



This article belongs to the Special Issue: Community Forestry.

## Community based forest enterprises in Britain: Two organising typologies



Bianca Ambrose-Oji<sup>a,\*</sup>, Anna Lawrence<sup>b</sup>, Amy Stewart<sup>b</sup>

<sup>a</sup> Forest Research, FC England Office, 620 Coldharbour Lane, Bristol BS16 1EJ, United Kingdom

<sup>b</sup> Forest Research, Northern Research Station, Roslin, Midlothian EH25 9SY, United Kingdom

### ARTICLE INFO

#### Article history:

Received 16 March 2014

Received in revised form 28 October 2014

Accepted 4 November 2014

Available online 4 December 2014

#### Keywords:

Community enterprise

Social enterprise

Community based forest enterprise

Community forestry

### ABSTRACT

The research investigates an area of contemporary interest in British forest policy: community-based and social enterprises. A systematic framework was used to collect and organise qualitative and quantitative evidence from thirty three case studies across Wales, Scotland and England. Two descriptive typologies emerged from an iterative analysis of the case study data: one identifies five different business models and one deals with community involvement in governance and benefit distribution and finds four different enterprise types. Testing detailed financial data against the typologies demonstrates the limitations of current definitions of social and community enterprises in the forestry sector. The balance of traded and grant income used to distinguish between enterprise types is not a satisfactory device in forestry contexts. Three main barriers to enterprise development were identified as start-up costs, woodland and business management skills, and bureaucracy. Evidence supporting the popular hypothesis that social and community enterprises produce more and diverse benefits from woods was elusive. Policy responses should recognise a broad spectrum of woodland enterprise types rather than social enterprise alone, focus on the potential of different business models, and enable communities to find innovative solutions to securing the capital, technical and legal advice they require.

Crown Copyright © 2014 Published by Elsevier B.V. All rights reserved.

### 1. Introduction

An international change in attitudes about the best way to achieve sustainable forest management, has moved policy approaches away from reliance on technical interventions towards decentralised decision-making supported by economic incentive and enterprise development (Donovan et al., 2006). Community forestry (also known as, e.g. participatory forestry, joint forest management, and community based forest management) describes a range of approaches developed in response. Amongst these are income generating business oriented models known as community-based forest enterprise (CBFE) (Clay, 2002), or community-managed forestry enterprises (CMFE) (Antinori and Bray, 2005). Whilst we define community forestry (CF) broadly to mean those situations where communities have some involvement in the governance, decision making or management of forest and woodland resources and gain some benefit from them (Lawrence and Ambrose-Oji, 2013; Lawrence and Molteno, 2012), CBFE is more tightly defined as CF in which community groups/members actively produce goods and services in response to the demands of the market, generating income, social returns and other assets benefitting those communities (Macqueen, 2008; Molnar et al., 2008). Relatively well researched in countries of the global South (Humphries et al., 2012; Macqueen, 2008; Molnar et al.,

2007), there is less work looking at CBFE in countries of the global North. In European terms, characterisation is very poor, with debates framing CF as management of the commons for individual livelihood or part of a suite of rural development approaches (Holmgren et al., 2010; Scotti and Cadoni, 2007).

The research reported here investigates CBFE in the British context.

#### 1.1. Community forestry and the development of CBFE in Great Britain

In the three countries of Great Britain (GB) (England, Wales and Scotland), a rapidly growing CF sector has emerged since the 1980s (Lawrence et al., 2009). Government in all three countries now supports community action through enterprise and social enterprise development (Bailey, 2012; Thompson, 2011). This includes the woodland sector. Legal and policy frameworks influencing CF and enterprise are different in each devolved administration, creating varied opportunities and potential models.

In England the Social Enterprise Strategy and establishment of a Social Enterprise Unit in 2002, the Quirk Review in 2007 and the Localism Act 2011 were shifts in policy enabling new forms of enterprise, community asset transfer and rights to buy, and increasing community voice and influence in natural resource planning. The Government's most recent forest policy statement for England identifies potential for social enterprise to support community involvement in local woodland management (DEFRA, 2013). Additional concern exists about sustainable use and management of woodland, and revival of 'woodland culture' based on the needs, interests and enthusiasm of

\* Corresponding author. Tel.: +44 300 067 4127.

E-mail addresses: [bianca.ambrose-oji@forestry.gsi.gov.uk](mailto:bianca.ambrose-oji@forestry.gsi.gov.uk) (B. Ambrose-Oji), [anna.lawrence@forestry.gsi.gov.uk](mailto:anna.lawrence@forestry.gsi.gov.uk) (A. Lawrence), [amy.stewart@forestry.gsi.gov.uk](mailto:amy.stewart@forestry.gsi.gov.uk) (A. Stewart).

local people (DEFRA, 2013; Hodge and Adams, 2013; Independent Panel on Forestry, 2012). In Wales initiatives such as the Social Enterprise Strategy 2005, emphasised government commitment to enterprise within regional development policy. The Welsh Government and Natural Resources Wales (the body with responsibility for Welsh forests) reinforce this by ensuring that “communities and social enterprises get the greatest possible benefit from the Woodland Estate”, with social enterprise seen as an important contributor to woodland enterprise development (Forestry Commission Wales, 2011).

In Scotland CF has primarily been driven by two sets of policy motivations: rural development and community self-determination; and environmental and social improvement in urban areas (Lawrence et al., 2009). This is reflected in policy support and legislative instruments around land tenure reform, community rights to buy, the transfer of asset ownership and community empowerment in regional and local governance. For example, the National Forest Land Scheme (NFLS), which followed the Land Reform (Scotland) Act of 2003, provides the opportunity for rural communities to buy public forest land, a significant prompt for communities to develop forest-based enterprise (Bryden and Geisler, 2007; McMorran et al., 2014). Social enterprise does not have quite the same policy prominence and is not explicitly monitored by government.

### 1.2. Researching CBFE in Great Britain

Research has tracked the general development of CF. Current interest rests on filling evidence gaps around the types of enterprises developed by CF groups, extending understanding of impact and interpreting the policy implications.

Research has shown that many community woodland groups are constituted as companies or co-operatives, but enterprise and trading are not primary objectives (Lawrence and Molteno, 2012; Molteno et al., 2012; Pollard and Tidey, 2009). In Wales a survey of the community woodland sector (Wavehill Consulting, 2010) showed that about 40% of the sample ( $n = 125$ ), were legally constituted as a company or a co-operative, 20% identified themselves as an enterprise or social enterprise, whilst just 14% were generating income through trading. A scoping study in England surveyed a non-random sample of 22 CF groups, none of which were selling timber or other woodland produce (Pollard and Tidey, 2009). A later survey of 124 CF groups revealed around 12% could be classified as enterprises or social enterprises (Tidey and Pollard, 2010). In Scotland Edwards et al. (2009) estimated that between 2006 and 2007 total receipts to CF groups were around £4.5 million, of which 6% came from sales of forest products, and 6% from sales of other goods and services. The CWA (2012) described 6 case studies of which all 5 Highland examples were community managed companies engaging in trade.

More recent research has focused on woodland-based enterprise and social enterprise. Stewart (2011) undertook a rapid assessment of woodland-based social enterprises, describing nine examples in England and Wales. Shared Assets (2013) surveyed 109 local authorities in England and found information on only 12 social enterprises across the country. On-going research into woodland-based social enterprises has to date reported on results for England, where, from a sample of 104 organisations, 60 (58%) could be characterised as social enterprises. Of these, 11 (18%) involved the community in some part of the business decision making and benefit sharing process (Shared Assets and Co-op Culture, 2013). The English Areas of Outstanding Natural Beauty network assessed 5 social enterprise pilot projects showing how three community-based ventures were at various stages of development with differing intentions to trade (Landscapes for Life, 2013).

This existing research exposes definitional difficulties confounding interpretation for policy. Social enterprises are commonly described as businesses that trade and operate primarily to achieve social and environmental objectives, reinvesting surplus into the enterprise rather than providing returns to owners and share-holders (Cabinet Office,

2011; Social Enterprise Coalition, 2010). Community enterprises are described as those entities that involve the community in their governance and generate income through trading to finance their social goals (Tracey et al., 2005). What qualifies as ‘traded’ income, what counts as a social or environmental purpose, and the distributive impact of the financial and non-financial benefits accrued, remain contested (Defourny and Nyssens, 2010; Lyon and Sepulveda, 2009; Peattie and Morley, 2008; Shah, 2009; Teasdale, 2010). Some question if distinctions are necessary, and that community-based enterprises are in fact social enterprises (Bailey, 2012). Confusion escalates as legal reforms and regulatory changes in the UK open up new enterprise models to communities and social entrepreneurs (Nicholls, 2010).

Articulation of this debate is limited within the British CF sector. Some commentators suggest that CF is so closely tied to achieving social and environmental outcomes through community action, all are indeed examples of social enterprises regardless of the income generating strategies (Landscapes for Life, 2013). In other examples woodland based social enterprises with social outcomes have been considered CF even if there is limited community involvement in enterprise governance and decision making. Others have difficulty accepting that for-profit enterprises can be labelled as community enterprises or community based forestry, if there is no radical social transformational element that distinguishes them from any other land-based business (see for example Tracey et al., 2005; Zografos, 2007).

## 2. Research objectives and methods

### 2.1. Objectives

Our research objectives were to make sense of this complexity and improve understanding of CBFE in GB by:

1. Applying a systematic research framework and characterise CBFE in GB
2. Identifying the main drivers and key challenges to the development of CBFE
3. Exploring the policy implications of any findings.

### 2.2. Research approach

Our research is part of a larger programme which looks at the governance, evolution and impacts of CF in GB. Our approach uses a framework to systematically manage diverse information about CF and is published as Lawrence and Ambrose-Oji (2013). The framework organises evidence and data around a set of ‘design principles’ widely found to support successful common property management (Ostrom, 2012), including context and history which are important keys to understanding CF (Danks, 2009). This generates a descriptive point-in-time ‘profile’ of each case using a common set of ‘variables’. We developed an additional ‘change narrative’ with its own set of variables to investigate change over time and the reasons for enterprise development. Combining the profile (what) with the change narrative (why), provided a systematic means to compare data across different types of community group, different locations and over different time periods.

### 2.3. The sample

We estimate the numbers of CF groups to be around 300 in England, 200 in Wales and 200 in Scotland (Pollard and Tidey, 2009; Stewart and Edwards, 2013; Wavehill Consulting, 2010). Using data collected over the last 5 years, we generated a list of 128 English, 112 Welsh and 106 Scottish CF groups, from which we drew 33 case studies (7 Wales, 16 England, 10 Scotland) for systematic comparison (Table 1). This list included a basic set of key variables (e.g. location, legal form, and type of woodland). Our sampling intention was to capture the diversity we knew to be present, and include innovative or interesting institutional arrangements. Selection criteria therefore included diversity by: group

Download English Version:

<https://daneshyari.com/en/article/91174>

Download Persian Version:

<https://daneshyari.com/article/91174>

[Daneshyari.com](https://daneshyari.com)