

NATIONAL SOCIAL ENTERPRISE POLICY FOR IRELAND 2024-2027

## **PUBLIC CONSULTATION PROCESS**

Submission from Social Entrepreneurs Ireland





# Submission to the National Social Enterprise Policy for Ireland 2024-2027

We welcome the consultation process on the National Social Enterprise Policy for Ireland 2024 – 2027 and are pleased to have the opportunity to contribute our recommendations for actions on the policy objectives.

Social Entrepreneurs Ireland is a not-for-profit organisation (Charity Reg Number No: 20065379), that is committed to accelerated social change through the power of people. Since our foundation in 2004, Social Entrepreneurs Ireland has identified and supported more than 600 social entrepreneurs across the island of Ireland who are championing and driving solutions in areas such as mental health, homelessness, the environment, education, and unemployment.

Social Entrepreneurs Ireland are legal structure and business model agnostic. We have found with our 20 years of experience that this approach has given us a broader perspective to the potential of social entrepreneurs/social entrepreneurship as a whole, as opposed to what can, at times, be a restrictive definition of social enterprise. This perspective informs our submission. We believe that any policy should promote and enhance the opportunities for social enterprises to succeed and not in any way restrict access to very needed business supports and funding.

To give context to the type of organisations we work with, in 2023, we received 177 applications for our developing and transformational stage programmes. Of these applications 31% had a legal structure of CLG, 27% were an LTD and the remaining structures comprised of sole trader, charity, DAC and unincorporated. Of these applications, 60% of the 177 applicants pre-identified as a social enterprise.

### **Building Awareness of Social Enterprise:**

We believe that there are related challenges with both how social enterprises are defined in the policy and the options currently available to social enterprises for legal structures. We believe that the policy should investigate a new bespoke legal structure for social enterprises that can encompass both for profit and not for profit social enterprises. The current definition as stated in the policy could be perceived as diminishing the importance of profit which in certain cases is necessary to achieve the maximum potential of the social enterprise and the societal benefit it is aspiring to deliver. We believe that the Department should look for international examples beyond looking to include social enterprises within the cooperative legal model.



A more appropriate legal structure would benefit social enterprises when accessing support. This universal legal form which should encompass regulation and transparency along with enterprise and agility will enable quicker growth for social enterprises.

- Business supports: These supports should be universal for organisations that identify as a social enterprise. Currently, legal structure is a consideration in this.
- **Funding**: Consideration for core funding supports for social enterprise on a multiannual should be included to enable growth of a social enterprises traded income stream.

#### **Awareness raising measures**

Whilst we believe the awareness raising measures for social enterprises is well intentioned, we strongly believe that the current collective approach, spread across all stakeholders has led to the dilution of the overall messaging. This has led to a series of micro campaigns by numerous individual stakeholders. We believe that a more powerful approach would be a top-down approach. This would require an investment in top level marketing expertise with an associated budget to execute a coordinated campaign to raise awareness of social enterprise. It would be the role of the marketing expertise to consult with all stakeholders in the sector and to develop a campaign that captures the many nuances that exist within the sector.

#### **National and International Engagement:**

#### **Cross-Government Co-ordination**

We agree with the public consultation document when it states that 'Under the new policy, supporting this renewed focus demands greater levels of coordination across Government Departments and agencies'. Social enterprise is playing a greater role in supporting the delivery of government strategies and objectives and we believe there should be clearer and more established channels for social enterprise to engage with government. These channels should factor in cross-government engagement as, in our experience, many social enterprises operate in areas that are under the remit of multiple government departments – for example, a social enterprise may be supporting the delivery of a strategy/ strategic objectives through their work under the Department of Education and Department of the Environment, Climate and Communications.

We believe that consideration should be given as to how social enterprises access government departments to raise awareness of their work with key representatives; establish a relationship with government officials to inform department(s) of their work on the ground; and how best to access support through collaboration with government.



#### **Data Collection & Social Impact Measurement:**

#### Improving social impact measurement for social enterprises

We believe that an audit of how impact is being and should be measured across the sector is warranted. This should encompass how the overall sector's impact is evaluated as well as best practice for impact measurement for individual social enterprises.

Many social enterprises are small organisations that do not have the resources or expertise to measure their impact in an effective way. There is a need for more supports and resources to unlock the impact that the social enterprise sector is making - such as training, guidebooks, and funding.

We also recommend that there be regular updates to social enterprise stakeholders on how the social enterprise policy implementation is progressing.

In conjunction with the above we see a role for an evaluation of the Social Enterprise policy 2024-2027's effectiveness through independently evaluated research commissioned by the Department of Rural and Community Development.

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