

Billion-pound challenge raises the bar for businesses to procure with purpose

3 years ago



A group of 30 major UK businesses have spent a landmark £250 million procuring services and products from social enterprises and helped create 2,700 jobs in an ongoing programme from Social Enterprise UK, new figures reveal.

The Buy Social Corporate Challenge (BSCC) sixth annual report shows that the blueprint of corporates purchasing from social enterprises has resulted not only in millions of pounds going to support businesses tackling social and environmental issues, but has also created an estimated 2,700 jobs in those social enterprises in the lifespan of the project to date.

The Challenge sees Social Enterprise UK work with 30 large businesses, ranging from pharmaceuticals to finance, to identify and match social enterprise suppliers across products and services from food and drink to consultancy. Launched in 2016 with the Department for Culture, Media and Sport, the Challenge has a ten-year target of £1bn of spend and is on track to reach this goal, with more than £91 million achieved in the last year, and a total of more than £250 million, or quarter of a billion, over the last 6 years.

The corporate partners on the programme are Amey, AstraZeneca, Barclays, CBRE, Co-op, Compass/Foodbuy, Deloitte, EQUANS, GSK, John Sisk & Son Ltd, Johnson & Johnson, KPMG, Landmarc Support Services, Lendlease, Linklaters, LV=, Mitie, Motorola Solutions, Nationwide, Nestle, NFU Mutual, PwC, Robertson Group, SAP, Siemens, Sodexo, The Crown Estate, Wates Group, Willmott Dixon and Zurich.

To be a social enterprise, businesses are governed and constituted to achieve social or environmental impact. As businesses, social enterprises seek to deliver profits, but at least 50% of their profits are reinvested into their mission. Social Enterprise UK estimates that by trading with Buy Social Corporate

Challenge partners social enterprise suppliers have been able to reinvest approximately £26.5 million into the social or environmental missions.

52% of social enterprises trading with Buy Social Corporate Challenge have been able to recruit more staff as a result, according to a survey from Social Enterprise UK. Social enterprise models mean that these jobs often go to individuals facing additional barriers to the labour market, such as people with disabilities, people who have been in prison or people who have experienced homelessness.

Pranav Chopra, founder NEMI Teas, a social enterprise supporting refugees, said: “We are currently working with seven partners on the Challenge and are in consultation with two more. Hopefully we’ll be in a third of their partners’ supply chains shortly! It’s because of the Challenge that I’ve been able to directly reach out to other corporates. The Buy Social Corporate Challenge has been remarkable for businesses which have a social enterprise model and the capacity to deliver.”

The report argues that not only does buying from social enterprises make a positive social impact, but that it doesn’t have to cost more: 90% of corporate partners in the challenge reported that social enterprises were cost neutral or even cheaper when compared with other suppliers, while 95% said that social enterprises delivered comparable or higher quality.

Peter Holbrook, Chief Executive of Social Enterprise UK, said: “Following higher scrutiny by investors, stakeholders, staff and consumers, mainstream UK businesses are increasingly considering their social and environmental impact when they set strategy and make decisions.

“SEUK welcomes this shift and we believe social enterprise has an important role to play in supporting the wider business community to embrace social value and consider the social and environmental impact of their work.

“There is a group of businesses that are leading the way in leveraging their procurement in service of their purpose. The Buy Social Corporate Challenge (BSCC) partners are demonstrating effectively how their purchasing decisions can help them play their part in achieving a fairer and more sustainable economy.

“What this sixth annual BSCC report reveals is that the Challenge is on track to deliver its ambitious £1 billion target, thanks to the commitment and vision of our corporate partners and the ability of social enterprises to deliver high-quality products and services.”

The report highlights potential areas for growth in social enterprises looking to supply the corporate market, including couriers, furniture and employee learning and development. Social Enterprise UK is inviting social entrepreneurs particularly from these categories to get in touch at business@socialenterprise.org.uk.

The Buy Social Corporate Challenge has now closed to new corporate partners, but Social Enterprise UK will be launching more support for large organisations to increase social value purchasing. Businesses can register their interest at <https://www.socialenterprise.org.uk/get-involved/social-procurement/>.

The report will be available for download at:

<https://www.socialenterprise.org.uk/seuk-report/buy-social-corporate-challenge-year-6-impact-report/>