 109-127
- Strauss, A. L (1987) Qualitative analysis for Social Scientists Cambridge University Press, Cambridge
- Strauss, A. & Corbin, J. (1990) Basics of Qualitative Research: Grounded Theory Procedures and Techniques Sage Publications, London

- Steinburg, R. & Young, D. R. (1992) A comment on Saloman and Anheier's "Social Origins of Civil Society" VOLUNTAS Vol.9: 249-260
- Stevens, K. & Morris, J. (2001) 'Struggling towards sustainability: considering grassroots development' in Sustainable Development Vol.9: 149-164
- Storey, D. J. (1994) Understanding the Small Business Sector Routledge, London
- Jones, M., & McNeill, D. (2000) 'The Politics of City-region planning and governance: Reconciling the national, regional and urban in the competing voices of institutional restructuring' in European Urban and Regional Studies Vol.7 (2): 119-134
- Train 2000 (2001) Train 2000 Ltd Social Audit 2000/2001 Unpublished
- Triligia, C. (2001) 'Social Capital and Local Development' in European Journal of Social Theory Vol.4 (4): 427-442
- Tongue, J. (1999) 'New Packaging, old deal? New Labour and employment policy innovation' in Critical Social Policy Vol.19 (2): 217- 231
- Townley, B. & Wilks-Heeg, S. (1999) 'Democratic Evaluation: Putting Principles into Practice' in Local Economy Vol.14: 27-43
- Turok, I. (1989) 'Evaluation and understanding in local economic policy' in Urban Studies Vol.26: 587-606
- Turok, I. (1991) 'Policy Evaluation as Science: a Critical Assessment' in Applied Economics Vol.23: 1543-1550
- Twelvetrees, A. (1998) 'The Growth of Community Economic Development in the UK' in Community Economic Development: Rhetoric or Reality? (ed.) Twelvetrees, A. London, The Community Development Foundation, London
- Twelvetrees, A. (1982, 1991) Community Work Second Edition, The Macmillan Press Ltd, London
- Valentine, G. (1997) 'Tell me about...: using interviews as a research methodology' in Methods in Human Geography: a guide for students doing a research project (eds.) Flowerdew, R. & Martin, R. Harlow: Addison Wesley Longman, London
- Valentine, G. (2001) 'At the drawing board: developing a research design' in Qualitative Methodologies for Geographers: Issues and Debates (eds) Limb, M & Dwyer, C. Arnold, London: 41-54
- Vauxhall Neighbourhood Council (2002) Annual Report 2001-2002 VNC, Liverpool
- Wai-chung Yeung, H (1997) 'Critical realism and realist research in human geography: a method or a philosophy in search of a method?' in Progress in Human Geography Vol.21 (1): 51-74

- Walby, S. (1997) Gender Transformations Routledge, New York
- Ward, K. (1999) 'Politics, Practice and Participation: Community Economic Development and the Single Regeneration Budget Challenge Fund' in Community Economic Development (ed.) Haughton, G., The Stationary Office, Norwich: 111-124
- Ward, L. (2000) 'New Deal 'less likely' to benefit ethnic minority youths' in The Guardian Friday February 11 www.guardian.co.uk
- Watt, S., Higgins, C. & Kendrick, A. (2000) 'Community participation in the development of services: a move towards community empowerment' in Community Development Journal Vol.35 (2): 120-132.
- Webb, A. (2000) 'Women Entrepreneurs, Barcelona' in Local Economy Vol.15 (91): 59-60
- Welford, R. (1990) 'The organisation and behaviour of UK – worker co-operatives: and empirical investigation' in New forms of ownership: Management and Employment (eds.) Jenkins, G. & Poole, M. Routledge, London: 303-322
- West, A. (1999) 'Regeneration, Community and the Social Economy' in Community Economic Development (ed.) Haughton, G., The Stationary Office, Norwich: 23-31
- West, T. (2001) 'Liverpool's symbol of social enterprise is recycled furniture, but the sector isn't putting its feet up' in New Start Vol.3 (108): 12-13
- Westall, A. (2001) Global Entrepreneurship Monitor, 2001 UK Executive Report London School of Business, London
- Westall, A. (2003) Value Led; Market Driven: Social enterprise solutions to public policy goals IPPR, Southampton
- Westall, A., Ramsden, P. & Foley, J. (2000) Micro-entrepreneurs: Creating enterprising communities IPPR and nef.
- Whelan, B. J. (1995) 'In what sense is poverty multi-dimensional?' in Beyond the Threshold: The Measurement and analysis of Social Exclusion (ed.) Graham. University of Bristol, The Policy Press.
- Whelan, C. (1996) 'Marginalization, deprivation, and fatalism in the Republic of Ireland: class and underclass perspectives' in European Sociological Review Vol.12 (1): 33-51
- Wilks-Heeg, S. (2001) 'Economy, equity or empowerment? New Labour, communities and urban policy evaluation' in Urban Renaissance? New Labour, community and urban policy (eds.) Imrie, R. & Raco, M. The Policy Press, Bristol: 205-220

Williams, C. & Windebank, J. (1999) 'Informal Economic Activity in Deprived Neighbourhoods: Some Case Study Evidence from Leicester' in Community Economic Development (ed.) Haughton, G., The Stationary Office, Norwich: 95-110.

Williamson, A. Scott, D. & Halfpenny, P. (2000) 'Rebuilding civil society in Northern Ireland: the community and voluntary sector's contribution to the European Union's Peace and reconciliation District partnership Programme' in Policy and Politics Vol.28 (1): 49-66.

Winefield, A., Tiggermann, M. & Winefield, H. (1993) Growing Up with Unemployment Routledge, London

Wimbush, E. & Watson, J. (2000) An Evaluation Framework for Health Promotion: Theory, Quality and Effectiveness Sage Publications, London

Wolf, N (1991) The Beauty Myth Vintage, London

Zadek, S. and Evans, R. (1993) Auditing The Market: A Practical Approach to Social Auditing New Economics Foundation, London