

## 1) INTRODUCTION

For the first time in over three years BSSEC CIC organised a 'face to face' Roundtable bringing together key stakeholders from the social economy in the West Midlands. This was the eighth 'ecosystem' conversation and we were delighted to welcome mostly a newer group of participants enabling BSSEC CIC to broaden its reach. An added bonus was that the session was located at Soho House, the home of the Lunar Society and this added gravitas to our event.

There are many conversations currently regarding capitalism, economics and its impact on people and planet. Alternative economists are suggesting different approaches which considers the economy as operating within natural ecosystems, communities and natural resources. In this conversation we sought to explore the role that the social economy could have though delivering public services, using business models for income generation to address broken communities and inequalities.

The session had a much broader group of attendees to the usual online continent of ecosystem contributors. This was felt appropriate as the session was part of the WMCA Social Economy Drive 2023. We had considerable numbers who registered to attend with a waiting list for our 30 places but due to ill health and business issues the number of attendees was 17 including 2 people from BSSEC CIC. Learning for BSSEC CIC when organising face-to-face events in the future.

## 2) TOPIC

The discussion topic for the Roundtable was *'Is the social economy a solution to societal challenges?'* The facilitated conversation aimed to explore place-based social economy development, doughnut economics, ecosystems, the planet, youth, equality and assets from the perspectives of 3 speakers and then open discussion. Importantly this is a topic for policy makers and those involved in tackling poverty and inequalities to consider alternative approaches such as investment in the social economy could provide a very real solution.

### **Sarah Beaumont (Director, BSSEC CIC) context setting**

In 1599, a group of prominent merchants and explorers met to discuss a potential East Indies venture under a royal charter. The plan was to by-pass the overland Silk Route by which exotic cloth and spices reached England at huge expense, using the sea route instead. The intrepid 101 "Adventurers" raised £30,133 (over £4,000,000 in today's money). They bought ships, increased their investment and on 31st December 1600, the East India Company was created.

This was the moment when recognisable capitalism began in England. Shares in the Company could be bought and sold, and the value of shares could rise and fall. At last, people had a chance to get rich without working, but simply by taking a risk on the developing of a Stock Exchange.

Capitalism and money is linked to slavery and the growth of empires the British Empire, the Dutch Empire, the Portuguese Empire and others. People could now invest in our lucrative Colonial exploits. Profit had become the principal engine of the economy.

**'Societies Problems Need Solutions - Social Economy is the Solution'** (Held Tuesday 14<sup>th</sup> November 2023, part of Social Economy Drive, Birmingham in-person event)

But despite the wars and civil wars of past centuries, capitalism retains its dominance across the world. We could be left with not enough water, not enough food, not enough raw materials. Climate and ecological disaster. This is evident in the growing tide of human refugees and human misery. Our wellbeing, and perhaps even our survival, depends on an alternative economic model. That model is, of course, social enterprise and/or doughnut economics.

Elements of capitalism survive in the word 'enterprise'. But unlike those businesses which flourished in a capitalist society, social enterprises have the welfare of society and our environment written into their governing documents. These are the businesses which are addressing inequality, empowering workers, improving society and giving us hope for the future. We have over 100,000 social enterprises in the UK, but this is nowhere near enough. We need to accelerate our progress and create that world in which social enterprise is the default economic model. There are, of course, many ways in which this can be achieved and I know that many people in this room are fully engaged.

*But we still have a crisis of recognition, for example:*

- There are 160 Universities in the UK. All are trading charities. But only a few, notably in Plymouth, Aston and Northampton, have recognised their status as social enterprises.
- Many of our largest trading charities such as the National Trust remain absent from our collective social enterprise world.
- Many of our local social enterprises promote their business but not their social enterprise status.
- National and local decision makers are too often ignorant of the meaning and potential of social enterprise.

What is needed is commitment to new economic models, investment in the social economy and support for its further development. Then it can address societies problems and disadvantages.

**Martin Holcombe (CEO, Birmingham Settlement):**

The Settlement is a charity founded in 1899 which has spent its entire life placed firmly within the 'social economy sector'; arguably charities like Settlements were the founding fathers of the social economy sector – trading to deliver social benefit and influence since day one.

Martin helped us to consider what we mean by the social economy:

- Interaction between consumers and economy is social economy.
- Social enterprise is social economy.
- The charity sector is social economy.
- Earned income within the charity sector is social economy.
- Volunteering is social economy.
- Sharing skills and collaboration is social economy.
- Community assets, buildings, spaces, and associated time, and skills are social economy.

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He spoke about the fact that the social economy is not clearly defined. Can the social economy compete when the purpose of big business is to make profit, pay dividends to shareholders, including pension funds and charity investment portfolios?

He challenged us to think about how we get big. How can a community bakery employing 6 people get to economically challenge Tesco's? And what happens when we do?

The social housing sector could provide a good example, it does have scale. Are there opportunities for them to work more closely to the private sector to create quality homes for life with a mixed economy and mixed tenure, supporting local enterprise, employment, green industry and eco housing / living spaces? RSLs are registered charities and therefore part of the social economy with opportunity to build better, greener, and work more collaboratively. I know there is some great work out there but at what point does an operator in the social economy sector become a 'profit' based company with 'not for profit' status with the power to use guaranteed revenue (notwithstanding rent caps etc) to support other activity and pay its leaders in a way that most small and medium sized charities could not and maybe would not?

Challenges - can the social economy bring in the right people at the right level to tackle some of the challenges we face? Does the social economy have the skills?

How can the sector grow? The sector needs to be more cohesive; then it can influence, and it can and should collaborate more with the wider economy to build that influence – and on an equal footing.

The Settlement provides a good example: their 3-acre Nature & Wellbeing Centre by Edgbaston Reservoir, a 20 minute walk from the city centre and next to the Port Loop developments where several thousand new homes are in the process of being built. They have created an ecological site for the local community. They have used their own resources and capacity to develop the site. Others could do the same in collaboration, influence and find solutions to societies problems.

*David Attenborough said: "Real success can only come if there's a change in our societies and inner economics and in our politics. Right now, we are facing a man-made disaster of global scale. Our greatest threat in thousands of years. Climate change."*

My vision is a thriving green ecology system protecting and nourishing our planet through equality, fairness, justice, and opportunity. For every child, individual and community to thrive and be resilient to lead us through future generations of opportunity!

Martin supports Maslow's Hierarchy of Needs and self-actualisation for everyone. Development of the social economy is a means of supporting that vision – there are plenty of challenges and there is a long way to go, but from small roots ...

**Beccy Crosby (Head of Sharing, The Active Wellbeing Society):**

TAWS is a community benefit society & co-operative, range of activities (walk & cycling initiatives, growing activities, health & wellbeing, community food activities & sharing initiatives.

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Beccy spoke about the importance of different types of economies and how they work:

- **Market economy** – demand & supply – what's needed at the time.
- **Gift economy** – provision/ donation resource to enable charitable projects.
- **Mutual economy** – two-way benefit, serves all parties involved.
- **Circular economy** – sustainable (reciprocal nature - sharing of skills/ items/ time, etc.).

Beccy provided 2 examples where the circular economy can address problems in society:

Share Shack

- Collective ownership over a community asset – a safe, welcoming, accessible space, building trust in the first instance.
- Sharing of items, time, space, skills.
- Mobile version of the model – increase outreach and engagement to more communities – regular routes.
- Items available for free (examples provided).
- Redefine transactional nature of money.
- Advocates/promotes a consumer mindset shift from capitalism and the 'need'/'pressure to buy things to the reuse, repair and recycle of things (circular economy – reducing waste) and also the rediscovery/reimagining of materials and waste things.
- Social enterprise possibilities – creating space/ opportunity and facilitating sessions where people can grow their skills and talents through repair & upcycle sessions using waste materials, jewellery making, sewing sessions, art memory sessions – all volunteer-led.
- Understand how 'profit' can look different – prioritising people, their wants/needs/interests and freedom of expression.
- Providing a platform for the development of skills within communities (in particular, deprived area with high proportion of marginalised groups).
- Scope to look at: coaching and providing infrastructure, supporting volunteers to sell the items, they make – either for individual profit, to purchase new materials (build & expand their work), put back into the Share Shack model, donate to another cause, etc.
- Scope to provide job & training opportunities to vulnerable groups & contribute to circular business models underpinned by collaboration.
- Ability to bring a systemic approach – CAJN & FJN (make best of resources we have for most of the organisations, e.g. smaller orgs – don't all have equitable resources and access).

Community Food work (cooking skills/ communal dining – surplus produce)

- High levels of need across the city compared to the amount that goes to waste before it even hits shelves.
- Meet a social AND environmental purpose and devote the majority of profit to a cause around food insecurity and tackling food waste at the same time.
- Scope to look at social economy opportunities with community food work.

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- Link to food businesses and amount of food that does to waste – divert food that goes to landfill – work collaboratively with private sector to put more food back in the system, give it to those who need it.
- Food market – there's a cost to process food waste, interest for companies to divert to charitable organisations– this is the hook. Also, we, and other food initiatives, could also be a customer (use one of their units to store bulk bought produce) – needs to be a two-way/ mutual benefit.
- Not just provision of food through café, but also link to greening/growing (composting, growing food, etc.), catering services/ cooking skills sessions (ready steady cook) for business and team away days/ team building, where supporting a third sector caterer knowing all the money is going to a good cause and get food.
- Communal dining – CSR days (currently done in Stoke on Trent at YMCA), Stoke City Football Group, 12-month waiting list – cover cost of food (communal cohesion/ team building, learning skills) – sit side by side, regardless of different areas/backgrounds/demographics.

**Conclusions:**

This is a complex and varied topic however all speakers spoke with passion that the social economy could provide solutions to the problems we have in society.

There was a recognition that current economic models which focus on profit at all costs are destroying people's lives and the environment.

Good examples described by Martin and Beccy where social economy organisations have addressed specific problems but without Government support through policy, infrastructure support and changes in understanding regarding the sector the changes necessary are unlikely to happen.

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