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To: DRCD SEConsultation
Subject: ICE DRAFT SOCIAL ENTERPRISE POLICY
Attachments: ICE RESPONSE TO DRAFT SOCIAL ENTERPRISE POLICY FOR IRELAND2.docx

Dear Sir/Madam-please find ICE's response to the DRCD Draft Social Enterprise Policy. Many thanks.All the best. Evanne Kilmurray

ICE RESPONSE TO DRAFT SOCIAL ENTERPRISE POLICY FOR IRELAND

BACKGROUND TO ICE

Inner City Enterprise, (ICE) welcomes the publication of a Draft Social Enterprise Policy for Ireland and recognized the efforts and work already gone into this Draft Policy.

ICE are delighted that now the Dept of Rural & Community Affairs will now take full responsibility for both the policy and the development of a sector which has been developing steadily and has huge potential in the future.

ICE is a not for profit charity set up to help unemployed individuals in Dublin's inner city to establish their own businesses.

These individuals comprise of sole traders, social enterprises and youth entrepreneurs

A citywide organization and the enterprise wing of the Dublin City Community Co-op, ICE does this by way of providing;

- Individual hands on business advice and support
- Access to a panel of voluntary Business Advisors & Mentors
- Access to micro loan finance if required
- Provision of 28 voluntary business training workshops
- Provision of a range of client networking events
- Provision of yearly training programmes of hard and soft business skills for 100 youth entrepreneurs with 25 new businesses to be established

One of the initiators alongside the LEO Dublin, ICE also runs and administers the Dublin City/ICE Social Enterprise Grant Awards Scheme which was set up to provide seed grants to both start-up and early stage social enterprises.

ICE is now supporting a total of 19 social enterprises,(with a further 5 due at the end of June 2019),within their portfolio.

By this provision of a range of business supports and training for pre start up, start ups, newly developed and mature social enterprises, ICE has learnt much about how social enterprises operate as well as their needs and requirements. ICE has also a social enterprise brief under the SICAP Programme and its mandate is to further help in establishing 4-5 new social enterprises within the catchment area.

GENERAL OBSERVATIONS

Through the experience of supporting and helping to develop social enterprises within the Dublin City area over the last 4 years, one of the key learnings is that social enterprises take so many forms.

The original Social Enterprise Programme identified 3 types of enterprises, including Community Businesses, Enterprise based on Public Sector Contracts and Deficient Demand Social Enterprises.

While ICE believe that there should be in part, a traded commercially aspect to all social enterprises what's crucial to a successful Policy going forward is that all types of social enterprises are catered for and none left behind especially those involved in employment for the marginalized and disadvantaged citizens. In some instances this may mean innovative new thinking around funding supports in order to develop and grow Irish social enterprises.

Bearing this in mind, ICE also has a number of other observations with regards to the Draft Policy.

1. The Implementation Group will be a body set up to oversee the overall implementation of the proposed Social Enterprise Policy.

In order to make sure that this Policy takes into account all the complexities it is vital that there is a strong representation from social enterprise practitioners as they are the real experts and know the makings of successful enterprises in their various forms.

Any future Implementation Group should have at least half its membership 'Stakeholders' are also mentioned but who are the stakeholders as they are not listed.

These should be clearly detailed as the most important stakeholders again are the Practitioners who fully understand every aspect of running a social enterprise.

Then Funders and other representative organizations like ISEN, the Wheel, Carmichael House etc should make up the balance.

ICE has long held the view that as social enterprises are in part ,actively trading commercially that the Dept of Business, Enterprise & Innovation should also include enterprise policy within their present and future economic and enterprise policies.

2. The Draft Policy sets out a definition of social enterprises in Ireland.

Both the international definitions as much as the Forfas definition make it crystal clear that both the social and the economic objectives are central to the operation of social enterprises while the proposed Irish definition only identifies a singular social objective.

In the previous Social Enterprise Programme, the definition mentions 'That the Programme will seek to develop entrepreneurial and business potential of social enterprises and will be particularly targeted at disadvantaged communities, communities of interest and long term unemployed persons'

ICE feels that the Forfas definition is the one which should continue to be used ie 'Social Enterprise is one that trades for a social/societal purpose where at least part of its income is earned from its trading activities activities, is separate from the Government and where the surplus is primarily re-invested in the objective'.

If the definition in the Draft Policy is used, it places social enterprises very clearly within the community and voluntary sector and if this is the case the sector will not be seen as a separate sector and the public and private sectors will continue to see social enterprises as 'charities' as opposed to 'real businesses'.

ICE also believes that this definition will also reduce the amount of potential new social entrepreneurs keen to establish other new innovative businesses in the social enterprise sectors.

3.The Draft Policy also mentions Local Authorities, (through the LEO offices) & the LECPs as a further support to social enterprise.

Specific training and mentoring inputs have been provided by LEO Dublin as well as the establishment of the Dublin City Social Enterprise Grant Awards Scheme and these supports could be easily be replicated by other LEOs on a national basis.

This would certainly help to create both a strong local awareness of the sector and could act as a kickstart measure to start other new social enterprises around Ireland.

4. In relation to legal company type ,its important to recognize that not all social enterprises are charities and should not thus be pigeon-holed as such. Some are CLG's with charitable status while others are using the DAC as a company type.

While many social enterprises do have volunteer boards,there are many others that don't so if the above assertion in the Draft Policy holds, then for example. some enterprises will no longer be social enterprises.

Grow Dome would be one example and the SPARK social enterprise would be another.

5. Policy Objective 1, 'Creating Awareness of Social Enterprises'.

Firstly, it's important that a wide spectrum view of social enterprises is taken including those that provide employment potential for individuals most distant to the labour market such as the homeless, ex-offenders and recovering drug users.

It's ICE view that outside the social enterprise sector the community &

voluntary sectors and those Departments that are actively involved in this sector, both the rest of the public sector and the private sector do not understand what a social enterprise is. Many of them think they are charities with a social mission but little or no commercial aspect.

Private sector companies, increasingly, are becoming interested in the concept of 'social enterprises' especially with regard to their CSR policies and there could be potential new exciting opportunities within this arena.

There should be awareness-raising right across all sectors including private sector networks such as the SFA, ISME, IBEC and the Chambers of Commerce through-out Ireland.

ICE feel there is also huge potential within the national ILDN & LEO networks to promote social enterprises within their own regional areas as Dublin City Council are currently doing through-out Dublin City.

This can be done in a range of ways, holding Forums and Conferences as well as bringing to-gether all support agencies and Funders as 'think-tanks' and 'promoters' in respective Local Authority areas.

6. Policy Objective 2, 'Growing & Strengthening Social Enterprise'.

All the usual SME business supports such as marketing, sales and branding, governance, strategic and financial planning, social media as well as access to incubator space, varying supports are required but over the last 4 years ICE has noticed that the Marketing, Sales and Branding and Strategic Planning are crucial needs and emerge again and again as a barrier for many of the social enterprises that we support.

ICE is currently looking at innovative ways with some of its Private Sponsors to alleviate this problem by way of trying 2 different partnerships and this is the type of initiative that could be replicated nationally by other support agencies.

The first one is with Gas Networks Ireland who are currently supplying a panel of volunteer 5 Mentors to work with Grow Dome a social enterprise which....

The second example is with William Frys Solicitors who have agreed to provide a range of free business supports including corporate governance, marketing and sales, strategic and financial planning.

ICE have linked William Frys up with 7 social enterprises including the likes of Dress for Success, PACE's 'Mugshot' coffee cart and Mendicity.

William Frys have agreed to provide teams of volunteers for each topic and will then provide the one to one supports that the enterprises need.

One of the biggest barriers to 'Enabling Market Opportunities' is Procurement. Because of the many rules and regulations around Procurement, social enterprises can rarely apply for public sector contracts.

Its key to try and simplify some of these processes and procedures and if there is, for example, a more uniform approach across Governmental Departments in terms of their own procurement requirements, this would be of real benefit to the social enterprises as well as providing a model that the rest of the public and private sectors could adhere to.

Like other organizations, ICE would also suggest that public sector contracts could include social impact/benefit clauses and perhaps target some smaller purchases and services below the main tender threshold that social enterprises could supply.

Training should be offered to social enterprises in assisting them to find public contract opportunities as well as preparing tenders most of which are too onerous and complex.

Training should also be offered to public procurers regarding both the advantages and benefits of using social enterprises and also supporting the public procurers to compile contracts that are user friendly to all social enterprises.

Some Government financial supports are provided by the likes of the Community Enterprise Programme but the time has come to also examine what other potential innovative funding streams are necessary to really develop and grow this sector.

7. Policy Objective 3- 'Adhering Better Policy Alignment'

Policy alignment is another key area which needs addressing. In tandem with Government measures, focus groups of social enterprises could be held around the country to both make them aware of policy alignment, both with those alignments are already taking place and new on coming in.

The additional Depts such as Business, Enterprise & Innovation, Justice & Equality, DEASP and Health should be included in any future alignments while social enterprise practitioners themselves should be involved at grass-roots level with the policy 'movers' and 'shakers' to ensure that the practical operational views of social enterprises are heard and acted upon.

In order for social enterprises to benefit from Ireland engaging more closely with EU policy development at Governmental levels, its key to disseminate this information downwards to social enterprises on a regional basis.

Many social enterprises have little real knowledge of what additional supports there are, and of the possible opportunities and potential European partnerships that they might be able to avail of in order to develop and grow their businesses.

