

Woodland-related Social Enterprises

Over the last decade, government support for social enterprises and the transfer of public assets to communities has been growing. These agendas have been recognised within forestry policy. However, a thorough understanding of the value of woodland-related social enterprises and the best ways in which to support them has yet to be achieved. This summary reports on a study undertaken to contribute to building this knowledge-base.



“Every woodland is unique...Every community is different in what its aspirations are...And every business opportunity is different depending on what is available locally and where the gaps are.” (Lowthorp, 2010)

Background

Over the last ten years, there has been growing interest in the potential contribution that social enterprises and asset transfer to civil society organisations can make to society. It has been suggested that they can help to create a more ethical, sustainable and socially inclusive economy and they can support community empowerment, build community capacity, facilitate social inclusion and generate social capital. These ideas fit neatly within the current UK government's 'Big Society' agenda. The Forestry Commission (FC) have recognised that supporting woodland-related social enterprises could potentially help achieve local and community development objectives. However, the FC have also identified a need to better understand the barriers and challenges facing different types and models of woodland-related social enterprise, and the critical enabling factors impacting upon them.

Objectives

This research aimed to:

- Define social enterprise in a way that is useful to the FC and woodland sector.
- Describe social enterprise through a range of selected case studies covering a spectrum of aims and objectives, business focus/type, tenure rights, legal forms, economic dependence, staff and volunteer input, governance and membership, and impacts and outcomes.
- Identify the barriers, challenges and enabling factors to establishing and maintaining “successful” and sustainable woodland-related social enterprises.

Methods

- Methods included a literature review, desk-based study and conducting and analysing 20 semi-structured telephone interviews, six based in England, nine in Scotland and five in Wales.
- Of these, eighteen interviews related to specific woodland-related social enterprises and two were with individuals working in the community woodland sector.

Findings

The study identified a number of enabling factors for woodland-related social enterprises:

- Available financing, typically in the form of grants or loans.
- Non-financial support from civil society agencies and public bodies such as the FC.
- Sufficient existing capacity within communities, including experience, knowledge and time.
- A clear demand for services and/or goods offered.
- Strong leadership and the ability of key members of an enterprise to work together.
- The use of the community right to buy law and the National Forest Land Scheme in Scotland.

If inverted, these enabling factors can become barriers to success. Other barriers identified include:

- The imposition of bureaucratic hurdles and institutional barriers by public bodies.
- Public sector procurement and asset transfer processes which assess 'best value' in only economic terms.
- In order to access some funding streams, avoid tax and protect assets many enterprises become charities. This imposes trading limitations which often results in a dual structure being created (of a charitable body with a commercial trading arm) which complicates governance/management.

Recommendations

The study highlighted a number of recommendations and there is a need:

- For more joined-up thinking across government departments and policy.
- To ensure the adequate financing of support services.
- To consider giving social enterprises the same tax benefits as charities and for more funding bodies to recognise and support social enterprises which are not charities.
- For the Scotland community right to buy provisions to be less restrictive on legal form since they currently require communities to form companies limited by guarantee.
- To consider establishing a social enterprise leadership training programme.
- To consider changes to public commissioning, procurement and asset transfer processes.
- To develop a standardised framework for monitoring and evaluation of benefits and impacts.
- To consider creating a dedicated funding mechanism for woodland-related social enterprises.
- To consider allowing long-term leases of the public forest estate to communities across GB.
- To give greater priority to the use of the public forest estate to support social enterprises.

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Reports and Publications:

Stewart, A. *Woodland-related Social Enterprise: Enabling factors and barriers to success*. Forest Research, Edinburgh.