

# REalliance

## **REalliance Economy CIC**

### **Strategy and Business Plan**

**2011 - 2015**



## Contents

1.	INTRODUCING REALLIANCE ECONOMY COMMUNITY INTEREST COMPANY .....	3
2.	WELCOME FROM THE CHAIR.....	3
3.	THE SHAREHOLDERS.....	4
4.	OUR APPROACH .....	5
5.	REVIEWING OUR IMPACT .....	5
6.	ENVIRONMENT AND DRIVERS .....	6
7.	NATIONAL POLICY CONTEXT .....	7
8.	OUR PRIORITY AREAS.....	8
9.	OBJECTIVES AND ACTIONS - YEAR ONE (2011/12) .....	9
10.	OBJECTIVES AND ACTIONS - FUTURE YEARS (2012/15).....	9
11.	MONITORING AND EVALUATION.....	10
12.	MANAGING OUR BUSINESS .....	10
13.	WORKING WITH KEY PARTNERS AND MARKETS .....	10
	Appendix 1 - Programmes and projects.....	12
	Appendix 2 - Actions Year One 2011/2012 .....	13
	Appendix 3 - Summary Budget Year 1 .....	14
	Appendix 4 - Organisation Chart .....	14

## **1. INTRODUCING REALLIANCE ECONOMY COMMUNITY INTEREST COMPANY**

The REalliance family contains the widest range of resource reuse knowledge, competence and professional expertise in the country. It was established in 2008 to represent the founding community recycling networks at Government level and to develop the sector's ability to respond to the economic opportunities provided by the climate change agenda. We engage with private and public sector organisations to enhance their social and environmental outputs and to broker contracts and relationships between them and the third sector. We provide development support, representation, guidance and information for social enterprises and voluntary/community organisations working to manage resources sustainably. REalliance gives civil society organisations a stronger, more coherent voice to Government, industry and other partners. Our support enables organisations to sustain and develop the resource management activities they provide within their local communities. In turn, this generates social and environmental benefits, namely:

- Increased resource reuse and recycling
- Reduction of the total amount of waste produced
- Reduced landfill
- Provision of low cost products (e.g. reused furniture) to alleviate poverty
- Provision of training to excluded communities
- Creation of new jobs
- Increased social capital

Our ambition is to engage everybody in the UK who is working to build a sustainable resource economy. This is about much more than waste - it's about resource efficiency, people, skills, poverty, financial inclusion, social justice, community cohesion, local economies, value, conservation, design, innovation and activism: everything we need to reduce our consumption and redistribute resources.

We use our knowledge and extended influence to ensure that policy-makers at all levels of government are aware of the needs of community sustainable resource management groups. This ensures that these groups have a favourable environment in which to operate and that all new policies and regulations treat these groups fairly.

As a social enterprise owned by four charities any surplus we generate is re-invested in the business.

.oOo.

## **2. WELCOME FROM THE CHAIR**

I am pleased to present our new Strategy and Business Plan for the period April 2011 to March 2015.

Since our formation in February 2008 our founding networks have moved closer together, collaborating more and sharing knowledge, expertise and resources. We completed the very successful Third Sector Capacity Building programme (in partnership with Defra's delivery body WRAP) and exceeded some very challenging targets. Now we are moving into a very different landscape, where the economics of reuse and recycling have changed due to the global financial crises, the loss of local public spending and the reduction in grant aid to charities. There is much to celebrate in terms of the legacy of the Third Sector Capacity Building programme, namely learning to partner effectively

with Government and the private sector, as well as helping to deliver the outcomes required by the programme. Resourceful collaboration is central to what we are - we do nothing without partners.

Our networks and their members represent a good investment not just in terms of value for money applied against a basket of economic, social and environmental outcomes. We invest in good things, many of which never see a key performance indicator but we know add to the common well-being.

Throughout the next four years we will:

- widen our membership so that it is more broadly representative of the best that civil society has to offer in the realms of resource;
- seek partnerships with the public and private sectors to enable effective collaboration in resources at a community level; and
- signpost ways of partnering at the very local level within the civil society arena - brokering good relationships that benefit all.

We seek comments on this business plan and look to make it the basis for sustainability for REalliance and all those whom we seek to reach.

*Mark Cook*

.oOo.

### 3. THE SHAREHOLDERS

REalliance is a partnership of four networks each of which supports a wide range of organisations working in the reduce/reuse/recycle sector.

**Furniture Reuse Network:** FRN is the national body which supports, assists and develops charitable re-use organisations across the UK. It does this to reduce poverty by helping households in need access furniture, white goods and other household items at affordable prices. In addition, it supports re-use organisations in providing training and work placement opportunities for people who are socially excluded. [www.frn.org.uk](http://www.frn.org.uk)

**Community Recycling Network UK:** CRN UK is the national voice for community-based recycling and waste reduction. It promotes community-based sustainable waste management as a practical and effective way of tackling the UK's growing waste problem. Waste is a valuable resource that can offer enormous opportunities for regeneration in deprived communities as well as helping build the social economy through providing jobs and training for the long-term unemployed and people with special needs. These successful community level social projects form the civil society of sustainable waste management. [www.crn.org.uk](http://www.crn.org.uk)

**Community Composting Network:** CCN is the UK-wide organisation that supports and promotes community groups, social enterprises and individuals involved in producing compost from green/food waste and using it in their local communities. It provides guidance on the social, educational and health benefits of organics as well as advice on composting. CCN is a members' organisation, self-managed by an elected committee. [www.communitycompost.org](http://www.communitycompost.org)

**London Community Resource Network:** LCRN is a charitable social enterprise supporting organisations and communities working to manage resources sustainably, especially through waste prevention, reuse and recycling. It is the largest community waste support network organisation in England, with a track record of delivery at a regional and

national scale in England and a strong background in influencing policy, delivering sound business support and providing advisory support to local authorities. It connects community groups, charities and businesses all working towards responsible resource management and provides them with best practice, training, publicity and business support. LCRN's vision is of cities where communities, enterprises and the public manage resources sustainably. LCRN's mission is to help London manage resources sustainably to maximise environmental and community benefit. [www.lcrn.org.uk](http://www.lcrn.org.uk)

The Directors of REalliance at 1 April 2011 were:

Mark Cook (Chair and non-executive director, partner in Anthony Collins Solicitors)  
 Ray Georgeson (non-executive director, independent consultant)  
 Paddy Tipping (non-executive director, vice-president of the Ramblers Association)  
 Cath Kibbler (CCN Co-ordinator)  
 Lucy Danger (CRN UK Chair of Trustees)  
 Craig Anderson (FRN Chief Executive)  
 Matthew Thomson (LCRN Chief Executive)

.oOo.

#### **4. OUR APPROACH**

REalliance, through its networks, has built resilient and meaningful relationships with over 700 community groups and social enterprises working to value, protect, conserve and use our collective resources. We have strengthened our sector's ability to influence resource efficiency behaviour at an individual and corporate level, to be more efficient as businesses and to work in partnership with major contractors to divert materials away from landfill and into reuse. We ensure that the social benefits of resource reuse (particularly affordability and employment training) are understood and valued. We are well-positioned to make a major contribution to delivering key elements of the UK's challenging resource efficiency and sustainable development agendas. We aim to be the organisation of choice for partnering with public and commercial contractors in all aspects of resource efficiency.

Our strategy for the next four years has four strands:

1. consolidate our structure and membership;
2. expand our partner base and our external influence;
3. increase our members' market share, financial sustainability and management efficiency; and
4. increase opportunities for volunteering, training and employment in the sector.

In order to provide the highest quality of service to our members we review our policies, processes and performance regularly and implement recommended changes for improvement.

.oOo.

#### **5. REVIEWING OUR IMPACT**

- Successful delivery of the TSCB programme (3-yr contract, 2008-11), providing:
  - = direct support to 250 organisations;
  - = 3,884 training/ volunteering/ placements;

- = 88,000 tonnes of CO2 emissions avoided
- = 74,800 tonnes of useful material diverted from landfill.
- Strong bond developed between the founding organisations.
- Strong relationship developed with WRAP (Waste and Resources Action Plan).
- National conference held in December 2009 - 147 individuals attended, 79% rated it 'good' or 'excellent'.
- Major public reception held at the Houses of Parliament in October 2010 - over 100 people attended from a wide range of organisations across public, private and civil sectors.
- Secured Social Enterprise Mark.
- Secured 'Investing in Social Enterprise Expansion' funding (3 years to 2012).
- Supported the development of the £8m London Reuse Network.

.oOo.

## 6. ENVIRONMENT AND DRIVERS

The critical drivers are the integrated aspirations of government and civil society, including directives on landfill and CO<sub>2</sub> emissions, and the drive to address worklessness.

The sector is focused on delivering not only the carbon offsetting but also the social benefits of alleviating poverty and promoting healthier lifestyles.

There are many people who are not engaged in the traditional labour market and are perhaps unable to access 'normal' routes to employment. Our network organisations are already very experienced in providing alternative training, placements and jobs in processes and operations connected with recycling and reuse. Individuals supported in this way are likely to reduce their dependence on state benefits and services.

Landfill tax is currently £56 per tonne and is rising annually by £8 per tonne. By 2014 it will be £80 per tonne and will almost certainly continue to rise thereafter. In addition, the need to avoid certain materials in landfill is likely to increase. Already there are opportunities for community organisations to partner with waste contractors to deal with materials that are low in volume and/or without an obvious end use.

Community groups and social enterprises are generally more efficient at maximising the benefit of reuse and offering solutions for difficult waste streams. The sector sees recycling as reusing valuable resources saved from landfill; the private waste contractors often miss the wider social benefits to be gained.

Within the next 10 years carbon trading will become better established and more widespread. Carbon credits and off-setting will be a ready market for creating income for the Civil Society. Organisations needing to demonstrate reductions in their carbon footprint (renewable obligations certificates) will be attracted to social enterprises as long as the sector has developed robust and accurate auditing methods that give confidence to potential customers.

The drive to separate green waste from food waste is likely to provide a major opportunity for community organisations to provide a cost-effective solution to local authorities. Contracting with the Civil Society will enable the authority to gain greater and more local social benefits than can be achieved by standard private waste contracts.

.oOo.

## 7. NATIONAL POLICY CONTEXT

The coalition Government is driving forward its vision of moving to a new model of working that devolves power to local areas and working in partnership with local communities and ‘civil society’ to encourage more sustainable behaviour. Through our network of contacts in government and the resource reuse sector we are helping Departments to shape their delivery plans.

The priorities for British farming (which includes a growing social enterprise sector as well as community groups) are to “enhance competitiveness and resilience of the whole food chain....to help ensure a secure, environmentally sustainable and healthy supply of food”. Specific actions include a drive for sustainable food procurement by the Government and public sector.

There are also measures to enhance the environment and biodiversity to improve quality of life which include building a Big Society role in the enhancement of habitats and urban environment and the development of a new designation to protect green areas that are important to local communities. A natural environment White Paper is due in early summer 2011 which will include measures to value ‘natural capital’ and promote green spaces. As community gardens, allotments and urban farms are all essential green spaces vital to their communities well being, this will hopefully be a powerful lever for the Local Food sector.

Defra’s plans to “*support a strong and sustainable green economy, resilient to climate change*” include an action to drive a zero waste agenda and guidance for policy makers for valuing nature and assessing social impacts. The guidance on valuing nature gives, as an example, the risk to the biodiversity and carbon storage functions of peat-lands from extraction and lack of management.

The greater focus on Big Society drivers and Civil Society solutions has created increased dialogue on delivery and identification of additional actions such as innovation, investment, skills, adaptation, new ‘green’ industries and in greening the existing economy. REalliance and its members have contributed expertise to discussions and publications such as the Waste Framework Directive; the Waste Review and Big Society; Animal By-Products regulations / Community Composting of food waste; Social Enterprise Sustainability Partnership.

We are supporters of the Sustainable Communities Act that DCLG has included in its business plan as we consider it a crucial element in enabling and developing local community ventures that deliver social, economic, environmental and health benefits.

The Department of Health is making provision for local communities to take a greater role in public health, especially preventative measures. Many of the activities of our network members have a direct benefit on the health of individuals, for example increased self-esteem through training and employment, and healthier lifestyle and diet through local food growing.

.oOo.

## 8. OUR PRIORITY AREAS

Resourceful collaboration describes the way we work. The members of the networks are many and varied, ranging from large social enterprises with a major turnover to small groups of individuals dealing with a simple local issue. It's not just about waste -we are passionate about changing the way society consumes and disposes of resources AND we are determined to maximise social benefits every step of the way. To this end we aim to:

- Achieve social justice by empowering people to make the best use of resources collaboratively.
- Champion practical self-sufficiency and resource conservation.
- Achieve, build, position and sustain a conduit for recycling and re-use organisations in the sector through resourceful collaboration at a national level.
- Value resources and people by building strong operators in Civil Society resource management through effective partnership working, leadership and representation, practical intervention, capacity support and development.
- Deliver direct response to sector opportunities in so-called waste by bringing together network bodies to work more effectively, providing one voice on many issues.

We are working closely with policy-makers to embed the principles of resourceful collaboration into new guidance and legislation. We are pleased to be a member of the Social Enterprise Strategic Partnership (SESP). Set up by Defra and led by the Plunkett Foundation, SESP aims to provide timely and in-depth guidance to the Ministers and civil servants during the development of policies and programmes.

Our focus has matured - the tone for 2011/12 is more about bridging the gap between our resource reuse members and the public / private sector aspirations for engagement with the Big Society.

The Board's priorities areas for the first year of this Plan fall into three categories:

### *Partnering and influencing*

- Policy influencing / coordinating responses to consultations
- Maintaining close relationships with DEFRA and WRAP
- Ensuring close working with / between networks
- Expanding the network / partner base

### *Financial security*

- Tendering / consortia
- Grant funding bids

### *Running the company and its operations*

- Governance / company management
- Programme management

During this period we will minimise our expenditure on running the company. The move to a cheaper and more ecological managed workspace will be completed by mid-May and promotion of the business will be low-cost or no-cost. We will minimise costs for meetings by using tele- or video-conferencing whenever practical.

.oOo.

## 9. OBJECTIVES AND ACTIONS – YEAR ONE (2011/12)

In order to deliver the priorities in Section 7 we will focus on these five themes:

- 1 *Manage the I-SEE programme and achieve the year 2 targets:*
  - May - prepare commissioning learning points
  - Dec - use learning in specifying four new commissions
  - July - two further consortia established
- 2 *Determine Government programme opportunities for the next four years:*
  - April to September - liaise closely with WRAP and DEFRA to ensure sector involvement in new programmes.
  - April to September - liaise closely with DWP/other departments to identify opportunities.
  - December - secure contracts for new government programmes.
- 3 *Review and improve governance / company management:*
  - April - ISO9001 achieved
  - May - new office base and staff structure in place
  - October - Director annual appraisals complete and reported to AGM (Birmingham)
  - November - ISO14001 achieved
- 4 *Expand Board, network and partner base:*
  - April - Board confirms strategy and timetable
  - May - Board and key partner workshop
  - July - two new Directors appointed
  - October - AGM - Board confirms schedule of actions
- 5 *Represent and serve the sector:*

Throughout the year we will actively seek opportunities in the following areas:

  - *Influencing policy* - prepare responses to consultations with and for shareholders and partners. Main SESP meetings June, September, December, March.
  - *Contracts and funding* - prepare tenders and bids, forming or joining consortia where appropriate.
  - *Quality standards* - provide support to those member organisations wishing to improve their business processes and to obtain quality standards.

.oOo.

## 10. OBJECTIVES AND ACTIONS – FUTURE YEARS (2012/15)

All years:

- April - publish Strategy and Business Plan for next four years.
- October - hold REalliance AGM (2012 Bristol, 2013 London, 2014 Birmingham).
- Deliver excellent programmes and projects.
- Secure new resource partnership agreements.
- Provide central support services to the membership.
- Maintain core funding; grow trading income to £80k per annum.

.oOo.

## **11. MONITORING AND EVALUATION**

The board receives a quarterly report of performance against the business plan. We undertake a survey of all organisations assisted by REalliance during each year. A key component of the survey is a subjective analysis of how the support we have provided has improved the recipient's impact and sustainability.

The specific targets associated with the BASIS/I-SEE programme are reported to SEC on a quarterly basis.

There is no robust and comprehensive audit system for demonstrating the carbon advantages of the resource reuse sector. Collaborating with others, by March 2012 REalliance will have made progress on designing a credible system recognised by all parties. This will assist in developing future carbon trading business opportunities.

.oOo.

## **12. MANAGING OUR BUSINESS**

As a social enterprise we are fully committed to ensuring that we work ethically and responsibly, that people are involved in shaping our activities and that our work provides benefits to communities. We maintain confidence in the competency of our board and staff through regular appraisal and review.

We recognise the value and importance of the networks and the wider membership. We aim to communicate meaningfully and to maintain excellent relationships throughout the sector.

.oOo.

## **13. WORKING WITH KEY PARTNERS AND MARKETS**

REalliance is well placed to deliver many of the outcomes contributing to the scope of the civil society (for example waste, landfill and resource reuse as well as training, job creation and placements). Of particular note is the additional social benefit of giving families on benefits and low incomes access to affordable furniture and equipment and the economic impact of providing local volunteering and training placements. REalliance is working closely with elected members and civil servants to develop new revenue streams and integrate them with existing projects.

Founder network charities and their members remain our core contacts and it is through them that the majority of our outputs are delivered. Community groups always collect resources in a way that preserves the quality and intrinsic value of the item and this usually minimises the extent of reprocessing necessary for reuse.

Emerging markets are found in the commercial sector; major initiatives are being developed with manufacturing, retail and hospitality sectors. With the integrated support of the auditing and sector quality-assured services we are finding new opportunities for working in direct partnership with the commercial sector through the clearance of retail distribution centres, working with hotels and their refurbishment contractors, and establishing new excluded-consumer markets for graded and returned goods. Work is on-going to provide regional and local commercial partners that are backed-up, managed and brokered through national delivery and standardised services. This work is now culminating in higher profile for the sector and diversification into new waste and recycling markets beyond the original perceived reuse service. For example, the initial reuse of furniture with a major retailer is now resulting in new recycling initiatives and stewardship of new product waste streams.

Local authorities are extremely keen to influence the behaviour of their residents in order to minimise the residual waste to landfill. REalliance is working closely with WRAP to close the knowledge gap and to highlight opportunities for the sector to add value to the waste contracts.

The disposal of contaminated waste from hospitals is costly. We are working with the NHS to develop cost effective methods of separating at source the clinical waste from reusable, such as paper, in a way that cannot compromise public health. Substantial cost savings for the NHS Trusts are clearly achievable.

REalliance is now looking to support the growth of the resource reuse through the geographic expansion of current sector services and to encourage new operators who can deliver at scale. By identifying geographical gaps in service provision, matching social need with product waste arisings and finding robust third sector organisations/partners with the interest and ability to start up community waste operations, REalliance will ensure that the sector's logistical requirements are in place and that more sustainable and long term gain is made throughout the future of the programme.

.•o0o•.

## Appendix 1 – Programmes and projects

### I-SEE project – resourceful partnerships

The I-SEE project is part of the Social Enterprise Coalition (SEC) broader Social Enterprise Business Support Programme and is funded from a ‘BASIS 2’ grant awarded by the Big Lottery to the SEC.

The overall aim of the programme is to support the social enterprise sector to develop, grow and be sustainable through improving social enterprise support throughout England. SEC is the lead entity for the consortium; the members each lead on a specific project as shown below:

Social Enterprise Coalition (consortium lead)	Leadership Development Programme Social Franchising Support Structure
The School for Social Entrepreneurs	Expansion and developing an innovative social franchise model
Social Enterprise East of England	Micro Coaching Initiative roll-out
The Plunkett Foundation	Strengthening social enterprise retail skills in rural areas
<b>REalliance</b>	<b>Third Sector Consortia Development</b>
Coin Street Community Builders /SETAS	Social Enterprise Training and Advisory Service

Our project focuses on developing the capacity of the sector to engage in closer networking activity and to form consortia in order to secure new contracts.

Our I-SEE project runs from July 2009 to July 2012 and is currently supporting activities in London, Surrey, Manchester and Cheshire.

By October 2011 we will have developed two more consortia in Cheshire and Surrey.

By March 2012 we will have developed and supported six consortia in total.

Between January and June 2012 we will finalise our monitoring, reporting and dissemination of learning.



.o0o.

## **Appendix 2 – Actions Year One 2011/2012**

### **Business Plan Objectives:**

#### **1. Manage the I-SEE programme**

**Key outcome:** Develop and support a further two consortia.

**Key milestones:**

- May - prepare commissioning learning points
- Dec - use learning in specifying four new commissions
- July - two further consortia established

**Key Tasks:**

- Manage and increase relationships
- Improve evaluation and publicity

#### **2. Determine contract / Government programme opportunities**

**Key outcome:** Position REalliance to win tenders:

**Key Tasks:**

- April to September - liaise closely with WRAP and Defra to ensure third sector involvement in the new programmes.
- April to September - liaise with other departments to identify opportunities.
- April onwards - submit winning tenders / bids.

#### **3. Review and improve governance / company management:**

**Key outcome:** robust structure as the voice of the sector:

April - ISO9001 achieved

May - new office base and staff structure in place

October - Director annual appraisals complete and reported to AGM (Birmingham)

November - ISO14001 achieved

**Key tasks:**

- maintain the Social Enterprise Mark

#### **4. Expand Board, network and partner base:**

**Key outcome:** wide representation and reach

#### **5. Represent and serve the sector:**

**Key outcome:** wide representation and reach

**Key tasks:**

- contribute as a member of SESP
- respond to policy and other consultations
- secure new funding and contracts
- secure new partners / network members
- scope opportunity for consultancy to other sectors / organisations
- research provision of services to networks

.o0o.

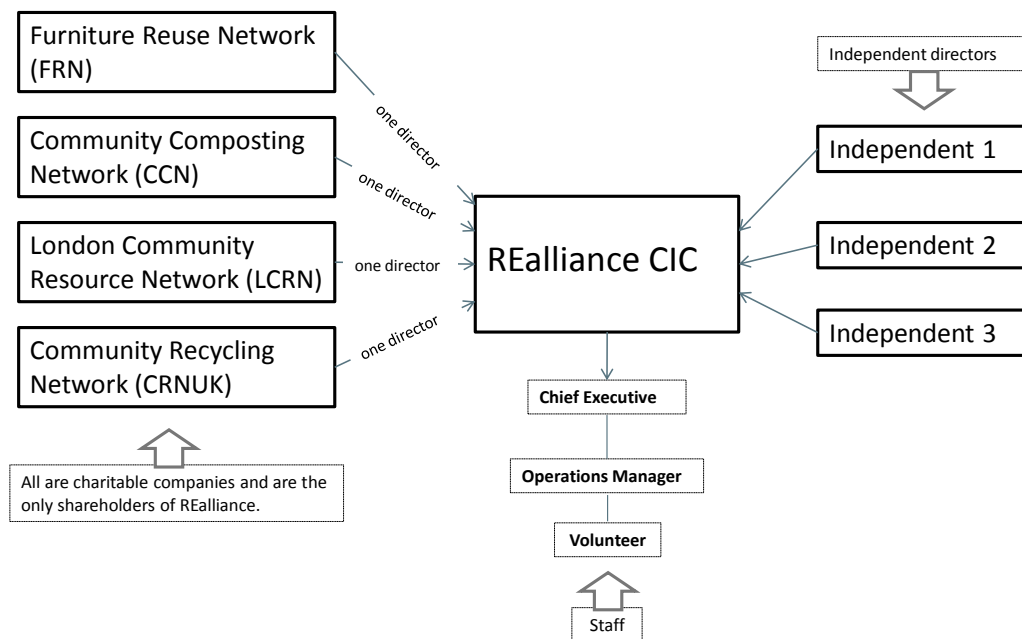
### Appendix 3 – Summary Budget Year 1

#### REalliance draft budget 2011 - 2012

<b>Income</b>		<b>£</b>
Projected income		<u><u>100,313</u></u>
<b>Expenditure</b>		
Activity (operations) costs	67,320	
Central (governance) costs	21,717	
		<u><u>89,037</u></u>
surplus / (deficit)		<u><u>11,276</u></u>

.000.

### Appendix 4 – Organisation Chart



Version 1

REalliance – organisational structure as at 1 April 2011

Updated 1.4.2011

.000.