



AN MHEITHEAL ROTHAR

THE BICYCLE COMMUNITY

Submission to the National Social Enterprise public consultation

An Mheitheal Comhshaol Cooperative Limited (trading as An Mheitheal Rothar)

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About An Mheitheal Rothar

An Mheitheal Comhshaol Cooperative Limited (trading as An Mheitheal Rothar) is a social sustainable enterprise based in Galway City. Our activities include a bicycle recycling programme, a certified training course in bike mechanics, our Siopa Rothar where we sell and repair bikes and accessories, and a regular DIY session where our volunteer mechanics teach anyone how to maintain and repair their own bike.

Our mission

Our mission is to encourage and nurture a culture of sustainability by establishing practical, ethically motivated facilities and social hubs, which foster and support community strength and resilience and promote the social, health and environmental benefits of cycling, reuse and other sustainable practices.

Our vision

An Ireland where empowered communities drive a culture of sustainable living and just transition.

Response to policy document (note we have grouped our suggestions where appropriate and don't have responses to all policy areas).

POLICY OBJECTIVE 2: Growing social enterprise

Social Enterprise Banking

The policy mentions social finance and access to loans, both of which are essential for social enterprise to grow.

We have experienced significant challenges using traditional banks. An excellent solution would be a credit union "social enterprise current account" to meet the specific banking needs of the sector. This includes:

- Rapid access to set up multiple accounts when a condition of grant or project funding;
- An understanding of the different models of governance employed by social enterprise, such as co-operatives;
- Business type functions such as direct debits, payment authorisations etc;
- Specialised systems that recognise social enterprise and have a variety of different eligibility to start & operate accounts, for example directors, CEOs, etc.
- Low bar starter accounts for social enterprise in start up phase as opening an account can be a barrier to growth. Often incorporation is required to open an account but incorporation is only possible after a period of operating as a voluntary association, creating a Catch-22 situation.

Integration

The EU, and Ireland specifically, are facing unprecedented social and economic challenges in respect of migration. The social enterprise sector, in particular the circular economy segment, is uniquely placed to assist in integration of new arrivals.

WISE type enterprises undertaking circular economy work such as repair, waste sorting etc are ideally placed to foster integration. They often have a relatively low bar for English language, skills that can be taught “on the job”, and a socially minded workforce keen to improve things for local communities.

A scheme like Tús or CE could be created for recent arrivals to earn a stipend while assisting in the delivery of environmental services such as repair or waste sorting, or an Education Allowance for studying circular economy skills courses such as our Bike Mechanics course.

Tax

One significant source of expense for AN Mheitheal Rothar is VAT on our circular economy goods (recycled bikes). It would be great if Revenue could agree that VAT was generated and paid on the first sale of the bike and our repaired sale could be VAT reduced or VAT free.

Pensions

With pension auto-enrollment due to begin in Ireland in 2024, there is an opportunity for money to be invested in communities and social enterprises. The payoff is creating an environment that is sustainable and communities that are more pleasant places to live in for the long term. Proximity economy. The philanthropic policy suggests place based philanthropic funds. This could be mirrored by the auto enrollment system which could provide an element of place based pension investment.

Models

We are disappointed to see no mention of cooperatives in the policy. We are a not for profit cooperative and are pioneering this model in the current era, along with other small not for profit coops around the country. We believe cooperatives have a long and proud history in

Ireland of helping to solve community issues and address economic inequality. Participatory decision making and community buy-in are essential to social enterprise.

We do not want to see social enterprise assumed to be “charity that makes some money” as we believe the sector can be larger and more inclusive than that. Onerous Charity Regulator administration burdens stymie innovation and entrepreneurial spirit, but most importantly don’t solve the true risks of social enterprise. It would be better to have a model that was auditable rather than a tick box charity style approach to issues such as financial governance and board responsibilities.

POLICY OBJECTIVE 3: Climate Action Contribution

Training for the Circular Economy

While training is referred to in the consultation document in the context of providing training to individuals who would not otherwise access it, for example via WISE schemes, we believe there needs to be reference to the training opportunities specifically for the circular economy. Our members are engaged in training people in very specific repair skills, which are essential for a flourishing circular economy. This training is often not economically viable in a commercial setting and only occurs because our members have not got profit as their main objective. Examples of this training include bike mechanics, repair of electronic goods such as phones and computers, and retrofitting for buildings to upgrade energy efficiency.

These skills are essential for volunteer led initiatives such as Repair Cafes, as well as social enterprise. Without comprehensive repair skills, the sector cannot grow as it needs to to meet our targets under climate emissions and waste reduction policies. There is also significant support to the commercial repair sector, for example via training bicycle mechanics who then go on to work in the private industry.

There are no apprenticeships for these skills but a major need for on-the-job training in order to be presented with the range of real-world problems (different makes and models, different problems, etc) likely to be faced.

There is also a need for “train the trainer” options suitable for training trainers to deliver circular economy skills training.

Currently there are limited QQI recognised training appropriate for the circular economy. A series of recognised certificates in different types of repair could be developed with input from the sector.

Procurement of repair/maintenance

The State could work with state & semi state bodies to encourage procurement of repair contracts to be delivered via WISEs or circular economy training organisations.

Collect climate data

The policy consultation document references a Climate Action Contribution. We believe that collecting statistics about crucial elements of this, such as emissions reduction and waste reuse, from social enterprise could help.

This could also ensure impact measurement of the circular economy outcomes identified by the EU by working with members to create the skills and tools to measure these outcomes.

Thank you for the opportunity to contribute to this consultation.