

**A Resource Directory for  
Social Enterprises  
and  
Voluntary or Community Groups  
providing services in the  
Community.**



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## **Introduction**

This Social Enterprise Resource Guide has been compiled as a direct result of North Somerset's Local Area Agreement, which is an agreement between central government and the North Somerset Partnership to make improvements in communities across North Somerset.

Written and produced for Social Enterprises in general and the North Somerset area in particular. It is aimed as a quick guide to would be social entrepreneurs and community groups wishing to mould their social enterprising ideas into a creative but formal structure.

Social Enterprises are diverse and often complex organisations, with important social as well as business objectives. The guide is a preliminary first step source of information. We recommend individuals and groups seek further relevant advice and information from the organisations listed within this guide and any other appropriate source.

## 1.0 Social Enterprise

### Definition

The Department of Trade and Industry defines a social enterprise as:

***“ a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.”***

Social Enterprise is for anyone who considers social benefits, economic regeneration and environmental impact as a core objective of their business.

Social Enterprises contribute to:

- The financial sustainability of the Voluntary and Community Sector by identifying opportunities for trading or earned income.
- Facilitating employment opportunities for those on the margins of the labour market e.g. long term unemployed, vulnerable groups and those with physical, learning, or mental health difficulties.
- Service contracts opportunities for public service delivery by developing local supply chains.
- Enabling entrepreneurs to bring social and environmentally produced goods and services to niche market and solutions where there is market failure.
- Encouraging corporate social responsibility goals for the private sector
- Creating new models of employee ownership and participation in the private sector.

## 2.0 Support Organisations

### 2.1 Avon Co-operative Development Agency (Avon CDA)

The Avon CDA is committed to providing a high quality, efficient co-operative development service, relevant to individual clients needs. The CDA is independent, and is not tied to any government department, local council or commercial concern. However, they are funded by Bristol City Council, ESF EQUAL Capacity Builders and Neighbourhood Renewal. The Avon CDA is part of a national network of Co-operative Development and Support Organisations. Their three main objectives are:

- To promote the co-operative business option
- To provide co-operative specialist start up advice and support
- To support and help existing co-operatives survive and grow

Avon CDA,  
Brave Ltd,  
The Coach House,  
2 Upper York Street,  
Bristol BS2 8QN  
Tel: 0117 989 2536  
Fax: 0117 944 5661  
E-mail: [info@avoncda.coop](mailto:info@avoncda.coop)

### 2.2 Enterprise Week

Enterprise Week is an annual UK-wide week of activities inspiring people in their teens and twenties to have ideas and make them happen. Last year's Enterprise Week was a huge success. There were 3184 events held across the UK, ran by 1410 organisations.

Enterprise Week 2007 will take place on 12-19th November.

## 2.3 National Council of Voluntary Organisations NCVO

Founded in 1919, NCVO is the largest umbrella body for the voluntary and community sector in England with sister councils in Scotland, Wales and Northern Ireland. NCVO is a registered charity and a company limited by guarantee, that is giving a voice and support to voluntary and community organisations.

NCVO is a highly effective lobbying organisation and represents the views of its members, and the wider voluntary sector to government, the European Union and other bodies.

### Activities:

**Campaigns** on generic issues affecting the whole of the voluntary sector such as the role of the voluntary organisations in public service delivery and the future of local government.

NCVO has several specialist teams who provide information, advice and support to others working in or with the voluntary sector. They produce books, reports, toolkits and briefing papers, run **conferences**, networking events and seminars. They also manage and facilitate a wide range of forums and **networks** for staff and volunteers working in specific areas such as policy, planning, ICT, membership, publishing and public service delivery.

### Contact Details

- Freephone: 0800 2 798 798
- Textphone: 0800 01 88 111 (minicom)
- Email [helpdesk@askncvo.org.uk](mailto:helpdesk@askncvo.org.uk)
- Chat [Live web chat with a HelpDesk adviser](#)

### Directory of Umbrella Bodies and Resource Agencies

Umbrella and Resource Agencies provide voluntary and community organisations with a range of advice, information and capacity building services. In the ever complex and fast moving national policy arena, voluntary and community organisations look to national umbrella organisations to both explain the changing external environment and represent their own views back to government and policy makers.

It not only offers contact details but also information about the type of services and members benefits on offer. It explains membership criteria and describes the type of work the umbrella or resource agency undertakes. Organisations wishing to amend their entry, or to be added to the Directory should contact: [umbrellaforum@ncvo-vol.org.uk](mailto:umbrellaforum@ncvo-vol.org.uk).

## **2.4 North Somerset Enterprise Agency:**

Since 1987 the Agency has actively supported thousands of local businesses by offering them free advice, information and training services.

The success of the Agency is reflected in the fact that it has a strong relationship with North Somerset Council and is an active member in a range of local regeneration, social and economic partnerships.

The Agency is a not-for-profit community enterprise and is registered with the Department of Employment.

### **Services Provided:**

- Complete advice and training for start-up businesses including self-employed and community groups, by accredited advisors.
- Specialist Business Skills Seminars to enhance skills of owner-managers and social enterprises and their employees
- Specialist support for Women in Business
- Specific support and advice for Social Enterprises wanted to start up develop or grow.
- Provide information
- Professional advice by qualified practitioners including Legal, IT, Marketing, Accounting and Taxation
- North Somerset Business Club and other networking opportunities
- Annual Award Scheme for Best New Business
- Plus many more - please contact us:

**North Somerset Enterprise Agency**  
**The Link Centre**  
**Oldmixon Crescent**  
**Weston-super-Mare**  
**North Somerset**  
**BS24 9AY**

**t. 01934418118**

**f. 01934629541**

**Email: [info.weston@businesswest.co.uk](mailto:info.weston@businesswest.co.uk)**

**Website: [www.northsomersetenterpriseagency.co.uk](http://www.northsomersetenterpriseagency.co.uk)**

## 2.5 RISE:

RISE is the voice for South West social enterprise and supports the development of sustainable social enterprises in the region.

RISE aims to support the development of a sustainable social enterprise sector in the South West of England by the following objectives:

1. Ensuring SW social enterprises have access to effective high quality business support
2. Facilitating the delivery of social enterprise business support at the most appropriate level throughout the region
3. Sharing and providing information and good practice on social enterprise development
4. Lobbying and promotion on behalf of social enterprises and support agencies at appropriate levels

**Social Enterprise Link** is a new service that has been developed in the South West region to give information and advice to everyone developing social enterprises, whether they are already trading (or are at the very beginning of the process), and if they are looking to create or expand trading activity. This free service will give information about social enterprises, together with valuable information about developing your business idea.

Contact with a qualified social enterprise advisor is also provided. Your advisor will help you to develop early ideas about your enterprise, and guide you through a set of activities designed to enable you to progress your plans. A short training course may also be appropriate, and if so you will be notified of your nearest course location and time. As your enterprise develops, further bespoke help and advice may also be available.

To get yourself started all you need to do is send your name, the name of your enterprise if it is already trading and your postal address to [referrals@co-active.org.uk](mailto:referrals@co-active.org.uk) and Social Enterprise Link will send you out a free information pack

You can also get in touch by calling Business Link on 0845 600 9 006.

**RISE**  
**Unit B**  
**Pynes Hill**  
**Exeter EX2 5AZ**

**Tel: 01392 435775**  
**Fax: 01392 456537**  
**Email: [info@rise-sw.co.uk](mailto:info@rise-sw.co.uk)**  
**Website: [www.rise-sw.co.uk](http://www.rise-sw.co.uk)**

## **2.6 Social Enterprise Works:**

Formally known as Bristol Area Community Enterprise Network (BACEN). Social Enterprise Works is a membership organization controlled and managed by its members. Enterprise Works is a well-established support organisation providing guidance and practical assistance to prospective newly formed and established not-for-private-profit community enterprises. They have recently launched an initiative to support social enterprises in the rural parts of North Somerset.

**Contact: Elaine Flint**  
**Director**  
**Social Enterprise Works**  
**Ujima House,**  
**97 - 107 Wilder Street,**  
**St Pauls , Bristol BS2 8QU**

**Tel 0117 9070080**  
**Fax 0117 9422329**  
**email: [elaine@socialenterpriseworks.org](mailto:elaine@socialenterpriseworks.org)**  
**Website: [www.socialenterpriseworks.org](http://www.socialenterpriseworks.org)**  
**[www.c3partnership.org](http://www.c3partnership.org)**

## **2.7 VANS- Voluntary Action North Somerset:**

VANS provides information and support to voluntary groups and organisations and to individual volunteers across North Somerset. This is undertaken through 1:1 support, training, outreach sessions, information sheets, newsletters and ebulletins. They also provide a range of development and funding information and support to voluntary groups on committee roles and responsibilities, basic constitutional advice, employment issues, ICT, insurance, volunteering and many others.

VANS support networks to provide representation to local statutory partnerships.

Based in Weston super Mare they hold monthly outreach sessions in Nailsea and at various locations across North Somerset.

**Contact: Linda Shaw Director**  
**Voluntary Action North Somerset**  
**The Badger Centre**  
**3-6 Wadham Street**  
**Weston-super-Mare**  
**BS23 1JY**

**Tel: 01934 410192**  
**e-mail: [admin@nsva.org.uk](mailto:admin@nsva.org.uk)**  
**[www.va-ns.org.uk](http://www.va-ns.org.uk)**

## 2.8 Voscur is a Council for Voluntary Service (CVS)

Voscur works to develop a thriving, effective and influential voluntary, community and social enterprise sector in West of England.

Voscur is a membership-led organisation, and currently have over 700 members, which include social enterprises, community & voluntary sector groups, individuals and public sector agencies.

**Voscur Ltd.**  
**The CREATE Centre**  
**Smeaton Road**  
**Bristol BS1 6XN**  
**Tel: 0117 909 9949**  
**Fax: 0117 904 3346**  
**email: [info@voscur.org](mailto:info@voscur.org)**

**Wendy Stephenson**, Chief Executive,  
email: [wendy@voscur.org](mailto:wendy@voscur.org)

**Nigel Newton-Sawyer**, Deputy Chief Executive,  
email: [nigel@voscur.org](mailto:nigel@voscur.org)

### **Voscur Directories**

- Bristol's Community Voluntary Groups & Social Enterprises  
Also known as The Big Yellow Directory
- [Bristol's Community & Voluntary Sector Training & Learning Providers](#).  
Over 66 categories of training.
- Consultants' Directory: Over 40 categories of expertise.
- ICT Directory: individuals and organisations that provide ICT training, support, maintenance and much more!
- The Local Food Guide: Businesses, social enterprises and community groups involved in food initiatives.

## **3.0 Social Enterprise and the Law**

### **3.1 Legal Structures:**

Social Enterprises are non-profit or not-for-profit organisations - this means the organisation does not distribute its surplus or profits to individuals. All profits are put back into the business, or reinvested into the local community. These include: Charities, Community Interest Companies, Credit Unions, Housing Associations and so on.

#### **Setting up a not-for-profit organisation**

Usually a not-for-profit organisation will be either an unincorporated association or incorporated as a company, limited by guarantee, without share capital. There are additional registration requirements for charities and credit unions.

#### **Unincorporated associations**

An unincorporated association does not have a separate legal identity from its owners/founders. The association normally has a constitution that sets out its aims and objectives, and is run by a committee whose members are all personally liable for debts incurred by the business.

#### **Industrial and Provident Societies (IPS)**

Registering as an IPS offers a halfway house between a registered company and an unincorporated association. It has rules of association similar to an unincorporated association; however, it is an incorporated body with the benefit of limited liability but without all the requirements associated with limited liability under the Companies Acts. An IPS is an organisation undertaking a 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. Contact Co-operative Development Agency for advice on setting up an IPS – 0117 944 5330.

#### **Companies Limited by Guarantee**

The most common route for a not-for-profit organisation is to incorporate as a company limited by guarantee. This type of company does not have shares or shareholders - it has members instead. Members agree, in the event of liquidation, to provide a sum of money that may be required to meet the demands of any creditors. The amount is defined in the Memorandum of Association and is usually set at £10.

It is possible for a company limited by guarantee to seek charitable status. In this case, the company also needs to comply with Charity Commission requirements. While it is unusual, it is possible for a company limited by guarantee to issue shares as a means of raising capital.

## **Credit Unions:**

Credit unions must be authorised by the FSA. In order to register, a credit union must identify that a 'common bond' exists between all members; this is to ensure that all members will abide by credit union principles. All credit unions must operate within the Credit Union Act 1979 (as amended), which covers:

- How to register.
- Those eligible to become members.
- Limits on loans and savings.
- The amount of interest that can be charged on loans.
- How the profits must be distributed.

All credit unions must have a written set of rules that outline the duties of their officers and committees. See [www.fsa.gov.uk/Pages/Doing/small\\_firms/unions/forms](http://www.fsa.gov.uk/Pages/Doing/small_firms/unions/forms) for a list of the forms and documentation that credit unions must complete.

## **Community Interest Companies:**

The Community Interest Company (CIC) is a legal format designed for use by social enterprises. The CIC status can take the form of a private company limited by shares, a private company limited by guarantee or a public limited company. To qualify as a CIC, an organisation's constitution must feature an 'asset lock', meaning that profits and assets must be employed in the community interest rather than distributed to company members. Its aims must also satisfy a community interest test, and must deliver an annual report to Companies House (or the Companies Registry in Northern Ireland) with its accounts. In order to encourage investment, CICs limited by shares are entitled to pay a dividend to investors.

See [www.cicregulator.gov.uk](http://www.cicregulator.gov.uk) for more information about how to register and set up a CIC.

## **Charities**

Charities in England and Wales need to register with the Charity Commission ([www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)). Charities based in Scotland must register with the Office of the Scottish Charity Regulator (OSCR - [www.oscr.org.uk](http://www.oscr.org.uk)). Charities in Northern Ireland must register with HM Revenue and Customs (HMRC) Charities ([www.hmrc.gov.uk/charities](http://www.hmrc.gov.uk/charities)). It is possible to run a charity as an unincorporated organisation, however consult the Charities Commission as there may be an income threshold for operating such an organisation. If setting up a

charity as a company limited by guarantee, you must submit the Memorandum and Articles of Association to the Charity Commission (or regional equivalent). The Memorandum and Articles should be agreed with the regulatory body before incorporation, as this will prevent any difficulties later. Model governing documents can be viewed on the Charity Commission website at [www.charity-commission.gov.uk/registration/mgds.asp](http://www.charity-commission.gov.uk/registration/mgds.asp).

It is advisable in all cases to contact the relevant regulator for advice, as charity law is extremely complex.

## **Financial and accounting issues**

**Tax:** All new businesses must register with HMRC. Charities have the right not to pay tax on any income. Not-for-profit businesses can usually negotiate a tax exemption, but this is not automatic, and will depend largely on their sources of income. Tax will still be payable on unearned income. See: [www.hmrc.gov.uk/charities/tax/advantages.htm](http://www.hmrc.gov.uk/charities/tax/advantages.htm) for more information.

All businesses (including charities) need to register for VAT if their turnover is going to (or is expected to) exceed the annual threshold for VAT.

**Annual accounts and audit:** Limited companies may be required to have their end of year accounts audited. Under the Companies Act 1985 (as amended), small companies with a turnover of up to £5.6 million and charities with a turnover of £250,000 (or assets not exceeding £1.4 millions) are exempt from the audit requirement. However, they will still have to satisfy their boards of management and supporters that the money is well managed.

- The Charities Aid Foundation ([www.cafonline.org](http://www.cafonline.org)) aims to help not-for-profit businesses to make the most of their resources by providing advice and consultancy services. It can also provide small grants.
- FunderFinder ([www.funderfinder.org.uk](http://www.funderfinder.org.uk)) helps individuals and not-for-profit organisations in the UK to identify charitable trusts and foundations that may provide grants.

Further information and advice about sources of finance for not-for-profit businesses can be obtained from North Somerset Enterprise Agency or VANS.

### **3.2 Health and Safety**

There are many pieces of legislation relating to health and safety. All businesses - no matter what their size - must be aware of their obligations in this regard:

- Employers are required to make sure that staff operate in a safe working environment. This duty also extends to visitors to the workplace, such as customers and suppliers.
- All businesses must regularly carry out a health and safety risk assessment regardless of size and whether they employ staff. Businesses employing five or more staff must record the findings of risk assessments.
- Various other health and safety regulations cover a range of activities, such as working with Visual Display Units (VDUs), first aid, personal protective equipment, working at height and dealing with hazardous substances.
- If you will be operating a factory, food business or shop, you will usually need to contact the Health and Safety Executive (HSE - [www.hse.gov.uk](http://www.hse.gov.uk)) or your local authority ([www.direct.gov.uk](http://www.direct.gov.uk)) to register the business.
- **Fire safety:** The Regulatory Reform (Fire Safety) Order 2005 removed the requirement for a fire certificate and placed more emphasis on the requirement for organisations to carry out fire risk assessments and must take reasonable steps to reduce the risk from fire and to make sure that people can safely escape if there is a fire.

### **3.3 Planning permission**

If your business is moving into new premises or changing the use of an existing building, you may require planning permission from your local authority. Currently there are proposals to simplify planning regulations. Your local authority's planning department should be consulted whenever you plan to make changes to your premises.

### **3.4 Licences**

Different types of registration procedures may apply to your business and you may need to obtain a licence to operate in certain circumstances:

- If your business is involved in providing credit, collecting loans or in the hire of goods, you might need a Consumer Credit Licence, which should be obtained from the Office of Fair Trading.
- Certain types of business require licences or special permission before they can operate. North Somerset Council can advise you on whether your business will need any licences.

### **3.5 Data protection**

The Data Protection Act 1998 sets rules for any business keeping or processing personal information about individuals. If you want to hold personal information on your customers, your business will need to comply with the rules set out in the Act.

If your business holds information about people on a database or in certain paper record systems, you may need to notify the Information Commissioner's Office (ICO - [www.ico.gov.uk](http://www.ico.gov.uk)).

### **3.6 Intellectual property**

Legislation exists to protect other people's intellectual property rights on designs, trade marks, copyright or inventions that may already be patented. In addition, your business may generate certain intellectual property rights that may be of value and require adequate protection or exploitation.

It is important to investigate this area thoroughly and speak to appropriate sources such as the UK Intellectual Property Office ([www.ipo.gov.uk](http://www.ipo.gov.uk)), a patent agent or a solicitor before setting up in business.

### **3.7 Insurance**

Compulsory Insurances:

- Subject to some exemptions, any business employing staff (other than the business owner's immediate family) is legally required to take out a minimum of £5 million employers' liability insurance.
- A copy of the certificate of insurance should be displayed at all business premises. Copies must be retained for 40 years.
- Other compulsory insurance includes third-party motor insurance on vehicles used for business purposes.

Non-Compulsory or Recommended insurance

- Public Liability Insurance: Covers injuries to the public, might be important if you have a business that receives visits from customers regularly.
- Service Liability Insurance: Covers claims against Goods and Services you provide.

- Professional Indemnity Insurance covers legal liability for professional errors or omissions as a result of providing professional services, advice, information, suggestions and recommendations.

You should seek independent advice from experts on the right type of cover for your business.

### **3.8 Trading regulations**

There are a number of regulations organisations must comply with in relation to the supply goods or services to consumers, rather than other businesses:

- The Sale of Goods Act 1979, the Sale and Supply of Goods Act 1994 and the Supply of Goods and Services Act 1982 require you to provide goods that are fit for purpose, of satisfactory quality and as described.
- Services must be provided with reasonable care and skill, at a reasonable price and within a reasonable time.
- The Consumer Protection (Distance Selling) Regulations 2000 state that when goods or services are sold by distance selling, using mail order, the Internet, catalogue or the telephone, consumers must be given clear information about the goods or services on offer. After making a purchase the consumer must be sent confirmation and has the right to a cooling-off period of seven working days.

### **3.9 Employing staff**

Organisations employing staff must comply with a number of regulations. These include the following:

- Contract of Employment Act 1974
- The Maternity and Parental Leave etc. Regulations 1999 (as amended).
- Equal pay Act 1976
- Transfer of Undertaking (TUPE), 1981
- The National Minimum Wage Act 1998.
- The Working Time Regulations 1998 (as amended).
- Employment Relation Act 1999
- The Flexible Working (Procedural Requirements) Regulations 2002.
- The Employment Act 2002 (and subsequent amendments).
- Employees must be provided with a written statement of their main employment terms.

- Under payroll regulations all employees must be given itemised pay slips stating any deductions. When taking on an employee, HMRC must be informed. It will set up a PAYE scheme and send you a new employer's starter pack.
- Staff and prospective employees must not be discriminated against on the grounds of race, gender, disability, religion, sexual orientation or age.
- All employers with five or more staff must offer employees access to a stakeholder pension scheme. You are only exempt from the duty to offer a stakeholder pension if you employ fewer than five staff, or offer an acceptable alternative pension for all your employees. This alternative could be an occupational pension scheme or a grouped personal pension (GPP) scheme that meets the required standards.

### **3.10 Equal Opportunities**

A diverse range of legislation applies with regards to equal opportunities and discrimination at work. See section 6 list of useful addresses. The following Acts need to be consulted:

- Race Discrimination Act 1976
- Sex Discrimination Act 1975
- Disability Discrimination Act 1995
- Equal Pay Act 1970
- Rehabilitation of Offenders Act 1974

### **3.11 Environmental Legislation**

Environmental legislation and European Union guidelines in this area is extensive and frequently being updated these include:

- The Environmental Protection Act (EPA) 1990
- The Environment Act 1995
- Water Resources ACT 1991

## 4.0 Funding

**4.1 Finance:** Finance for Social Enterprises is obtained from a number of different sources including grants, donations, trading income, subscriptions, loans, overdraft, and so on. Different types of finance may be suitable for different parts or purposes of the enterprise and/or different stages of its development. Some Social Enterprises will generate substantial trading income at an early stage, but often grants or loans provide an important source of external revenue as part of a package. Grants are useful in the early stages to cover capacity building, feasibility studies and setting up, while loans may be appropriate at later stages when the organisation is established and require development funding.

Grant aid can come from large companies, grant-giving charitable foundations, or the Government through a range of initiatives

Key issues to be aware of when looking for external funding:

**Business Plan:** A working document showing the strategic and operational plan of the Enterprise. This outlines why the enterprise is a realistic and financially viable proposition.

**Match Funding:** Both grants and loan finance require the applicant to have some part of the funding already sorted.

**Application Process:** Accessing grants is generally a competitive process. Often organisations must devote considerable resources to making their case for social benefits and partnership working. Loan providers are interested in the viability of the enterprise and its ability for repayment of the loan.

**Terms and Conditions:** Grant making agencies are requiring more evidence of “Value for Money” and “Targets” funding through closer monitoring of outputs and outcomes, and often the organisation seeking funding must give higher priority to the objectives of the funder than those of the organisation. Loan providers are also concerned with organisations’ activities but are unlikely to monitor against specific outputs or targets.

**Sustainability:** Social Enterprises or Third Sector Industry is becoming more and more competitive, fund providers expect organisations to reassure them that trading income or service contracts are eventually becoming the main source of finance for the organisation.

## 4.2 Where to get Advice:

The organisations outlined in this document generally provide useful signposting and advice with regards to raising finance for Social Enterprises. In addition please refer to:

- Grant aid may also be secured from the European Union (EU) Structural Funds (visit the Department of Trade and Industry (DTI) website at [www.dti.gov.uk/regional/european-structural-funds](http://www.dti.gov.uk/regional/european-structural-funds) for further information).
- Local and neighbourhood regeneration partnerships
- Local Authority Economic Development Department
- Local Authority Community Development Department
- Social Banks such as Charity Bank, Triodos, Unity Trust Bank and Co-operative Bank.
- Community Finance Funds often operated by mainstream high street banks.
- Fit 4 Funding : The Charities Information Bureau, whose website [Fit 4 Funding](#) has a lot of useful information for social enterprises.
- Quartet Community Foundation is a charity that helps donors in Bristol, Bath and North East Somerset, North Somerset and South Gloucestershire to support the local causes and charities they care about and make an impact through their giving. Contact: **Bristol office** Royal Oak House, Royal Oak Avenue, Bristol BS1 4GB Tel: 0117 989 7700 Fax: 0117 989 7701 Email: [info@quartetcf.org.uk](mailto:info@quartetcf.org.uk)
- UnLtd ([www.unltd.org.uk](http://www.unltd.org.uk)) is a partnership between Comic Relief, the Scarman Trust, the Community Action Network and several other organisations. UnLtd has been awarded £100 million of Millennium Commission funding to make awards to individuals who wish to become social entrepreneurs. There are two levels of grants - between £500 and £5,000 for start ups, and between £10,000 and £20,000 for those developing and expanding a project.
- The Local Investment Fund (LIF - [www.lif.org.uk](http://www.lif.org.uk)) can lend between £25,000 and £250,000 to community not-for-profit organisations in England who have been denied funding from banks, or who need top-up funding.

## 5.0 Staff Recruitment

Social Enterprises may take on “staff” (paid or voluntary) who may have different status and relationships with the management board. The way they are recruited and selected must be carefully managed in order to avoid discrimination and ensure fairness.

For sourcing volunteers from existing and established organisations, contact VANS or Business in the Community. They aim to provide specialist expertise to charity and community organisations through their volunteer and secondment registry service.

### 5.1 Legislation:

Race Relation Act 1976 and Sex Discrimination Act 1975 state: Direct and Indirect discrimination on the grounds of race, colour, nationality (including citizenship), ethnic or national origin, sex, sexual orientation or marital status are unlawful. These apply to all stages of recruitment process. There are some exceptions related to genuine occupational requirements and targeted training schemes.

Disability Discrimination Act 1995 prohibits discrimination against disabled people. Some provisions apply to employers with 15 or more employees, although it is good practice to comply with this legislation in any case. The Act also requires that the physical employment arrangements should be modified as to accommodate disabled people.

The Equal Pay Act 1970 entitles women and men to equal pay for the same or similar work.

The Rehabilitation of Offenders Act 1974 sets out rights and guidelines for employment rights for anyone with conviction record.

### 5.2 Recruitment:

The organisation has to develop a clear and transparent recruitment and selection process to ensure people are treated equally and based on their merits. People on short-listing, interview and selection must have the relevant background information and be trained in this process. The following steps are typical:

- **Job Identification:** This would come directly as a result of organisational staffing needs analysis
- **Legal aspects of employing for this job:** Consider the effects of legislation, the basis of employment as a permanent, fixed term, full-time, part-time, job sharing, paid or unpaid etc.

- **Job description (JD):** A document clearly outlining job title, main responsibilities, main purpose of the post, key areas of work with main duties for various tasks, hours of work, reporting lines, relevant conditions of employment.
- **Person Specification:** Describes skills, experiences and the qualities needed to carry out the key areas of the work outlined in job description including required knowledge, aptitude and attitudes. The Person Specification is a guide for short-listing, interview questions and scoring and/or evaluation of applicant's answers.
- **Selection Panel:** undertakes, shortlisting, interviewing and eventually selecting a suitable applicant for the job. One member of the panel is designated as chair person to oversee the interviewing and selection process. The ideal number of panel members are 3 or 4 people. Panel members should a representative mix of individuals to ensure equalities and knowledge about the areas of the work associated to Job Description and Person's Specification.
- **Draw up selection Criteria:** Using person specification, applicants will be assessed for the job. This ensures selection based on JD rather than applicants are assessed against each other.
- **Application Forms:** Depending on organisations resources, decide whether you would draw up formal, standardised application forms or simply requesting applicant Curriculum Vitae (CV).
- **Advertise the Post:** Decide the most effective medium to promote or advertise the post so that it reaches all potential applicants.
- **Draw up Interview Questions:** Using JD and PS, the selection panel would devise a set of questions to obtain, extract, clarify and expand important information that didn't emerge from the written applications. Questions are normally grouped based on relevance and each member of the interview panel asks relevant questions.
- **Short List & Interview:** Interview 3 or 4 applicants. Notify the shortlisted applicants well in advance, and ask for special requirements such as disabled access, sign language etc.
- **Select The best applicant for the Job:** After selection, the panel should decide on a suitable applicant for the job - let all applicants know the decision as soon as possible.

- **Carry out checks:** Follow on references, police checks and medical etc as appropriate.
- **Appoint:** Offer the applicant the job - often a probationary period of 3 or 6 months may be stated. Making an offer of appointment is the first part of an employment contract.

### 5.3 Contract of Employment:

The Employment Rights Act 1996 requires that an employee must be given a written statement of employment particulars, covering the major terms and conditions of employment. These include:

- Names of Employer and Employee
- Date of period of commencement of employment
- Job Title
- Main responsibilities
- Reporting to/ line manager
- Details of pay, including rates and pay intervals
- Normal hours of work and scheduled rest breaks
- Place of work and address of employer
- Details of holiday entitlements
- Particulars of any pension scheme
- Terms and conditions due to incapacity based on sickness or accident including sick pay
- Period of Notice the employees must give the employer
- Details of other agreements
- Disciplinary and grievance procedure
- Statutory Requirements and Rights: maternity, paternity, dependant's leave, redundancy notice, policies on Trade Union membership, time off for public duties (e.g. Juries Service), Health and Safety at Work, Equal Opportunities etc.

### 5.4 Employee Welfare

Implicit responsibilities may exist that are not necessarily covered by employment legislation nor referred to in the terms of contract of employment, but nevertheless are necessary to foster best employer/employee relationship and ensure the welfare of the employee. These are likely to include:

- Payment of Wages/Payroll
- Work Environment
- Personnel Development Strategy
- Induction & Training
- Appraisal and Performance evaluations
- Investors in People
- Quality Standards

## 6.0 Business Planning

Detailed planning is required in order to start, grow and develop a Social Enterprise. There are two main reasons for preparing a business plan. First a business plan is your 'TO DO LIST' or Route Map. Secondly a business plan is a portfolio or selling tool to impress other parties (e.g. Fund Providers) that you mean to operate a feasible and viable organisation. There are 3 types of plans that you may get involved with:

- **Strategic Plan:** Covering 3 to 5 years this plan is a summarised document indicating the main vision, mission, goals and aspirations for your business.
- **Operational Plan:** This is your 'To Do List'. A detailed document prepared annually to map out organisational activities for the coming year.
- **Development Plan:** A one off plan to carry out unexpected or occasional decisions. For example, you decide to move premises then you plan this move. Often a development plan complements an operational plan

**There are 5 steps involved in preparing an operational plan:**

### **Step1. Analysis:**

Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis and Sociological, Technical, Economic, Environmental and Political (STEEP) analysis.

### **Step2. Feasibility Assessment:**

To establish whether your enterprise proposal will work. This is carried out by way of a Marketing Plan

### **Step 3. Viability Assessment:**

Assess long-term survival and sustainability of your Enterprise by preparing a detailed financial plan based on facts and figures obtained by the Marketing Plan.

### **Step 4. Implementation:**

After establishing the feasibility and viability of your proposal the next natural step is to implement your business by going live. You create the organisation and devise operational and management structures, systems and functions.

### **Step 5: Evaluations:**

Once up and running periodically you must review and monitor all of your plans, aims, objectives, policies and strategies against actual results. If you see wide variances from the planned programmes you adopt your plan accordingly.

## 7.0 Other Useful websites

- **Open4SocialEnterprise: Open4Community - Trust Funding**  
[www.open4socialenterprise.gov.uk](http://www.open4socialenterprise.gov.uk)
- **What is a social enterprise? | Business Link**  
[www.businesslink.gov.uk](http://www.businesslink.gov.uk)
- **Social Enterprise/ Small Business Service**  
[www.sbs.gov.uk/sbsgov/action](http://www.sbs.gov.uk/sbsgov/action)
- **Social Enterprise**  
[www.cabinetoffice.gov.uk/third\\_sector/social\\_enterprise](http://www.cabinetoffice.gov.uk/third_sector/social_enterprise)
- **Social Enterprise Coalition:**  
[www.socialenterprise.org.uk](http://www.socialenterprise.org.uk)
- **Social Enterprise Magazine:**  
[www.socialenterprisemag.co.uk](http://www.socialenterprisemag.co.uk)
- **Social Enterprise - Wikipedia, the free encyclopedia**  
[en.wikipedia.org/wiki/Social\\_enterprise](http://en.wikipedia.org/wiki/Social_enterprise)
- **Socialenterprise.co.uk - News**  
[www.socialenterprise.co.uk](http://www.socialenterprise.co.uk)
- **Social Enterprise Training and Support**  
[www.setas.co.uk](http://www.setas.co.uk)
- **Social Enterprise Partnership**  
[www.sep.gb.co.uk](http://www.sep.gb.co.uk)

## 8.0 Useful Addresses

### **Acas**

Brandon House  
180 Borough High Street  
London  
SE1 1LW  
Tel: 0845 747 4747  
Website: [www.acas.org.uk](http://www.acas.org.uk)

### **Business in the Community**

137 Shepherdess Walk  
London  
N1 7RQ  
Tel: 0870 600 2482  
Email: [information@bitc.org.uk](mailto:information@bitc.org.uk)

### **Business Rates**

Website: [www.mybusinessrates.gov.uk](http://www.mybusinessrates.gov.uk)

### **Charity Commission**

Harmsworth House  
Bouverie House  
13-15 Bouverie Street  
London EC4Y 8DP  
Tel: 08703330123  
w. [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)

### **Companies House**

Companies House  
Crown Way  
Maindy  
Cardiff  
CF14 3UZ  
Tel: 0870 333 3636  
Website: [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

### **Co-operative Development Agency**

Brave Ltd  
The Coach House  
2 Upper York Street  
Bristol  
BS2 8QN  
Tel: 0117 989 2536  
Email: [info@avoncda.com](mailto:info@avoncda.com)

**Department for Business, Enterprise & Regulatory Reform**

1 Victoria Street  
London  
SW1H 0ET  
Tel: (020) 7215 5000  
Website: [www.dti.gov.uk](http://www.dti.gov.uk)

**Equal Opportunities Commission**

Overseas House  
Quay Street  
Manchester M5 3HN  
Tel: 0161 8339244  
w. [www.eoc.org.uk](http://www.eoc.org.uk)

**Health and Safety Executive**

Information Centre  
Broad Lane  
Sheffield S3 7HQ  
Tel: 0870 1545500  
w. [www.hse.gov.uk](http://www.hse.gov.uk)

**HM Revenue & Customs (HMRC)**

New Employers' Helpline  
Tel: 0845 607 0143  
Website: [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**HMRC National Advice Service (VAT)**

Tel: 0845 010 9000  
Website: [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**Information Commissioner's Office (ICO)**

Wycliffe House  
Water Lane  
Wilmslow  
SK9 5AF  
Tel: 0845 630 6060  
Website: [www.ico.gov.uk](http://www.ico.gov.uk)

**National Association for Voluntary & Community Action (NAVCA)**

The Tower  
2 Furnival Square  
Sheffield  
S1 4QL  
Tel: 0114 278 6636  
Fax: 0114 278 7004  
Email: [navca@navca.org.uk](mailto:navca@navca.org.uk)  
Website: [www.navca.org.uk](http://www.navca.org.uk)

**National Council for Voluntary Organisations (NCVO)**

Regent's Wharf  
8 All Saints Street  
London  
N1 9RL  
Tel: 0800 2 798 798  
Textphone: 0800 01 88 111 (minicom)  
Email: [helpdesk@askncvo.org.uk](mailto:helpdesk@askncvo.org.uk)  
Website: [ncvo-vol.org.uk](http://ncvo-vol.org.uk)

**Newly Self-Employed**

Tel: 0845 915 4515  
Website: [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**North Somerset Council**

Town Hall  
Walliscote Grove Road  
Weston-super-Mare  
BS23 1UJ  
Tel: 01934 888888  
Website: [www.n-somerset.gov.uk](http://www.n-somerset.gov.uk)

**North Somerset Enterprise Agency**

The Link Centre  
Oldmixon Crescent  
Weston-super-Mare  
BS24 9AY  
Tel: 01934 418118  
Website: [www.northsomersetenterpriseagency.co.uk](http://www.northsomersetenterpriseagency.co.uk)

**Office of Fair Trading (OFT)**

Fleetbank House  
2-6 Salisbury Square  
London  
EC4Y 8JX  
Tel: 0845 722 4499  
Website: [www.oft.gov.uk](http://www.oft.gov.uk)

**Register of Friendly Societies**

25 North Colondale  
Canary Wharf  
London E14 5HS

**The Charity Bank Ltd**

PO Box398  
194 High Street  
Tonbridge  
Kent  
TN9 9BD  
Tel: 01732 774040  
Fax: 01732 774069  
Email: [enquiries@charitybank.org](mailto:enquiries@charitybank.org)  
Website: [www.charitybank.org](http://www.charitybank.org)

**Triodos Bank**

Brunel House  
11 The Promenade  
Clifton, Bristol BS8 3NN  
Tel: 0500 0800720  
Web: [www.triodosbank.co.uk](http://www.triodosbank.co.uk)

**UK Intellectual Property Office**

Concept House  
Cardiff Road  
Newport  
NP10 8QQ  
Tel: 0845 950 0505  
Website: [www.ipo.gov.uk](http://www.ipo.gov.uk)

**Unity Trust Bank plc**

Nine Brindleyplace

Birmingham

B1 2HB

Tel: 0845 140 1000 – General Enquiries

0845 117 7722 – Charity & Voluntary Organisations

Email: [utb@unity.co.uk](mailto:utb@unity.co.uk)

Web: [www.unity.uk.com](http://www.unity.uk.com)

**Voluntary Action North Somerset Ltd**

The Badger Centre

3-6 Wadham Street

Weston-super-Mare

BS23 1JY

Tel: 01934 410192

Email: [admin@nsva.org.uk](mailto:admin@nsva.org.uk)

Website: [www.va-ns.org.uk](http://www.va-ns.org.uk)

## 9.0 Useful Publications

Voluntary but not Amateur  
By D.Forbes, et al  
LVSC Jan.1988

Just about Managing  
3<sup>rd</sup> Edition LVSC 1998

Health & Safety Handbook  
For voluntary & Community organizations  
Jill Barlow 1998  
HSE Books ( Codes of practice, Guidelines)

Measuring Social Wealth  
John Pearce, New Economics Foundation 1995

The Directory of Social Change ([www.dsc.org.uk](http://www.dsc.org.uk)) provides information about courses and conferences aimed at the voluntary sector and community organisations.

Social Enterprise Audit published by North Somerset Council.

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“He most lives who thinks most, who  
feels the noblest, and  
who acts the best”

*Bailey*

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North Somerset Enterprise Agency Ltd**