From:
 Patricia Kelly

 Sent:
 14 May 2019 14:39

 To:
 DRCD SEConsultatation

Subject: GRD Submission re Draft National Social Enterprise Policy
Attachments: GRD Submission on the National Social Enterprise Policy.docx

Please find attached a submission from:

Galway Rural Development Company Mellows Campus, Athenry, Co. Galway

Kind regards, Patricia

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# Galway Rural Development Submission on the National Social Enterprise Policy for Ireland 2019-2022

# **Draft for Public Consultation**

#### Introduction

Galway Rural Development (GRD) is one of country's 49 Local Development Companies and administers the Social Inclusion Community Activation Programme, LEADER, Rural Social Scheme and TÚS Programme. GRD also acts as a sponsor of a Community Employment Scheme providing maintenance work for local communities and clerical and administrative support.

Support for the development of social enterprises is available through LEADER and under the Social Inclusion Community Activation Programme where GRD employ a dedicated staff member to work with and support social enterprises throughout county Galway.

Under the Social Inclusion Community Activation Programme GRD aims to support the development of new and existing social enterprises through:

- awareness raising and the promotion of social enterprise activity in County Galway.
- training and mentoring to assist the development of sustainable services, including access
  to a range of on-line training courses in the areas of corporate governance, data
  protection, finance and business planning, marketing and digital communications.
- small-scale grants to assist social enterprises to establish or expand.
- development of the Galway Social Enterprise Network and the online hub,
   www.igaillimh.ie, to provide opportunities for social enterprises to both network and increase their profile.

Many of our supports have been developed based on research commissioned by ILDN from the Kemmy Business School in the University of Limerick, 'Creating an Enabling Supportive Environment for the Social Enterprise Sector in Ireland' (2016). As noted in this report it is a challenge to agree a common definition for a social enterprise. However, GRD has concerns regarding the definition outlined in the draft policy and in particular ' – or having an ambition to trade -'. GRD feel that this could lead to confusion as a core feature of a social enterprise is that once operational it will be trading.

As a member of the ILDN Social Economy Working Group this submission aims to reinforce observations and suggestions contained in the ILDN submission and provide a local perspective from working on the ground in county Galway.

This submission will follow the format of the objectives and recommendations as set out in the draft policy document.

### Policy Objective One - Creating Awareness of Social Enterprise

- GRD believe that the National Social Enterprise Policy should include the commitment to establish and recognise the social enterprise sector as separate from other business sectors.

- The social enterprise sector would benefit from branding to improve awareness. This
  could include the exploration of a certification process and a specific legal structure for
  the sector.
- GRD recognises the importance of the enhanced engagement between existing networks or the establishment of new networks as set out in the draft document. As noted earlier, GRD, in addition to facilitating local network meetings has developed an online presence to increase awareness of social enterprises operating locally. As part of the branding a national website profiling social enterprises could be considered, including best practice examples.
- In addition to the annual forum described in the draft policy ensuring the dissemination of international best practice should be included in the policy.
- GRD believe that the policy should set out the need for a new independent entity to support sectoral stakeholders. However, if it is considered that any existing organisation should be responsible then GRD feel that ILDN is best placed to represent the social enterprise sector.

# Policy Objective Two – Growing & Strengthening Social Enterprise

- GRD recognises the need to explore new models of working, such as umbrella structures, to assist voluntary groups with governance and regulatory requirements. By providing that support structure it would permit new projects to grow and flourish.
- GRD recognise the need for qualified and experienced social enterprise mentors and that the policy could incorporate this accounting for the different stages in the development of a social enterprise.
- GRD is supportive of the measures set out in the draft document to improve business and leadership supports for social enterprises and, as outlined earlier, works on the ground to assist their development.
- GRD recognises the value of the measures set out under access to finance and funding and feels that the policy should support education and training in this area, particularly the role of debt in the development of new enterprises.
- Crucial local services that are being delivered by social enterprises would not fall under the 'innovative' heading and the policy needs to address funding guidelines that could hinder support of these.
- The policy should support the adoption of the new EU directives that provide for beneficial procurement criteria for not for profits when competing with the private sector.
- In many EU countries procurement of certain social inclusion services is confined to the not for profit sector and this could be provided for within the policy document.

# Policy Objective Three - Achieving Better Policy Alignment

- GRD is fully supportive of improving data collection regarding the sector and this will feed in to objective one around creating greater awareness and understanding of the overall social economy.
- The policy should be expanded to include benchmarking against the best in Europe and align with OECD LEED recommendations.