

## **Corporate social responsibility and social improvement in the UK**

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For decades, social improvement and workforce development programmes in Western Europe have set out to reduce the number of unemployed and 'socially excluded' citizens. Increasingly delivered through partnership between publicly funded bodies and privately owned firms, such programmes encourage the private sector to fund corporate social responsibility (CSR) activities.

These have ranged from employing people without livelihoods, through providing work experience placements, mentoring, vocational training and business support services, to assisting community-based and socially owned enterprises in the generation of local jobs. Work-related social programmes have recently been augmented by health-related schemes, including those to curb obesity and to wean people off drugs.

### **Lack of support**

Over the years, too many work-related programmes have failed to stem social problems. As shareholders in private sector companies that have entered into CSR activities in partnership with the public sector can note, investment in such CSR does not does not reap best results while there are national weaknesses and lack of support in:

- identifying the main objective of increasing the net level of sustained and fairly paid jobs in all programmes (without this central objective, programme participants are left feeling duped while their experiences and qualifications gained through being on the programme do not generally result in paid livelihoods);
- addressing underlying reasons for the historically poor co-ordination of the many publicly funded partners involved (this hinders the identification and effective nurture of community-based enterprises, so limits their provision of local jobs); and
- noting that community-based enterprises are vulnerable to closure from vandalism and petty crime (the best assistance initially for such enterprises may be to work with the police to set a target of resolving crimes against workplace assets).

### **Progressive change and social targets**

EU funds for social programmes are being transferred from Western to Eastern European states. This challenges many domestic community-based enterprises to remain financially sound by increasing their trading levels. However, it also makes the time right for encouraging progressive change, while social improvement and workforce-development-related programmes are being reorganised. The UK aims to reduce the number of such programmes from around 3,000 to about 100.<sup>1</sup>

Private sector companies may enter into partnership with publicly funded bodies by supplying a wide array of products and services. These include building social housing, hospitals and schools, developing transport infrastructure, or redeveloping poorer neighbourhoods. EU-driven policies, such as Community Benefits in Procurement, now require public buyers to agree social targets within contracts with private suppliers.

The private sector faces a dilemma. Do companies get involved in publicly funded contracts that have a prerequisite to deliver social programmes via CSR activity?

If the aim of firms is to maximise profits for their shareholders, is this put at risk if they build business by supplying publicly funded bodies based on CSR? Do they reduce such activities so that shareholders may maximise profits, but then face public-relations-related problems due to a resulting lack of social improvement? Are these current options acceptable to shareholders, particularly to those managing collectively and community-owned church and charity funds?

### **Wimpey in vanguard**

The house builder George Wimpey (now Taylor Wimpey) fulfils social targets that it agrees in contracts to redevelop run-down estates in the UK. The company, for instance, integrates locally unemployed people into its well-established apprenticeship scheme and into jobs via its work experience placement programme.

Taylor Wimpey is in the vanguard in constructively querying how it may best honour social targets relating to assisting community-based enterprises. To this end, it has collaborated with the independent UK-wide Exwin Collection to strengthen its commitment to increase paid work to address important community cohesion, social justice and sustainability issues.

### **About Exwin**

Exwin's magazines enable a much-needed sharing of practical work-related issues, across sectors and disciplines, by constituting an ongoing library resource for those developing local economies through partnership with the (not for profit) third sector and the (for profit) private sector. Publicly-funded developers range from local authorities through training providers, business support agencies, voluntary placement bodies, recycling agencies to education institutions

Unless national issues such as those above are tackled sustainably, much good locally focussed, day-to-day CSR activity will continue to waste corporate resources while failing to stem growing social problems.

***Ro Pengelly manages and edits the Exwin Collection ([www.holyrood.com/exwin](http://www.holyrood.com/exwin)) and is an ECCR member based in Edinburgh. More collaborators are sought to use Exwin as an independent mechanism for informing CSR and related activities. Ro can be reached on 0131 556 3083, 07976 310463 or at [nweu@calemcal.demon.co.uk](mailto:nweu@calemcal.demon.co.uk).***

### **Note**

1. HM Treasury, Comprehensive Spending Review 2007, [http://www.hm-treasury.gov.uk/spending\\_review](http://www.hm-treasury.gov.uk/spending_review).

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