

Social Innovation in UK

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There is no single accepted definition of social innovation in the UK. The one opted for in the Open Book of Social Innovation is as follows – ‘new ideas (products, services and models) that simultaneously meet social needs and create new social relationships or collaborations.’ This emphasises innovation, which leaves behind a stronger capacity for society to act.

British history is scattered with examples of individuals and organisations that have pioneered new ways to tackle social needs from the Peabody estate (social housing), to the Ragged Schools Union (universal education), and from the Consumer’s Association (consumer rights) to the Body Shop (ethical business). These have left an enduring impact on British society and contributed to a vibrant social economy.

The UK has an estimated £24 billion social enterprise industry and has come to be regarded as a global leader in this field. In the last 15 years, more than £350 million of public money has been used to fund social entrepreneurship, charity capacity building and social ventures. This has been accompanied by significant philanthropic and private funding – encouraged through the introduction of tax incentives and legal reforms. Philanthropic foundations frequently refer to innovation and are keen to use their assets more effectively to achieve social impact.

Social enterprises and social ventures in the UK are supported by a growing industry of intermediaries – social venture funds, incubators, service designers, impact monitoring agencies, specialist recruitment consultancies, and network providers). Academic institutions are now taking a more active interest in social innovation (e.g. Oxford University, Northumbria University, Glasgow Caledonian University) whilst think tanks continue to help bridge the gap between the research community and policy makers. Another group of players in this space are arms length or spin off bodies which have the benefit of being independent of Government whilst maintaining a close relationship (e.g. NESTA, Innovation Unit). There are also a host of agencies using design methods to advance social innovation (e.g. IDEO, Thinkpublic).

Innovation does take place to some degree throughout the public sector with some of the most successful public innovation resulting from collaboration, especially in areas like procurement. The Department for Business, Innovation and Skills (BIS) has responsibility for innovation as well as business regulation and support, higher education, and science. Last year BIS opened up a new innovation space at their headquarters and created a website dedicated to public sector innovation. However, whilst Government spends a lot on research and development, it is much more inconsistent when it comes to innovation in fields like criminal justice or housing.

The current state of the public finances creates an especially urgent need for innovation in the UK. In the forthcoming decade it is expected that some of the key growth sectors of the UK economy will be ones in which social enterprises and charities play crucial roles. More needs to be done to reconfigure infrastructures which are hindering progress as well as unlocking financial and institutional support. Foundations could also do more to understand how social innovation happens and therefore how can they propel it. There is also a need to develop the skills and capacity to design, grow and scale social innovation.

References

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