

SEE is supported by the Just Transition Fund and Carbon Tax Fund

# Social Enterprise Exchange (SEE) Submission to National Social Enterprise Policy, Closing Phase 2024

Contact Names:

Name: Social Enterprise Exchange supported by the Just Transition Fund and

Carbon Tax Fund

**Address:** The Cluster Centre, Athlone

Email: info@socialenterpriseexchange.ie

Date: January 2024

Social enterprise is a movement that benefits the community; socially, economically and environmentally, by meeting market needs that may be overlooked or are not addressed by the public or private sector. Social Enterprises and Community Enterprises fall under the remit of the wider Social Economy recognised as being required by the European Commission who adopted a new <u>action plan on the social economy</u> 2021 – 2030. The EU action plan aims to

- create the right framework conditions for the social economy to thrive.
- open up opportunities (including access to finance) and support for capacity building.
- enhance recognition of the social economy and its potential

Social / Community Enterprises are not non-for-profit organisations but rather Profit for Purpose organisations. They are the backbone of most communities and provide vital jobs and services. They perform an important role to encourage investment in local economies. Across the European Union, there are over 2.8 million social enterprises, creating over 13.6 million jobs and contributing 8% to the EU GDP. They are not simply charities, and should not be dependent on occasional grants, whose applications are time consuming and laborious.

Social Enterprise Exchange welcomes the Public Consultation Document *National Social Enterprise Policy for Ireland 2024-2027.* The ambition and objectives of the document are synchronous with several specific activities of Social Enterprise Exchange in the Midlands Region since its inception in 2022. But policy objectives cannot be achieved without structure











and organisation. We believe that there is a need for regional bodies which co-ordinate, represent, streamline local social enterprise supports. This body would assist social enterprises to apply for EU and national funding. It would lead regional steering groups, made up of Local Authority staff and other local stakeholders.

Our mission is to promote a vibrant social economy, in which Social Enterprises play a vital role, combining real jobs, community services and advancing social justice. In our Region, some of the areas enhanced by social enterprises include: climate change and sustainability, equality and community integration for people who are marginalised by disability, sexuality, nationality, age and religion.

In 2023, we interviewed a sample of Social Enterprises in the Just Transition Region, and compiled a report of our findings and recommendations, which is available here:

Based on our ongoing engagement with Social Enterprises and the Local Authorities within the region, we propose the following suggestions on the Policy Objectives. This submission has been reviewed and approved by Irish Rural Link, Western Development Commission, Irish Social Enterprise Network, Westmeath County Council, Laois County Council and Longford County Council.

## Recommendations

## a) Core Funding

There is need for Core Funding; an annual budget set aside specifically for Social Enterprise, which is managed by the Minister's department as a single funding source. In 2023, we interviewed most social enterprises in the Just Transition Region. Most companies reported insecurity of funding as a major issue. They frequently complained of the labour intensity of having to make multiple and repeated applications for funding to diverse funding sources in order to survive. This is time that they would prefer to spend advancing the social enterprises and the social purpose for which they were founded. Insecurity & the cycle nature of funding means they often cannot recruit or retain staff or make strategic plans, because they are uncertain of their future.

## b) Regional Structures

Regional Structures would promote, grow, and measure the impact of social enterprises.

- i) There should be a **co-ordinating body for each region,** working with Local Authorities to make regional applications for social enterprise.
- ii) Each co-ordinating body should be supported by a steering group, made up of a designated person from each Local Authority.
- iii) The designated person would be the **single go-to person** for the Local Authority.

# c) Regional Co-Ordinating Bodies

Further Regional Co-Ordinating bodies, (such as Social Enterprise Exchange, which was established in the Just Transition Region (Laois, Offaly, Longford, Westmeath, Roscommon











and East Galway) would allow better access to European funding. According to REVES network, whom Social Enterprise Exchange invited to Ireland in 2023 for a workshop with Local Authorities and stakeholders, Ireland draws down the least amount of European Funding within the EU per capita, because we are not organised regionally. Even within Ireland, the Dublin region accounts for a disproportionate amount of the funds drawn down, creating an urban-rural divide. This could be attributed to Dublin having the only regional body supporting social enterprises in Ireland.

Each co-ordinating body would maintain a regional database of social enterprise within their region, mapping their function, funding, and growth requirements, and identifying common needs. This would allow small enterprises to share or use pooled resources for recruitment, training, financial support, HR, administration, transport, among others.

# d) Promotion of Social Enterprises

Promoting social enterprise involves building a portfolio of case studies of successful social enterprises in each region, quantifying the economic, social and environmental impact in each using a well-recognised social impact measurement instrument. In particular, there needs to be an emphasis on educating school Senior cycles - TY,  $5^{th}$  Yr and school leavers about the roles played by social enterprises in their region, and the career opportunities available within the sector.

For example, in 2023, Social Enterprise Exchange delivered workshops promoting careers in social enterprise to 1,000 transition year students in the Just Transition Region. Promoting social enterprises as a place to do work experience whilst in transition year would prove highly valuable, offering knowledge in finance, management, fundraising, social purpose, grants application and funding. This might attract young volunteers to boards with fresh ideas and energy.

The co-ordinating body also has an opportunity to work closely with the Technical Universities to create course specialising in social economy and social enterprise. On a recent fact-finding visit to the Navarre region of northern Spain, we saw the value of a regional co-ordinating body (ANEL) collaborating with the University of Pamplona to establish a degree programme in social economy, which will enhance the body's capacity to develop, promote and grow social enterprises within the region.

#### e) Website

Each regional co-ordinating body would have their own website to support and inform social enterprises, Local Authorities and stakeholders to keep up to date with news, government developments and published reports, as well as a mandate to collaborate with other regions (local & international).

 Opportunities for organisations and interested stakeholders to join live webinars, knowledge exchange, policy innovation, and social enterprise training & networking events.

### f) An All-Island Network





An all-island network for connecting social enterprises across the country would allow social enterprises to share knowledge, collaborate on initiatives, grow understanding and build support systems and infrastructure. By facilitating interactions and growth between industries and by fostering innovation and collaboration we can help build thriving regional social economies. In addition, such a network will provide guidance, best practices, and a community of practice for social enterprises to address common challenges and opportunities.

#### Conclusion

Case studies from other EU regions have proven that Ireland have not utilised Social Economy opportunities to its best advantage to date. We must look at the sectors of our community where gaps exist to develop Social and Community Enterprises that have the capacity to address the ever-increasing demands for services such as care for the elderly in the community, addressing the circular and green economy, provision of childcare services and work opportunities and services for people with disabilities. All these services can be provided through proven business models that ultimately save the exchequer, delivering Better Value for Money, provision of employment for those most excluded from the labour market and deliver quality services.

We in Social Enterprise Exchange believe that the sector can help deliver on government ambitions to create a more resilient and innovative national economy. Social enterprise and the social economy is seen across Europe, as a key actor in delivering the sustainable, digital, green transitions and build resilience into local industry and communities as we transition to a new economies outlined under the *Just Transition Fund and Future Jobs Ireland*.

**END** 









