

# Childcare businesses as social enterprises <sup>[1]</sup>

ICMEC Seminar Series Three

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## AVAILABILITY

See links below for presentations.

Seminar presentations:

Social enterprise as a business model with primarily social objectives has received much attention of late as a potential engine of greater equity of economic power and a more sustainable society. Compared to 'conventional' businesses, this model remains under-researched.

It can be argued that childcare businesses are essentially social enterprises, because their social objectives are central to their activities. This goes beyond the reinvestment of any surpluses for the purposes of that business. Can this or any other childcare business model be made to work, though, in the context of current government policy and economic climate?

Given widely reported childcare sustainability problems in the UK, this topic was definitely due for serious examination by the group entrepreneurs, policy makers, union representatives, academics and journalists that make up the ICMEC audience. At the first ICMEC seminar in the 2009/2010 - third " series of international seminars, childcare businesses were discussed from two separate angles by two childcare entrepreneurs with a business interest in the east end of London.

From a social enterprise perspective, June O'Sullivan, CEO of the London Early Years Foundation (formerly Westminster Children's Society) discussed the business model underpinning the 19 LEYF day nurseries around London. From the perspective of a commercial concern with social objectives, Michael Brandon, chairman and founder of the Foundations for Learning childcare chain, discussed the business model of his two clusters of day nurseries in Bury and in the London Borough of Newham. Both speakers had experience of providing daycare as part of a Sure Start Children's Centre core offer.

For her presentation, follow this link: [June OSullivan London Early Years Foundation ICMEC presentation 24 September 09](#) <sup>[2]</sup>

In her wide-ranging presentation, June O'Sullivan highlighted the challenges inherent in a not-for-profit childcare business focussed on meeting the childcare and family support needs of the poorest section of society, while making a contribution to community wellbeing and indirectly building social capital. A basic social enterprise 'offer' would need to demonstrate these characteristics:

A local childcare service

Strong community roots, more able to reach the vulnerable

Local involvement through volunteering

Flexible, innovative and responsive to filling gaps

History of multi-disciplinary working

Training and qualification offer

Local employment

Intergenerational programmes

According to June, LEYC recognised that a mixed intake of children from higher as well as lower income families was key not only to individual children's well-being, but also to the sustainability of provision.

The second speaker, Michael Brandon, provided a fascinating insight into the Foundations for Learning operations management model, particularly risk management and how to control staffing costs in the interest of keeping fees level while encouraging parent loyalty and maintain quality. He argued passionately that schools and teachers are inappropriate organisational models for early years provision. Any early years provider who would try to emulate the conditions found in nursery schools and classes was on a hiding to nothing in terms of sustainability and fitness for purpose.

For his presentation, follow this link: [ICMEC 24 September 2008 Michael Brandon Foundations for Learning presentation](#) <sup>[3]</sup>

Not unexpectedly, both presentations generated lively debate about the philosophy underpinning either business model and their sustainability without significant and continuing public funding support. Evidence from the evaluation of the Neighbourhood Nursery Initiative and direct experience of its wider management was cited in support of and against the argument that these models could possibly be made to work under the right conditions.

Tags: privatization [4]

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Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/research-policy-practice/10/01/childcare-businesses-social-enterprises>

Links

[1] <https://childcarecanada.org/documents/research-policy-practice/10/01/childcare-businesses-social-enterprises> [2]

<http://www.uel.ac.uk/icmec/seminar/documents/JuneOSullivanLondonEarlyYearsFoundationICMECpresentation24September09.ppt> [3]

<http://www.uel.ac.uk/icmec/seminar/documents/ICMEC24September2008MichaelBrandonFoundationsforLearningpresentation.ppt> [4]

<https://childcarecanada.org/category/tags/privatization>