



## **West Limerick Resources Submission on the National Social Enterprise Policy for Ireland 2019-2022.**

### **1 Introduction**

#### **1.1 West Limerick Resources CLG.**

West Limerick Resources is a community development organisation working to achieve positive change in the lives of people and groups in West Limerick.

It's aims are directed at building a stronger community through the enhancement of personal and community identity, values, places, structure and services. West Limerick Resources is responsible for the management and delivery of the following programmes:

- Social Inclusion Community Activation Programme
- Rural Development (LEADER) 2014-2020
- Rural Employment & Education Service
- Back to Work Enterprise Allowance Scheme
- Towards Occupation
- Jobs Club
- Rural Social Scheme
- Volunteer Support Service
- Primary Health Care Project for Travellers
- TUS Programme.

#### **1.2 Social Enterprise in West Limerick**

Social Enterprise has always existed in rural Ireland and West Limerick is no exception. Historically, there is a strong tradition of co-operatives in West Limerick. There has always been a strong and vibrant community sector in the area providing social and community services across the rural towns and villages. In 2009 when the Government launched the National Social Economy Programme, a number of projects were started, and existing projects applied to be recognised and funded under the Programme at the time. The initial Social Economy Programme was administered and managed by FÁS. A number of years

after, the Social Economy Programme was discarded with and a new Social Enterprise Programme, the Community Services Programme was set up. This programme is administered and managed by Pobal. There are currently 6 CSP Projects registered in the West Limerick Resources catchment area.

- Knockaderry Cloncagh Resource Centre
- The Desmond Ability Complex Resource Centre
- Newcastle West and District Community Centre
- Patrickswell Community Council
- Dromcollogher And District Respite Care Centre Company Ltd.
- Adare Recreation & Community Complex CLG

An additional project RCCN Housing Ltd. is operating out of Newcastle West but the company is registered in Charleville.

Currently, the groups listed above who are operating as a social enterprise with traded income, receive a wide range of supports from dedicated social enterprise specialists at West Limerick Resources. These supports include:

- Access to free & confidential expert advice form a dedicated Social Enterprise Specialist.
- Provision of Governance supports to companies.
- Local on-the-ground knowledge to ensure that services are relevant to local needs
- Business Planning to assess viability and monitor progress
- Pre and post Enterprise Training Supports including 'Start your Social Enterprise' programme which is complemented by mentoring and advice.
- Access to grant aid for appropriate proposals through our LEADER programmes
- Support to Social Enterprises with employment needs. This could come in many forms such as support with Job Descriptions, Interviewing, HR Advice as well as providing the opportunity to employ individuals through activation and other schemes such as Community Employment Schemes, Tús & RSS
- Access to policy document templates and training materials which have been development with a community development ethos

Further to the above, pre-development work across both the SICAP and LEADER programmes is ongoing with several other community groups to support them in establishing their Social Enterprises to address gaps in service provision in their communities.

These supports are offered across a wide range of sectors including community facilities and infrastructure, upcycling, heritage, respite and day care provision. Many of our supports have been developed or refined 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)

The SICAP Social Enterprise Specialist is a member of the ILDN Social Economy Working Group and has the opportunity to learn from peers thus bringing additional experience back to the community in which supports are offered.

1.3 This submission results from consultation on the Draft Policy with the ILDN Social Economy Working Group and the launch of the West Limerick Social Enterprise Study in March of 2019. This study was commissioned by West Limerick Resources CLG to analyse gaps in service provision in the West Limerick Area in order to identify potential for the development of new enterprises and enhance existing social enterprises ongoing consultation with members throughout the National Policy formulation process.

## **2 Creating Awareness of Social Enterprise.**

2.1 West Limerick Resources believes that future policy on Social Enterprise should include a commitment to establish and recognise the sector as separate from other business sectors, as having certain attributes particular to the sector, and as a sector that operates for the benefit of communities and individuals who are at a disadvantage of one sort or another. The policy should clearly expound the advantages of the not for profit attribute which results in surpluses being reinvested in the Social Enterprise and where there is no distribution of any funds to any individuals/ shareholders/ directors. The policy should also celebrate the value of volunteerism combined with a local approach to delivering services.

2.2 The branding of the sector would help the sector and individual social enterprises attract corporate support, including expertise and finance. This branding will also create awareness amongst agencies involved with public procurement.

2.5 West Limerick Resources believes that the national policy should clearly outline the need for the sector to come together in a single entity for the purposes of ensuring that the voice of the sector is cohesive and comprehensive.

### **3. Initiating Social Enterprises**

3.1 Many Social Enterprises begin life as micro organisations with few resources to attend to structure or governance issues. While the core aims of such fledging enterprises are clear from the outset, the journey needed in order to deliver these objectives is often very challenging. New Social Enterprises are very quickly swamped by regulations such as GDPR, Legal and Competition rules, quality standards, governance and insurance issues. West Limerick Resources has over 25 years' experience working with community groups to support them in their Social Enterprise Journey from the inception stages to the day to day operational challenges.

3.2 While Governance is widely recognised as a key attribute in the success of many Social Enterprises, mentoring and advice is key to creating a pipeline of viable projects. We feel the policy should provide for recognised experts to mentor start up social economy projects. Qualified and experienced mentors could advise community groups on marketing, finance and general sustainability.

3.3 The policy should differentiate between start-up enterprise and those already established and ready for scaling up and expanding.

### **4 Access to Finance and Funding.**

4.1 The policy should examine the possibility of providing funding for Social Enterprises at start-up stage. It is essential that some seed finance be made available to the sector to cover items such as insurance and indemnity for volunteers.

4.2 There is a trend to provide funding for community initiatives by way of a competitive process. This approach is not appropriate as it skews the assessment process away from the central issues of business viability and social impacts. It also belittles those not funded and militates against new start-up projects.

4.3 West Limerick Resources believes that the policy should support & encourage education and training particularly in the area of finances and the role of debt in the development of new enterprises.

4.4 The rate of interest charged to Social Enterprises is high by international standards. While recognising that the market for financing Social Enterprises in Ireland is comparatively small, the policy should have a target of reducing the rates for charities in the sector. This

could involve either rates subsidies, underwriting risk or the provision of supports for new players.

## **5 Enabling Market Opportunities**

5.1 West Limerick Resources believe that the policy should support the adoption of the new EU directives that provide for beneficial procurement criteria to charities or not for profits when competing with the private sector.

5.2 Ireland's national procurement policy should mirror the best international practice on the procurement of social services including services that the private sector deems as not viable.

5.3 Finally the policy document should provide for the procurement of certain Social Inclusion Services to be confined to the not for profit sector as is done in many EU countries.

## **6 Achieving Policy Alignment**

6.1 The policy should be expanded to express the desire that policy alignment should include matching and benchmarking against the best in Europe and align with OECD LEED recommendations.