

# Community enterprise

**Jess Steele**

Development Trusts Association

# Community Enterprise

- Why does it matter?
- How can we nurture it? 6 approaches
- Some community business sectors
- Networking & peer support

# The DTA membership

- ▶ 466 members - full and emerging trusts in England, Scotland & Wales
- ▶ Total income of £275 million
- ▶ Earned income of £136 million
- ▶ Assets of £565 million
- ▶ Over 80% members engaged in asset development
- ▶ *No typical member - shared approach, belief in our communities and a commitment to change*

# Nurturing enterprise

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- ▶ Listening Matters...means being open to ideas

RE:generat

*in the root cause lies the root solution*

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- ▶ **Meanwhile... means doing it NOW**



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- ▶ Organisational Workshop... means doing it together

“an eight week pressure cooker of learning.”



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- ▶ Community Allowance... means paying the right people to do it
- ▶ Meanwhile... means doing it NOW
- ▶ Organisational Workshop... means doing it together
- ▶ Community Sector Trading... means sharing what you learn



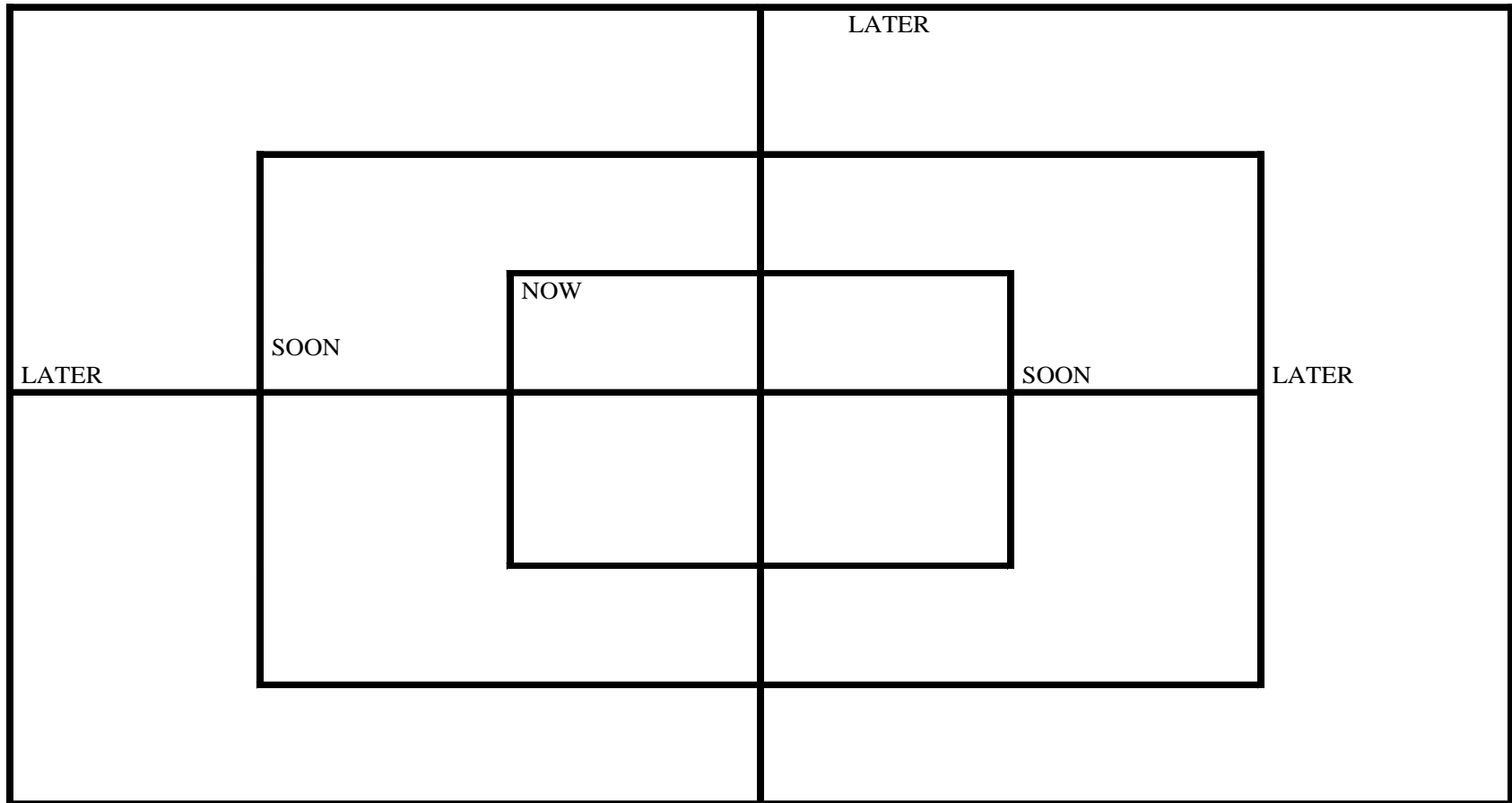
## Community Sector Trading Resources

This page will be updated with useful links and resources developed by leading practitioners running real examples of successful business opportunities.

# The Balanced Scorecard

**BUSINESS MODEL**

**ORGANISATIONAL DEVELOPMENT**



**FINANCIAL RETURN**

**SOCIAL RETURN**

# ABL Project: Balanced Scorecard

## BUSINESS MODEL

## ORGANISATIONAL DEVELOPMENT

<p><b>LATER - 2008</b></p> <ul style="list-style-type: none"> <li>Develop position as community anchor organisation, specialising in multi-purpose provision and in working with vulnerable and marginalized people</li> <li>CBC refurbished/ expanded</li> <li>Next Business Plan written for 2009-11</li> <li>Incubator supporting high-growth businesses</li> </ul>	<p><b>SOON - 2006</b></p> <ul style="list-style-type: none"> <li>Rental occupancy levels &gt; 95%</li> <li>Internal improvements to CBC (e.g. Function Hall)</li> <li>Increase use of conferencing facilities (actively rather than passively)</li> <li>Business Incubator in place</li> <li>Planning for CBC expansion</li> </ul> <p><b>THEN - 2003</b></p> <ul style="list-style-type: none"> <li>Launch new initiatives</li> <li>New Business Plan written for 2006-2008</li> <li>Moving towards owner-manager from just managing agent</li> <li>Unit occupancy levels &lt;70%</li> <li>Conferencing facilities under-utilised</li> </ul> <p><b>THEN- 2003</b></p> <ul style="list-style-type: none"> <li>Management committee role defined</li> <li>4 subcommittees in place but only 2 working effectively (Finance and Personnel)</li> <li>Staff Management Team in place</li> <li>Finance and IT systems development underway</li> <li>Staff development needs planning</li> <li>10 staff</li> </ul> <p><b>SOON - 2006</b></p> <ul style="list-style-type: none"> <li>Management structure reviewed for lean operation</li> <li>Review of Memoranda of Association &amp; Articles carried out</li> <li>Health and Safety systems fully developed</li> <li>Policy development – full set of policies completed</li> <li>Finance systems further refined</li> <li>Computerised bookings system operational</li> <li>All 4 management committees working effectively</li> <li>Community Investment Strategy fully implemented</li> </ul>	<p><b>LATER - 2008</b></p> <ul style="list-style-type: none"> <li>Potential for setting up new companies for income generation (subsidiaries or joint ventures)</li> <li>Democratic structures throughout the organisation</li> <li>Cross-cutting themes fully operational</li> <li>15 staff</li> </ul>
<p><b>LATER - 2008</b></p> <ul style="list-style-type: none"> <li>Annual surplus £120K 2008</li> <li>Reduced CBC overheads</li> <li>Systems in place for controlling expenditure</li> <li>Departmental budgeting systems to achieve surplus</li> <li>Turnover £1m</li> <li>Assets: ???</li> </ul>	<p><b>SOON - 2006</b></p> <ul style="list-style-type: none"> <li>Turnover £700K</li> <li>Annual surplus £40K 2006</li> <li>Rental income £400K, 2006</li> <li>Working capital &amp; reserves increased</li> <li>Increased margin on all services</li> <li>Rent &amp; S/C reviews implemented</li> <li>Salaries &lt;33% of turnover</li> <li>Introduce formal rent contracts</li> <li>Improved cashflow: credit control, contract conditions</li> </ul> <p><b>THEN - 2003</b></p> <ul style="list-style-type: none"> <li>Turnover £200K</li> <li>Conferencing income £75K</li> <li>Minimal margin</li> <li>Sufficient working capital and reserves</li> <li>Salaries &gt;60% of turnover</li> </ul> <p><b>THEN - 2003</b></p> <ul style="list-style-type: none"> <li>7 community groups supported</li> <li>3000 people use the site pm</li> <li>Catchment local and city-wide</li> <li>£4000 grants to community groups</li> <li>£50K external projects</li> <li>Some impact on quality of life, training and employment</li> </ul> <p><b>SOON - 2006</b></p> <ul style="list-style-type: none"> <li>Another 10 community groups supported</li> <li>4000 people using the Centre pm</li> <li>£100K external projects</li> <li>Range of activity further increased</li> <li>Centre better utilised by neighbouring community</li> <li>More training projects executed</li> <li>£25K grants to community groups</li> </ul>	<p><b>LATER - 2008</b></p> <ul style="list-style-type: none"> <li>Range of social return and impacts researched and demonstrated</li> <li>Wider regeneration &amp; community development across city</li> <li>£125K external projects</li> <li>Another 20 comm groups supported</li> <li>£35K grants to comm. groups</li> </ul>

## FINANCIAL RETURN

## SOCIAL RETURN

# Nurturing enterprise

- ▶ Local people empowered by doing
- ▶ Importance of a voice based on action
- ▶ Increased levels of independence and resilience
- ▶ Growing skills and rewards in a pro-social economy
- ▶ Global network of community enterprises



the DTA's consultancy service

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