



O:External/SocialEconomy/Lttrs/ResponsetoConsultation

9 October 2009

To Whom It May Concern

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Dear Sir/Madam

Re Bryson Response to Social Economy Enterprise Strategy 2009-2011 Consultation

May I begin by thanking you on behalf of Bryson for this opportunity to comment on the proposed draft Social Economy Enterprise Strategy 2009-11 and endorse the importance of such a robust strategy being put in place to complement Government's Strategy for the growth of the Northern Ireland economy. It is Bryson's view that the social economy currently is and has the potential to be even more significant in terms of driving a vibrant and healthy Northern Ireland economy in the future. It is, we believe, important that this Strategy is embedded in the broad economic profile and enjoined with the support strategy for the Private Sector and not decoupled to be driven by local authorities, as seems to be the direction of travel indicated in the document. Bryson, with other organisations, lobbied the then Minister, Nigel Dodds, to ensure responsibility for social enterprise was not transferred to DSD; it remains our strong view that decoupling from the main economic support agencies would marginalise the Sector; would be a serious error and retard its potential (we refer to other negative consequences of transferring it to local authorities below).

Bryson would like to make the following comments in respect of the consultation document:

1. Bryson would like to record its disappointment that the contributions from departments, other than DETI, seem to lack in any sense of a commitment, to engaging with or developing growth of, the social economy. This is not mentioned as a criticism of DETI, but more a lack of awareness or an understanding of what the social economy is; what it currently does and delivers and what added value it provides in the procurement of public services. This suggests that a major part of any final strategic plan must include awareness, building across departments and the re-training of procurement experts, both in regional and local government, to support procurement processes, which are friendly to social enterprise. Clearly this is not only a responsibility of DETI, but major social enterprises and the Social Enterprise Network must engage in a process to ensure senior politicians, senior civil servants and important public sector actors develop an improved understanding of the Sector, its capabilities and size.

2. The consultation document describes as a 'good baseline' current data, which indicates a local social economy built up of almost 400 social enterprises, employing 6,700 staff and has a combined turnover of £355M. It is our view that this is an underestimation and quite possibly a gross underestimation of the actual quantum of the Sector. We are not suggesting a failure by DETI, but more a lack within the Sector to stand up and be counted. We believe that the Strategy should include a commitment to invest in developing robust research metrics, to identify not only those organisations that declare themselves as social enterprises, but those by the nature of their activities, such as, housing associations and credit unions, who also fall into the category of trading activity, whether lending or renting properties for a return which is locked in for use in respect of other social goods. Bryson believes that this will significantly increase the size, employment base and turnover of the Sector and indeed if those metrics are enlarged to include asset valuations, then we should indeed have a picture of a substantial Sector, providing DETI with a very clear rationale for supporting and investing in it.
3. In reading the document it appears to Bryson that of all the contributing Departments DHSSPS clearly was most associated with commissioning services through the Sector. It was unclear to us whether the Department actually understood that it was contracting; as most of its arrangements are non-procured, short term (one year) Service Level Agreements. Whilst it would be helpful to map with other Departments to what degree a similar arrangements exist, we would suggest that the Strategy should require relationships with Departments to move from 1 year Service Level Agreements to 3 and 5 year recurring service contracts.
4. The document describes a relationship between DETI, with overall responsibility for the Strategy and local authorities, post RPA as the responsible agencies for developing social enterprise. Based on our experience it is Bryson's view that local authorities do have a substantial role to play in the development of social enterprise, but not in its co-ordination, or the provision of advice to it, or support in developing business plans. Its role is clear, it should use its procurement commissioning responsibilities to purchase services through social enterprises, thereby unlocking its potential and creating an opportunity for all Sectors to compete for those services. It would be a concern that local authorities are looking at increasing their staff complement or shifting staff from other departments, with no guarantee of their ability or experience and as such will simply confuse or retard development. Councils are not good at enterprise, they are driven by local politics and local political priorities, this would further retard development, embroil it in local dispute and marginalise the Sector. Importantly, Councils are only empowered to support action/services that effect ratepayers within their discrete regional boundaries, transferring this responsibility would add an unnecessary complication that provides little if any benefit, decouple social enterprise from the mainstream economy and in our view should be avoided.
5. Bryson believes that the Strategy should focus on the development of Public Service procurement processes, which are sensitive to and understand and value of social enterprise. This will include a commitment to more intelligent procurement, eg procuring services that provide a range of benefits across Government objectives, not just for a specific service and that there should be a requirement within the Strategy for DETI to engage with DFP on the development of social clauses, which bring specific benefit to Northern Ireland, its communities and economy.
6. Currently much of the Sector is weak and/or inexperienced in competitive tendering and Bryson would suggest that the Strategy should recognise this and commit to developing a support mechanism that addresses this deficit. This could include

consideration of an energy brokering facility, developing skill and linking organisations into bidding consortia to redress this weakness.

7. Any strategy which is to be relevant must have embedded within it clear metrics, targets, objectives being set for sectoral growth, quality assurance accreditation, etc. Any final Strategy should include these and must be comparable to the strategies which will be put in play to support Private Sector growth and be stratified looking the needs of SMEs within the social economy and indeed larger organisations. Perhaps, the litmus test for the final Strategy is that it should fit comfortably into DETI's suite of economic strategies; be comparable to other economy interventions; include stretching targets and development metrics and be resourced adequately to develop a social economy, playing a significant role in the new vibrant enterprising post-recession Northern Ireland economy.

I trust you find our comments helpful and we look forward to the outcome of this important consultation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John McMullan', with a stylized flourish at the end.

John McMullan
Chief Executive



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Chairman Sir Nigel Hamilton KCB DUniv.; **Chief Executive J McMullan MBA., BA (Hons) FRSA;**
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