



Department of
**Enterprise, Trade
and Investment**
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Developing a Successful Social Economy

**NI Government's
Three-Year Strategic Plan
2004-07**

**Including Action Plan
for 2004-05**

**Consultation Document
January 2004**



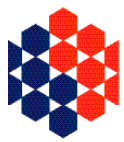
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MINISTERIAL FOREWORD

Social economy enterprises combine a strong social focus with entrepreneurial skills. There is a clear opportunity in Northern Ireland for this sector to increase its contribution to the economy and deliver benefits to particular communities and the wider society. At the core of the recently published Northern Ireland Priorities and Budgets 2004-06 is a focus on improving service delivery and on working in partnership with others for the benefit of the whole community. There are clear resonances here with our proposals to develop and strengthen the social economy.

We have commissioned the Social Economy Agency to facilitate the creation of a Social Economy Network, which is working with an Inter-Departmental Steering Group, and a Social Economy Forum, which I chair. Sectoral and Departmental representatives had a very successful first meeting of the Social Economy Forum in June 2003. They agreed a significant and meaningful joint forward work programme on key issues such as business support, finance for the sector and the development of procurement opportunities. I believe the key structures that we have already put in place will form a strong basis from which to develop and strengthen the social economy.

I think that we have made a good start – but that is just what it is – a start. This is the start of a process which is already bringing some short-term benefits but which I feel will show its real worth in medium to long-term growth, strengthening and sustainability of the sector.

Our aim is for a more integrated approach to the development of the sector. We want to raise its profile, develop and increase its business strengths and provide a more supportive environment within which it can prosper.

There is already considerable work underway within the sector with significant resources – for example the Local Strategy Partnerships have up to £58m through Peace II to develop social economy opportunities. This will strengthen the local economic base, increase employment and improve service delivery to meet local needs. In addition, the emerging plans of the Network to promote and market the sector, and share best practice should inform the work of the Local Strategy Partnerships and present an important opportunity for the sector itself.

It will be critical to ensure that all this work within the sector and Government Departments and Agencies is complementary, to ensure that we optimise experience, expertise and resources. The new structures will, I believe, offer a unique opportunity for ongoing dialogue and priority setting which will develop community enterprises and the communities that they represent.

We are keen to have your views on this draft Three-Year Strategic Plan and the first year's Action Plan, and I would encourage you to use this opportunity to contribute to the consultation process. On receipt of your views, the draft plan will be finalised and published in June 2004.

We would also urge all parts of the social economy sector to join the Social Economy Network to share best practice and to contribute effective ideas for policies and programmes to strengthen and grow the sector in Northern Ireland.

A handwritten signature in black ink, appearing to read 'Ian Pearson', is positioned above the printed name and title.

IAN PEARSON MP

Minister with responsibility for Enterprise, Trade and Investment

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EXECUTIVE SUMMARY

Background

1. The social economy is a wide and diverse sector which has been operating and developing over a number of years in Northern Ireland with a strong tradition of supporting local communities.
2. Social economy enterprises are distinct and unique with three key characteristics; they have a social, community or ethical purpose; they operate using a commercial business model; and have a legal form appropriate to a not-for-personal-profit status. The sector in Northern Ireland includes a range of organisations such as credit unions, housing associations, local enterprise agencies, community businesses, co-operatives, employee-owned businesses, community development finance initiatives, social entrepreneurs and social firms. While it is difficult to quantify the size of the sector accurately, estimates in employment terms range between 30,000 and 48,000 jobs. The sector makes a unique contribution to the social and economic framework of Northern Ireland in delivering services and creating employment and income, often for disadvantaged people and disadvantaged communities.

An Integrated Approach

3. The sector is an integral part of the NI economy and a number of Government Departments/Agencies already work with social economy enterprises. However, it is widely recognised both within and outside central Government, that a more integrated approach to the sector's development is needed to promote increased awareness of its value and particular significance to the Northern Ireland economy and its potential for development and further growth. This has been identified as a priority area within the 2002-05 DETI Corporate Plan and this draft Three-Year Strategic Plan represents Government's proposed approach to fulfil its commitment to increased integration across Government Departments and greater partnership with the sector.

4. DETI has already put in place a number of key structures to develop this process of integration and partnership with the sector, for example:
 - the funding of the Social Economy Agency (jointly with the Department for Social Development and the EU Programme for Building Sustainable Prosperity) to facilitate the establishment of an inclusive Social Economy Network to represent the sector;
 - the formation of an Inter-Departmental Steering Group (IDSG) to develop greater cross-Departmental co-operation, including this draft Three Year Strategic Plan and first year Action Plan; and
 - the creation of the Social Economy Forum where representatives from the Network and officials from IDSG and Government can work together in constructive partnership.

The Draft Strategic Plan

5. Three key strategic objectives are proposed to facilitate Government's action to develop the social economy. They are to:
 - increase awareness of the sector and establish its value to the local economy;
 - develop the sector and increase its business strength; and
 - create a supportive and enabling environment.

For each objective, specific actions to be implemented by Departments/Agencies have been set out for 2004-05. It is expected that these initial actions will be refined and, in light of experience and research and interaction with the Social Economy Forum, additional initiatives will be undertaken in each of the successive years of the Strategic Plan with targets for delivery. Work is already underway by four Joint Sectoral/Departmental Working Groups considering key areas such as mapping the size, scale and value of the sector, business support and finance for the sector, and procurement opportunities.

6. This Strategic Plan should, of course, be read alongside the initiatives emerging from the work of the Social Economy Forum.

Monitoring & Evaluation

7. Successful implementation of this Strategic Plan should result in the establishment of more social economy enterprises and the development and growth of the social economy enterprises that are already trading and making a distinct and valued contribution to social and economic development in Northern Ireland. DETI will take forward this work and report progress on the implementation of this Strategic Plan at meetings of the Social Economy Network and at the Social Economy Forum, which meets twice yearly. An annual progress report will also be published. Towards the end of the three-year period, overall progress will be reviewed in a robust evaluation process, in consultation with the sector, to determine the way forward.

Equality Aspects

8. Equality aspects have been considered and it is concluded that, while detailed data on this diverse sector and its make up is not currently available, the social economy and the implementation of this Plan have a positive impact on Section 75 groups and will have a key role in contributing to Government's objectives in tackling poverty and disadvantage.

Conclusion

9. This draft Strategic Plan has been widely circulated within the social economy sector including social economy enterprises, associations, federations, those providing services to the sector and others that have expressed an interest in helping the sector to develop and grow. It is available on the DETI website – **www.socialeconomy.detini.gov.uk**.

We would welcome your views and will be working with the Social Economy Network to arrange regional and local consultation events during the consultation period, which will close on **30 April 2004**.

Please send your comments in writing to:

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CHAPTER 1

Introduction

Overall Policy Context

- 1.1 The social economy is a wide and diverse sector which has been operating and developing over a number of years in Northern Ireland and has a strong tradition of supporting local communities. In recent years, its contribution to the social and economic life of Northern Ireland has been receiving greater recognition.
- 1.2 The first Programme for Government (PfG), prepared by the Executive of the NI Assembly, published in April 2001, outlined the need to sustain and enhance local communities and contained a commitment to partnership working. The PfG recognised the ability of the social economy to make a significant contribution to both social and economic regeneration.
- 1.3 In order to develop this opportunity, DETI commissioned Colin Stutt Consultancy to undertake a major review of the sector in 2001 including an initial examination of its size and scale and identification of its strengths and weaknesses. It reviewed the roles of social economy organisations and assessed Government's support for the sector at that date. A number of recommendations resulted, which identified actions required by the sector and Government, and the two working together to develop the sector.
- 1.4 The social economy is an integral and vital element of the NI economy. The 2002-05 DETI Corporate Plan identifies the Department's lead role in developing a more fully integrated approach to promote increased awareness of its value and particular significance to the Northern Ireland economy and its potential for development and growth. As many social economy enterprises have developed from or have close relationships with the voluntary and community sector, DETI is working in close co-operation with the Department for Social Development (DSD) in taking this work forward. It is important to ensure that, at all stages, relevant issues and actions arising from Partners for Change (Government's Strategy for Support of the Voluntary & Community Sector), and this strategic approach

for the social economy complement each other. In addition, other Government initiatives need to be examined and their impact on the sector appropriately harnessed, for example, the outcome and recommendations of the Task Force on Resourcing the Voluntary and Community Sector, which are due to be published later this year, and the implementation of DSD's People and Place – a Strategy for Neighbourhood Renewal will have a bearing on the social economy, as will the Government's forthcoming Strategy to tackle Poverty and Disadvantage.

Judging Success

- 1.5 Successful implementation of this Strategic Plan should result in the establishment of more social economy enterprises and the development and growth of the social economy enterprises that are already trading and making a distinct and valued contribution to social and economic development in Northern Ireland. In addition, social economy enterprises will be recognised by policy makers, providers and users of services, and society as a whole, for their contribution to social and economic development of Northern Ireland.

CHAPTER 2

Development of this Consultation Document

What is this document?

2.1 This document sets out a draft of the Government's Three-Year Strategic Plan to implement a more integrated approach to the social economy to maximise its contribution to the NI economy. The Plan is for consultation and proposes three strategic objectives; provides a framework for action for 2004-05 by individual Departments/Agencies; and details how Departments will work together in partnership with the sector in pursuit of the strategic objectives. The three proposed strategic objectives are:

- to increase awareness of the sector and establish its value to the local economy;
- to develop the sector and increase its business strength; and
- to create a supportive, enabling environment.

2.2 Work has already started to achieve these strategic objectives. Departments, individually and working in partnership with each other and the sector, are already involved in a wide variety of initiatives that will contribute to the long-term sustainable growth of the social economy in Northern Ireland, for example, a number of Joint Sectoral/Departmental Working Groups have been established to research the size, scale and value of the sector, access to business support and finance for the sector and procurement opportunities. Further details are given in Chapter 6.

How was it prepared?

2.3 The consultation document has been prepared by an Inter-Departmental Steering Group (IDSG), chaired by DETI. The group includes representatives from all NI Government Departments and the Special EU Programmes Body (SEUPB). The actions proposed by individual Departments have been central to the development of this Strategic Plan and the Action Plan for 2004-05. However, the Plan also takes on-board feedback from the Social Economy Agency (SEA) and members of the

Social Economy Network on earlier drafts. Further detail on these key groups is contained in Chapter 5.

- 2.4 In preparing the Plan, the IDSG has maintained contact with a number of other relevant Departmental and Cross-Departmental working groups to avoid duplication and ensure complementarity in our approach.

What is in this document?

- 2.5 **Chapter 3** describes the social economy sector in Northern Ireland including the definition Government is using for social economy enterprises.

Chapter 4 presents background information on relevant activity in NI, GB and Republic of Ireland in relation to the social economy.

Chapter 5 identifies the structures Government has created to assist in the development and growth of the social economy.

Chapter 6 sets out how Government intends to implement the Action Plan for 2004-05. Priority areas for action are listed alongside lead Department/Agency, the supporting partners and the implementation targets for the first year of the Strategic Plan.

Chapter 7 describes how the Strategic Plan will be monitored and evaluated.

Chapter 8 details the consultation process, including a series of questions on which we would particularly welcome views.

Annexes include the terms of reference of the key groups/structures established to facilitate this approach, equality aspects and bibliography.

CHAPTER 3

Social Economy in Northern Ireland

What and Who are Social Economy Enterprises?

- 3.1 The definition adopted across NI Departments of social economy enterprises is that they must:
- have a social, community or ethical purpose; and
 - operate using a commercial business model; and
 - have a legal form appropriate to a not-for-personal-profit status.
- 3.2 The focus of this draft Strategic Plan is to ensure that those social economy enterprises that are involved in commercial trading of goods and services are given every opportunity to develop and grow, and, as a result, increase their contribution to social and economic activity in Northern Ireland.
- 3.3 Social economy enterprises can be constituted in different ways, for example, companies limited by guarantee, or Industrial and Provident Societies. They operate across a wide range of activities such as the provision of finance, social housing, community regeneration, training and employment opportunities, and support for business growth and workspace.
- 3.4 The following are types of social economy enterprises:
- **Community Businesses:** enterprises that have strong geographical ties and focus on local markets and services, retaining profits within the community.
 - **Credit Unions and Industrial & Provident Societies:** the provision of access to community finance as savings organisations and sources of affordable credit and financial advice for the benefit of members.
 - **Housing Associations:** the provision of affordable housing for rent or low-cost home ownership and also supportive housing for the elderly or people with disabilities.

- Local Enterprise Agencies: stimulating enterprise and business growth through provision of advice, support and workspace across Northern Ireland.
- Co-operatives: associations of persons united to meet common economic and social needs through jointly owned and democratically controlled enterprises.
- Employee owned businesses: creating and maintaining jobs as part of local economic development activity.
- Social Firms: the provision of employment and training for disadvantaged groups, for example, people with disabilities.
- Community Development Finance Institutions: organisations that use investment funding to achieve social economy aims.
- Social Entrepreneurs: individuals with entrepreneurial skills working to achieve social and ethical outcomes.

What is the Size of the Social Economy in NI?

- 3.5 Given its relatively low visibility to date and its diversity, no firm figures are available to quantify the overall size and scale of the sector. However, in terms of employment, the most recent estimate ranges between 30,000 jobs and 48,000 jobs (5 - 8% of total employment) in June 2000. This is a relatively limited way of measuring the sector and it is necessary to have a robust set of baseline figures for the size and scale of the sector as a way of preparing a benchmark against the social economy in the UK and in other regions and to measure growth.
- 3.6 It is recognised that systematic information exists on some parts of the social economy such as registered housing associations. DETI will be working with the Social Economy Agency and the Social Economy Network to ensure that new and existing information is publicised and made accessible to all parts of the sector.
- 3.7 More detail on this important issue is contained under Objective One of the Action Plan in Chapter 6.

What is the Distinctiveness of the Social Economy Sector?

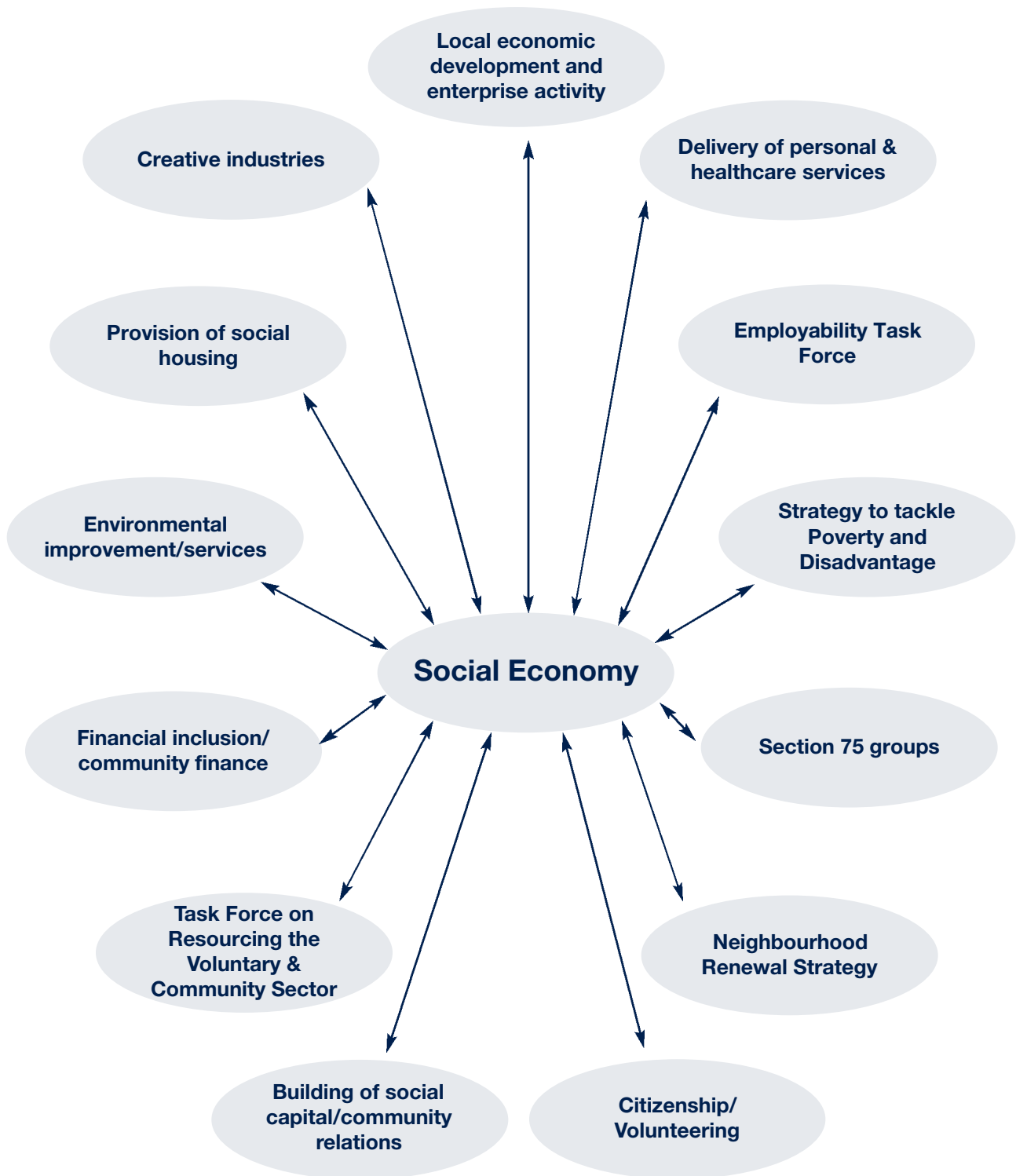
3.8 These examples demonstrate the diverse range of organisations and structures operating within the sector. These organisations all operate as businesses within the NI economy but what makes them unique and distinctive is their commitment to addressing the double financial and social bottom line – i.e. generating profits to ensure sustainability of the business and the ability to achieve their social or ethical mission - and in some cases the triple bottom line through their focus on environmental impact.

3.9 In addition to the provision of goods and/or delivery of services, social economy enterprises are distinctive, arising from their social and economic objectives, their impact on local communities, and the way in which they operate, with an emphasis on participative management and consultative processes. They are unique in terms of their contribution to the NI economy in that they:

- create income, employment and services for the population at large and particularly for disadvantaged people, groups and for disadvantaged areas;
- provide routes to mainstream employment;
- define and promote the needs of local communities;
- operate with innovation and creativity to meet local needs and take advantage of opportunities;
- draw on volunteers, thereby increasing active citizenship and voluntary donations;
- contribute to social capital;
- enable a high proportion of income to circulate within the local community facilitating the accumulation of wealth in the area; and
- provide channels for public funds for disadvantaged areas and communities.

3.10 The contribution of NI social economy enterprises to a number of key Government priorities and policies is depicted in the diagram overleaf and

confirms the sector's role as an important and integral part of the NI social and economic framework.



CHAPTER 4

Background Information on Social Economy Activity in NI, GB and Republic of Ireland

- 4.1 The establishment of a dedicated Social Economy Unit within DETI in mid 2002 marked the start of an important, long-term partnership process to work with the sector, to promote it and strengthen its contribution to the NI economy.

Activity within NI Departments

- 4.2 A number of Departments/Agencies already know and work closely with organisations in, or associated with, the social economy. For some, this relates to regulatory activities, for others, it is the provision of business support services and/or financial assistance. In addition, some Departments work closely with the sector on the delivery of public services.
- 4.3 A key element of the rationale for Government's desire to have a more integrated approach to the social economy is to enable Departments/Agencies to share information about how they are currently helping social economy enterprises and the impact they are making. This will enable them to learn more about the sector and as a result increase awareness and uptake of the advice, finance and business support services available from Departments/Agencies for the sector. Increasing knowledge and transfer of knowledge about the sector will be an ongoing element of this draft Strategic Plan and it will be central to Government's awareness raising campaign within Departments/Agencies and their statutory bodies.

EU Activity

- 4.4 The social economy is a priority area for the EU. There has been significant EU-related activity to help develop the social economy and this is reflected in the Community Support Framework, particularly through the Peace II Programme.

4.5 The 2002-2006 Peace II Programme offers specific opportunities for social economy organisations to access development support. Measure 2.3, which is managed on behalf of the Department for Social Development by The Community Foundation NI and the Social Economy Agency as the Intermediary Funding Body, offers support to develop the social economy sector. The other main Measures, 3.1 and 3.2, are administered by the Special EU Programmes Body through the 26 Local Strategy Partnerships (LSPs). This provides up to £58M in direct financial support over the period of the programme for local economic initiatives for developing the social economy and locally based human resource, training and development strategies. LSPs in NI have arisen out of valuable experience gained through the working of District Partnerships under the Peace I Programme. The LSP model has been designed to develop further the social partnership model to ensure a more integrated and sustainable approach to planning and managing resources at a local level.

Activity across the UK and Republic of Ireland

4.6 In July 2002, the Department of Trade and Industry's (DTI) Social Enterprise Unit published "Social Enterprise: a strategy for success". The strategy identifies issues which contribute to the success of the social enterprise sector and, where necessary, it seeks to remove the barriers that are preventing its growth and development. DTI has established an Inter-Departmental Official Group to monitor the implementation of the strategy, report on progress and alert members to new issues and initiatives arising. DETI is a member of this Group. DTI published its first annual progress report on the Strategy in October 2003, including an update on activity in Northern Ireland. DETI will continue to work closely with DTI to ensure that Northern Ireland benefits from close involvement with this work and also to ensure that NI receives appropriate consideration within the broader UK picture. The overall approach envisaged in this draft Strategic Plan reflects the DTI framework and will allow NI to contribute and participate in UK wide activities/initiatives and to benchmark our progress.

4.7 The Scottish and Welsh devolved administrations are also represented on this DTI Group and are also preparing strategies to promote and develop the social economy sector in their respective areas. In the Republic of Ireland, the Department of Enterprise, Trade & Employment's Social

Economy Programme, operated by FAS (Foras Aiseanna Saothair, the Training and Employment Authority in the Republic of Ireland) supports the development of social economy enterprises to benefit the economic and social regeneration of local communities.

- 4.8 While there are national and regional variations in approach and priorities, the opportunity to share ideas and learn from other experiences/successes will be important as each administration implements its strategies and action plans.
- 4.9 In addition to monitoring and evaluating activity within Northern Ireland, other parts of the UK and the Republic of Ireland, Government will continue to work with the Social Economy Network to monitor and assess international best practice and, where relevant and appropriate, use this knowledge and experience in the development of policies, programmes and initiatives for the development of the sector in Northern Ireland.

CHAPTER 5 Achievements to Date

Key Structures

- 5.1 The main focus for DETI to date has been to put in place the key structures required to take forward the desired integration and complementarity of objectives. This has resulted in the following:
- the funding of the Social Economy Agency to facilitate the establishment of an inclusive Social Economy Network to represent the sector;
 - the formation of an Inter-Departmental Steering Group to develop greater cross-departmental co-operation including preparation of this draft Three-Year Strategic Plan and Action Plan for 2004-05; and
 - the creation of the Social Economy Forum where representatives from the Social Economy Network and officials from IDSG and Government can work in partnership.

The Social Economy Agency

- 5.2 The Social Economy Agency (SEA) has for many years promoted the benefits that can be derived from social economy enterprise activity. As part of the Government's drive to work in partnership with the sector, the SEA was asked by Government to facilitate the establishment of an inclusive Social Economy Network to represent and act on behalf of the sector in Northern Ireland. The funding from DETI, DSD and the EU Programme for Building Sustainable Prosperity (£600,000 in total) for the delivery of this project is based on a 4 year (2002-2006) Business Plan and Annual Operating Plans prepared by the SEA, agreed with the Funders and endorsed by the Network.
- 5.3 The SEA, as the Network Co-ordinating Agent, reports to DETI and DSD on progress against delivery of the project. The SEA's key areas for action are also discussed and endorsed by the Network Steering Group and associated open committees. In addition, DETI and DSD will undertake an

annual independent evaluation of the Network Co-ordinating Agent's performance in carrying out this role and associated work programme. This evaluation is designed to help ensure that the Network is inclusive and that individuals and/or organisations joining it, continue to benefit from their membership. A summary of the key areas for action by the Network Co-ordinating Agent is included at Annex A.

Social Economy Network

- 5.4 The creation of a fully inclusive Social Economy Network will enable the sector to operate in a more structured and coherent way, to share best practice, and consider collectively the range of key issues that will affect its long-term growth and sustainability. The Network is a membership-based organisation, drawing its membership from social economy initiatives throughout Northern Ireland. It is encouraging to note that, in December 2003, over 150 individuals/organisations have joined the Network. The role and structure of the Network is set out at Annex B.

Inter-Departmental Steering Group

- 5.5 An Inter-Departmental Steering Group (IDSG), chaired by DETI, has been established with representation from all NI Departments. In addition, the cross-border Special EU Programmes Body, which has responsibility for significant funding for the social economy sector, has observer status on the IDSG. The main focus of the Group has been to consider how departmental policies and programmes support, or indeed, hinder the growth of the sector, encourage greater cross-departmental co-operation and identify key action points to increase the sector's potential to build social capital and create wealth and jobs, particularly in disadvantaged areas.
- 5.6 In addition to Group meetings, significant time has been devoted to a series of bi-laterals with all Departments to promote and increase awareness of the sector and to ensure that Government's social economy objectives are integrated into Departmental policies and programmes. The agreed Terms of Reference for the IDSG are at Annex C.

Social Economy Forum

- 5.7 A Social Economy Forum has been established where officials from the IDSG and members of the Social Economy Network Steering Group work together under the chairmanship of the DETI Minister, acting in close co-operation with the DSD Minister. This partnership has been formed to enable the sector to raise key issues in a high-level policy forum, contribute to ongoing policy change and development, and work in partnership through shared learning and expertise.
- 5.8 The first meeting of the Forum took place in June 2003 and covered a range of issues, identified by the Social Economy Network, of strategic importance to the sector. These included current and emerging legal structures, plans for a study to map more fully the size, scale and value of the sector, accessibility of relevant business support and advice, access to appropriate finance and potential procurement opportunities. A key outcome was a prioritised work programme, with many of the issues to be taken forward by Joint Working Groups comprising Network and IDSG members – details are given in Chapter 6.
- 5.9 The SEA and the Social Economy Unit in DETI provide a Joint Secretariat service to the Forum. A second meeting of the Forum is scheduled for February 2004 and will include progress reports on each aspect of the prioritised work programme and consider any additional areas for further action. The agreed Terms of Reference for the Forum are at Annex D.

Impact of the Structures

- 5.10 The creation and operation of the key structures noted above provide the opportunity for joint, ongoing and structured dialogue between the social economy and the public sector. Their operation and activities will be monitored and evaluated to ensure optimum outcomes for the development and long-term sustainability of the NI social economy sector.

CHAPTER 6

Action Plan for 2004-05

- 6.1 Three key strategic objectives are proposed to facilitate Government's actions to develop the social economy in a more co-ordinated and integrated way. They are to:
- increase awareness of the sector and establish its value to the local economy;
 - develop the sector and increase its business strength; and
 - create a supportive and enabling environment.
- 6.2 For each objective, specific agreed actions to be implemented during the first year of the Strategic Plan by Departments/Agencies are identified. For each action, the lead or co-ordinating Department/Agency is identified along with supporting partners and implementation targets. Every action will involve direct contact with the social economy sector and effective delivery will be based on a partnership that exchanges experience, information and knowledge. It is expected that these initial actions will be refined and, in light of experience and research, particularly through the Joint Working Group activities, additional initiatives will be undertaken and included in annual Action Plans for each of the remaining years of the Strategic Plan.

Objective 1

Increase Awareness of the Sector and Establish its Value to the Local Economy

- 6.3 The general level of awareness of the social economy sector and its potential across the public and private sectors and the general public is not high. Within the social economy sector itself and across the broader voluntary and community sector, levels of understanding and the opportunities it can offer, could be improved. To increase this knowledge and raise awareness, DETI supported, in January 2003, a major conference organised by Northern Ireland Council for Voluntary Action (NICVA) on the social economy. DETI and DFP support was also given to the Community Development Finance Association to hold an event in June 2003 to highlight investment opportunities through the Community Investment Tax Relief.
- 6.4 Some awareness raising work has been underway within Government through the IDSG, the Forum and bi-laterals on inputs to this draft Strategic Plan. More work in this area is required, hence the proposal to develop a comprehensive Communications Plan to raise the profile of and knowledge about the sector across Government Departments/Agencies and relevant bodies that they fund. One of the themes of the Communications Plan will focus on the opportunities for social economy enterprises to compete for and win new business, for example, through the procurement process.
- 6.5 As part of its work as Network Co-ordinating Agent, the SEA will be developing a marketing plan to promote the sector. Both the IDSG and the Network will use case studies to illustrate the diversity and potential of the sector and will work together to ensure complementarity and to maximise the impact and outcomes of this work.
- 6.6 Associated with increasing awareness of the sector, we need to establish robust baseline information on the size, scale and value of the sector, from which to measure growth and to build into the overall NI economic picture. While there have been some studies into particular parts of the sector, for example, on housing associations and co-operatives, as well as local

studies by some LSPs, a consistent and comprehensive analysis of the sector is required. A Joint Working Group is addressing these issues and contributing to a DTI-led, UK-wide baseline research. This research will capture information on the number of social economy enterprises, employees, geographical location, core trading activity and turnover. Consideration will be given by the Joint Working Group to the feasibility of developing these initial data sets within NI.

- 6.7 The outcome of the work on social capital indicators commissioned by the Voluntary and Community Unit in DSD and undertaken by Community Evaluation Northern Ireland (CENI) will help identify a number of agreed measurements to capture the "added value" of social impacts in addition to economic and financial indicators. This will, in addition to the mapping exercise, help contribute to the measurement of the value of the social economy sector to the Northern Ireland economy.

Questions

- **Do you consider that this key objective is appropriate? If not, what changes would you suggest and why?**
- **Have we identified the right associated priority actions for 2004-05 below to meet this objective? Are there other actions you would wish to see included and why?**

Objective 1: Increase Awareness of Sector and Establish its Value to the Local Economy

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
<p>1.1 Ensure DTI led UK wide Mapping and Scoping study of the sector delivers key data on the size, scale and value of the sector to the NI economy.</p>	DETI	Joint Working Group, DTI.	Joint Working Group established September 2003 to work in partnership with DTI to complete baseline research by July 2004 and to recommend future action to expand and strengthen this data.
<p>1.2 Deliver a Communications Plan to increase awareness and understanding within Government Departments/ Agencies of the existing and potential contribution of the social economy sector to the Northern Ireland economy.</p>	DETI	IDSG, Social Economy Network.	DETI to prepare Communications Plan by 30 April 2004 with inputs from all Departments and in consultation with the Network to ensure complementarity with Network's Marketing Plan.
<p>1.3 Maximise the use of the social capital measures from the Community Evaluation NI research and develop and agree specific measures for use by social economy enterprises.</p>	DETI	DSD.	Disseminate and promote the use of performance indicators, for measuring the added value of voluntary and community actions, across Government and the voluntary and community, and social economy sectors by October 2004.
<p>1.4 Assess impact on the social economy of new policies/programmes.</p>	DETI	All Departments.	DETI will continue to work with all Departments to ensure appropriate reflection of the social economy in relevant policy initiatives, and promote usage of NI Policy Making Guide for Departments, and its associated Integrated Impact Assessment Tool, which includes reference to the social economy.

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
1.5 Increase awareness of social economy enterprises within the education / careers system.	DE	Social Economy Network.	In the context of the CCEA curriculum review for 11-14 year olds, DE will, by June 2004, explore how awareness of the social economy might be included as a learning element within the "Education for Employability" module.
1.6 Introduce Awards/Award Categories to acknowledge and promote excellence in the social economy.	DETI	Invest NI, DTI, Social Economy Network.	DETI to work with sponsoring Departments to identify opportunities for recognition for the social economy - ongoing.
1.7 Promote opportunities for the sector through North/South and East/West co-operation at Government level.	DETI	DTI, Welsh Assembly, Scottish Executive, Republic of Ireland Government.	Maintain regular quarterly contact with Social Economy Units in UK and Republic of Ireland to exchange knowledge, best practice and new initiatives, and opportunities of relevance to the sector in Northern Ireland.

Objective 2

Develop the Sector and Increase its Business Strength

- 6.8 The overall aim is to increase the number of social economy enterprises and strengthen existing ones to enable them to be more competitive and sustainable, and therefore to achieve their social and economic objectives. Invest NI's Corporate Plan notes the opportunity to harness entrepreneurial spirit within the sector and its Accelerating Entrepreneurship Strategy highlights the need to generate more social enterprises as a clear priority – to date this activity has been channelled through the Community Business Start Up Programme.
- 6.9 Access to a wide range of business advice, guidance and training is as essential for a social economy enterprise as for any enterprise. To achieve their objectives, social economy enterprises need to know, for example, how to increase capacity and win new business, handle legal and financial issues, and recruit and manage staff, including volunteers. As a business moves from start-up stage to a growth phase, its needs will change and different advice is required.
- 6.10 There are many sources of business advice and support within Departments/Agencies and it will be necessary to ensure that social economy enterprises are aware of and can access these sources.
- 6.11 In addition and in view of the distinctiveness of the sector in addressing the double bottom line, and, in some cases, the triple bottom line, consideration needs to be given to additional specific interventions to address identified needs within the sector. The social economy sector itself has been active and provided a range of tailored, sectoral training and we will work together to identify additional needs and consider how these needs should best be met and by whom.
- 6.12 A Joint Working Group on Business Support has started work on assessing the needs of the sector through the business life cycle and will make recommendations to address gaps leading to a clearly signposted business support framework for the sector. The Group's work is supported

by the Research Co-ordinator funded through the DETI/DSD/BSP support to the Network Co-ordinating Agent.

6.13 The availability of an integrated, appropriate and accessible financial framework for social economy enterprises at all stages of their development is critical. A Joint Working Group on Finance has developed Terms of Reference for a study, to be funded by DETI, to examine all principal sources of finance and associated financial products available to the social economy in Northern Ireland, and, based on international best practice, recommend an integrated and accessible framework for financial support, including the potential for new or innovative financial products, to accelerate the development of the sector, increase its business strengths and contribute to its long-term sustainability.

Questions

- **Do you consider that this key objective is appropriate? If not, what changes would you suggest and why?**
- **Have we identified the right associated priority actions for 2004-05 below to meet this objective? Are there other actions you would wish to see included and why?**

Objective 2: Develop the Sector and Increase it's Business Strength

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
2.1 Commission external study into sources of finance and financial products for the social economy sector.	DETI	Joint Working Group.	Joint Working Group on Finance established in September 2003 to agree Terms of Reference. DETI to commission work by February 2004 with recommendations to the Forum by September 2004.
2.2 Promote access to existing and new sources of finance for the sector.	DETI	Invest NI, DFP, Social Economy Network.	DETI will continue to work with Departments and the Network to increase uptake of existing/new sources of finance - ongoing.
2.3 Assess the business support needs of the sector, identify gaps and recommend priority areas for action within the public, private and social economy sectors.	DETI	Joint Working Group.	Joint Working Group on Business Support established in September 2003 to research business support needs of sector, identify gaps in provision and recommend actions on new initiatives by September 2004.
2.4 Research opportunities to adapt/extend existing schemes and initiatives to meet the needs of social economy enterprises.	DETI	DEL, Invest NI	Assess business training needs for development of social entrepreneurs for social economy enterprises by March 2005.
	Invest NI	Joint Working Groups, Social Economy Network.	Undertake three programmes to pilot additional support services for the sector by June 2004. These projects will provide one-off support to raise both awareness of the social economy and capability levels of social economy enterprises.

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
2.4 (continued)	Invest NI	Joint Working Groups, Social Economy Network.	Develop a NI Social Enterprise Development Programme for existing social enterprises to be delivered by third parties on behalf of Invest NI by March 2005.
	Invest NI	Joint Working Groups, Social Economy Network.	Review all Invest NI products to identify potential opportunities for the development of new social enterprise solutions and any gaps in provision by March 2005.
	Invest NI	Joint Working Groups, Social Economy Network.	Carry out a review of the Community Business Start-Up Programme by December 2004.
	All Departments	Social Economy Network.	Review scope for extending/adapting Employer Supported Volunteering Initiative by December 2004.
	DFP	Social Economy Network	In conjunction with NI Interchange Partners Group (which includes representatives from 11 NI Departments and NIO) review scope for extending/adapting NICS Interchange Scheme to social economy sector by September 2004.
	DSD	Social Economy Network.	Contribute to the review of the IFI Community Leadership Programme and how its scope might be expanded to benefit social economy enterprises – by December 2004.

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
2.5 Assess access to and benefits of usage of broadband for the social economy.	DETI	Invest NI	By June 2004, review the results of a pilot project managed by EPEC and supported by BT Openworld, which installed broadband in selected social economy enterprises, and identify priority areas for action within the sector.
2.6 Review Local Delivery Network to develop more effective co-ordinating structure for the delivery of tourism in NI.	NITB	District Councils, Regional Tourism Partnerships.	Ensure needs of social economy sector are identified and addressed within any future regional structure – ongoing.
2.7 Introduce a series of Intermediate Labour Market initiatives including transitional employment opportunities for long term unemployed adults in 4 targeted geographical areas.	DEL	Key local stakeholders (public, private, statutory and voluntary); District Councils via Local Strategy Partnerships; Community/Voluntary sectors and social economy sector.	To be tested by means of a series of pilot programmes up to 31 March 2006. These will be community based, have social and employment objectives and will be linked, where possible, to the development of the social economy.

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
2.8 Promote Corporate Social Responsibility.	DETI	Home Office, Business in the Community, Social Economy Network.	Represent NI on UK Corporate Social Responsibility Inter Departmental Working Group and disseminate examples of good practice and resultant benefits to business from the private, public and the social economy sectors - ongoing.
2.9 Develop and promote new Unlocking Creativity Action Plan.	DCAL	Social Economy Network.	The new medium-term Action Plan, which will include measures to ensure that social economy enterprises in the creative industries sector are made aware of and can access relevant sources of support, will be published by April 2004.

Objective 3

Create a Supportive, Enabling Environment

- 6.14 The social economy sector will not reach its potential if there are legal, regulatory, or policy barriers that act as obstacles to growth. Government's aim is to create a supportive and enabling framework within which social economy enterprises have the opportunity to grow and develop.
- 6.15 DETI will be consulting shortly on plans to create more flexibility in the legal forms available for social economy enterprises through proposals to introduce the Community Interest Company (CIC) to Northern Ireland. A CIC is a new type of company designed for social economy enterprises that want to use their profits and assets for the public good. In addition, work is underway to modernise and reform key policy areas for the legal framework for Credit Unions and Industrial and Provident Societies, and DETI will also be consulting on this issue shortly. A review of charities legislation by DSD in 2005 will include consideration of opportunities to support and strengthen the social economy.
- 6.16 Parts of the social economy sector already deliver services through public procurement activity. However, the potential for the sector to tender for and achieve higher levels of income through procurement – whether from public sector, the private sector or within the social economy sector itself – is currently limited. This is due, in part, to a lack of knowledge within social economy enterprises and by those procuring goods and services.
- 6.17 A Joint Working Group on Procurement has started work to develop arrangements that will ensure increased access for the sector to information and advice, thereby creating the opportunity for social economy enterprises to develop their capacity to tender for relevant public procurement contracts. Existing enterprises successfully tendering and winning contracts will be used as case studies to promote opportunities for the sector. The Group will also consider how to increase awareness of the capacity of the social economy among those in both the private and public sector with responsibility for procuring goods and/or services. In particular, the public sector will be challenged to consider how it can work with the

sector to identify products and services for which social economy enterprises could tender. DTI is also addressing this issue and we will ensure NI contributes to and benefits from UK work on procurement opportunities.

Questions

- **Do you consider that this key objective is appropriate? If not, what changes would you suggest and why?**
- **Have we identified the right associated priority actions for 2004-05 below to meet this objective? Are there other actions you would wish to see included and why?**

Objective 3: Develop a Supportive and Enabling Environment

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
3.1 Consult on proposals for legislation to enable establishment of Community Interest Companies in NI.	DETI	DTI, Home Office.	Consultation document on legislative proposals to issue in February 2004 with legislation in place by end 2004/early 2005.
3.2 Review policy and regulatory framework in Northern Ireland for Credit Unions and Industrial and Provident Societies.	DETI	Credit Unions Industrial & Provident Societies.	Consultation document on legislative proposals to issue in March 2004 with new legislation in place by end 2005.
3.3 Review the administration and legislative arrangements for NI Charities.	DSD	Social Economy Network.	Consultation document on policy/legislative proposals to issue by March 2005.
3.4 Identify and increase the opportunities for the social economy in the delivery of public services.	DFP/ Procurement Service	Joint Working Group, DTI.	Joint Working Group on Procurement established in September 2003 to identify, prioritise and recommend practical actions to maximise social economy's contribution to the provision/delivery of public services by September 2004.
3.5 Ensure through the Better Regulation Strategy, that all Regulations affecting the business community consider the impact on the social economy.	DETI	IDSG	Publication of new NI Regulatory Impact Guide for Departments by 30 December 2004 to include social economy enterprises in relation to Small Firms Impact Test.

Actions	Lead/ Coordinating Department/ Agency	Supporting Partners	Implementation Targets
3.6 Review Childcare Policy.	DHSSPS	Social Economy Network.	By September 2004, establish scope for social economy enterprises in the provision of childcare services.
3.7 Identify opportunities for a Social Economy Model in the Care in the Community Strategy.	DHSSPS	Social Economy Network.	By September 2004, consider opportunities for Social Economy Models in the delivery of health services.

CHAPTER 7

Monitoring Progress and Evaluation

- 7.1 It is proposed that this draft Strategic Plan will cover a three-year period. During the life of the Plan, progress towards meeting the strategic objectives will be evaluated in a number of ways. Departments and Agencies with a direct responsibility for specific areas for action will reflect these objectives within their own strategies, plans and programmes and will monitor and evaluate progress as part of their normal departmental reporting mechanisms.
- 7.2 DETI will evaluate and report progress at the Social Economy Network meetings and also at the twice-yearly Social Economy Forum meetings. In addition, DETI will lead on the preparation of a composite annual progress report on the 2004/05 Action Plan and the co-ordination and production of subsequent annual Action Plans.
- 7.3 Towards the end of the three-year period, we will review progress in consultation with the sector. Using a variety of evaluation tools, we will measure the impact of Government's action through this Strategic Plan with a view to determining the way forward.

Questions

- **Are the proposed monitoring and evaluation mechanisms appropriate to ensure that progress is made and reported on and evaluated?**
- **Are there others you would wish to see and how do you consider they would assist the process?**

CHAPTER 8

Responding to the Consultation Process

We Want Your Views

- 8.1 To respond to this consultation paper, please send your comments, in writing, to:

Social Economy Unit
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
BELFAST
BT4 2JP

Email: **socialeconomy@detini.gov.uk**

This consultation paper is being sent to a wide range of organisations identified within DETI's Equality Scheme, to members of the Social Economy Network, the social economy sector, including social economy enterprises, associations, federations, those providing services to the sector and others that have expressed an interest in helping the sector to develop and grow.

- 8.2 If you require additional copies of the consultation paper, please contact the above address or telephone 028 9052 9369. This document is also available at **www.socialeconomy.detini.gov.uk**. The DETI textphone number is 028 9052 9304.
- 8.3 Alternative formats of the Executive Summary will be made available on request. Please contact the above address or telephone number.
- 8.4 The closing date for comments is **30 April 2004**. In order to ensure full participation we will organise appropriate regional and local events across Northern Ireland. We will do this in partnership with the Social Economy Network in order to maximise opportunities for views from the sector.

Consultation Questions

8.5 The ongoing work of the IDSG, Network and Forum will continue to develop and feed into this Strategic Plan and that of the Network over the next 3 years. We are keen to have your views on the overall draft Strategic Plan but would particularly welcome comments on the following areas:

Objectives

- Do you consider that the three key objectives are appropriate? If not, what changes would you suggest and why?

Action Plan

- Have we identified the right associated priority actions for 2004-05 to meet these objectives? Are there other actions you would wish to see included and why?

Monitoring & Evaluation

- Are the proposed monitoring and evaluation mechanisms appropriate to ensure that progress is made and reported? Are there others you would wish to see and how do you consider they would assist the process?

Equality Impact

- Are there any other issues that you feel should be included in equality considerations at this stage? Can you identify any further sources of relevant information?

8.6 All comments will be treated as public unless you state that you wish your comments to be treated in confidence when you send them to us. The IDSG may not be able to respond to every point raised, however, all comments will be acknowledged and considered when finalising the Strategic Plan is finalised and published in June 2004. A summary of responses will be placed on the website.

Thank you for your interest in this consultation paper and we look forward to receiving your comments.

Annexes



Annex A

Social Economy Agency's Priority Areas for Action as Network Co-ordinating Agent

Facilitate the establishment of an inclusive Social Economy Network and, in particular, to:

- agree with funding bodies a draft constitution and appropriate operational/organisational procedures to be subsequently endorsed by the Network;
- establish and develop the Network through pro-active recruitment of members;
- service the Network's organisational/business requirements (preparation of papers/reports etc, for discussion; establishment of output targets; convening of meetings, agendas etc);
- service steering group/sub-regional networks/working groups as required; and
- disseminate relevant information to members of the Network.

Promote the work of the Network, the Social Economy Forum ("**the Forum**") and the benefits of social enterprise throughout Northern Ireland, particularly in areas of under investment and economic deprivation, and through awareness programmes targeted at, and in conjunction with, in particular, Invest NI's Community Business Start-Up Programme delivery consortium, Local Strategy Partnerships and Enterprise NI;

Contribute to the identification and better understanding of social enterprise policy issues and promote the development of new appropriate policy responses by the sector and/or Government Departments and their Agencies etc;

Establish a research capability to assess and identify new opportunities for increased social enterprise activity in both private and public services;

Promote beneficial partnership arrangements between the Network and similar organisations in Great Britain, Republic of Ireland and mainland Europe; and

Establish and maintain a dedicated social enterprise resource centre/website for the sector, including a database of best practice social enterprise initiatives, and details of sources of information on training, educational, technical, management and financial support.

Annex B

Summary of Objective, Role and Structure of the Social Economy Network

Objective

The main purpose of the Social Economy Network will be to:

- develop and articulate the views of its members on social enterprise issues;
- identify social enterprise sector and/or Government action which will stimulate or which may have the potential to stimulate the local social economy and maximise its potential;
- provide a channel for social enterprise sector input into policy development and any consequential agreed programmes of action arising; and
- through a Steering Committee, drawn from and fully representative of the membership, act on behalf of the Network, represent the Network on the Social Economy Forum. The Forum will consist of the Network Steering Group and the Inter-Departmental Steering Group on the Social Economy and will be chaired by the DETI Minister (and DSD Minister); the Forum is expected to meet not more than twice a year.

Role

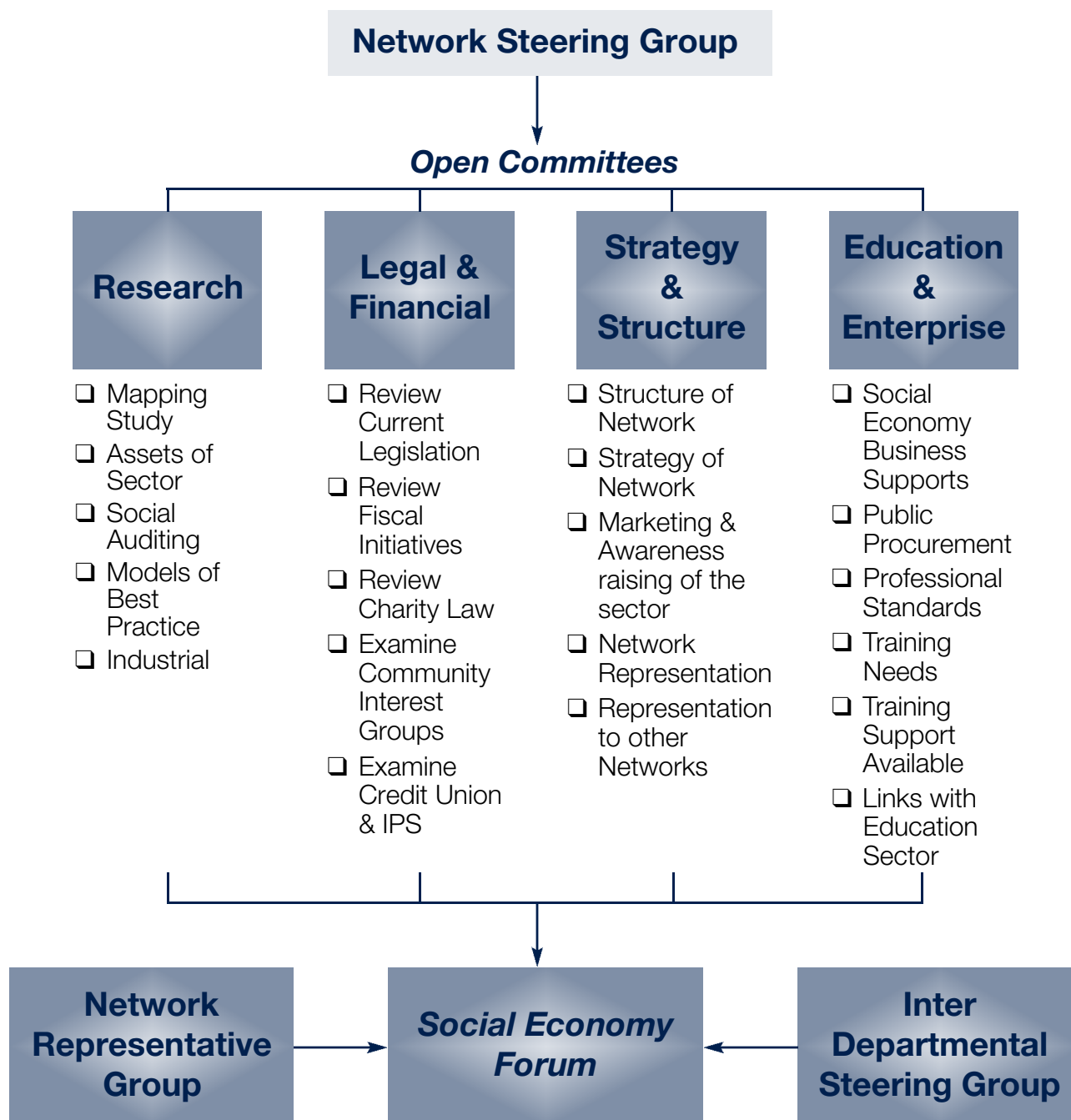
The role of the Social Economy Network, facilitated by Network Co-ordinating Agent staff, will include the following:

- contributing to the analysis of social/enterprise policy issues and the development of appropriate policy responses;
- fostering, supporting and encouraging exchange of experience, information and knowledge between organisations to achieve new synergies and, where required, clarify roles and responsibilities;
- encouraging and supporting co-operation and collaboration between organisations in Northern Ireland promoting social enterprise initiatives;

- strengthening the sector by collaborating with other stakeholders in devising local strategies which will complement existing strategies (for example, LSP, LEADER +, Network Resource Rural Tourism and the Rural Development Programme) and which will strengthen the sector at a sub-regional level within Northern Ireland;
- organising seminars, conferences and functions as appropriate; and
- working closely with the Network Co-ordinating Agent by contributing to and assisting with the development of appropriate work programmes to promote social enterprise.

Social Economy Network Structure

Network Members



Joint Working Groups



Annex C

Terms of Reference for Social Economy Inter-Departmental Steering Group (IDSG)

Background

In November 2001, the Executive agreed to the recommendation that an Inter-Departmental Steering Group (IDSG), to be led by DETI, should be formed to develop a more integrated approach to the social economy.

Terms of Reference

1. All Departments (and associated Agencies/Non-Departmental Public Bodies (NDPBs) to review their programmes and policies to:
 - Identify their impact (positive and negative) on the social economy;
 - Bring forward proposals to develop their support structures and remove any obstacles;
 - Exchange ideas and information;
 - Avoid duplication and maximise resources; and
 - Contribute to the development and implementation of a more integrated, strategic approach to the social economy.
2. Members will represent their Department and will ensure that input to IDSG activity covers all appropriate Departmental/NDPB areas.
3. Meetings, chaired by a member of DETI Senior Civil Service with responsibility for Social Economy Unit, will take place on a quarterly basis, with SEU providing the secretariat.
4. IDSG members to attend and contribute to the Social Economy Forum, which will agree a work programme to be carried forward by the IDSG, the Social Economy Network and the two working together.
5. The Special EU Programmes Body will have observer status on the IDSG.

Annex D

Agreed Terms of Reference for the Social Economy Forum

The following terms of reference have been endorsed by the first meeting of the Social Economy Forum in June 2003.

Social Economy Forum

The Social Economy Forum will be a joint meeting of representatives from the Social Economy Network and the Inter-Departmental Steering Group, chaired by the DETI Minister, in close co-operation with the DSD Minister. It will:

- Provide a policy platform in which to exchange information and views between the Social Economy sector and the Public sector;
- Seek to achieve a shared approach in the implementation of policies by establishing and encouraging stronger social economy/public sector working relationships at all levels;
- Agree an annual work programme to be carried forward by the IDSG, the Social Economy Network and the two working together; and receive and review progress reports on these issues at subsequent meetings; and
- Consider, approve and publish an annual report (to be prepared by the Secretariat) on key developments on the Social Economy in Northern Ireland. This will facilitate monitoring and evaluation of social economy policy in NI and help improve public understanding of the social economy. Such reports will also feed into broader social and policy economic development activity, for example the work of the Economic Development Forum.

Representation – The Social Economy Forum will comprise equal representation from the social economy sector, through the Social Economy Network, and Government, through the Inter-Departmental Steering Group. Total membership should not normally exceed 26 (including Social Economy Unit and Social Economy Agency representation but excluding Minister/s).

The Forum will normally meet twice a year although further meetings can be called as and when necessary.

Social Economy Unit and the Social Economy Agency will jointly provide Executive/Secretariat support for the Forum.

These Terms of Reference will be reviewed after 12 months at the third meeting of the Social Economy Forum.

Annex E

Equality Aspects

Background

1. Section 75 of the Northern Ireland Act 1998, which came into force on 1 January 2000, states:

A public authority shall in carrying out its functions relating to Northern Ireland, have due regard to the need to promote equality of opportunity;

- (a) between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;*
- (b) between men and women generally;*
- (c) between persons with a disability and persons without; and*
- (d) between persons with dependants and persons without.*

Without prejudice to its obligations above, a public authority shall, in carrying out its functions relating to Northern Ireland, have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

2. The DETI revised Equality Scheme published in June 2003 sets out the Department's commitment to the fulfilment of its obligations on the promotion of equality amongst Section 75 groups and good relations between persons of different religious belief, political opinion or racial group. It states that the overall social economy policy will be subject to an EQIA during the period 2005-2009. This is therefore not an EQIA but an initial equality statement, pending further work and research as this draft Strategic Plan is implemented.

Consideration of Available Data and Research

3. Accurate and current statistics on the size and scale etc of the social economy are not currently available. While some individual Local Strategy Partnerships have initiated mapping studies for their areas, definitions and terms of reference have varied from one LSP to another and have confirmed the need for a consistent approach. As noted in the Action Plan, it will be important to have robust baseline statistics and action to address this is outlined in Objective 1.

This first detailed analysis of the sector will focus on capturing key economic data about the sector, for example, number of social economy enterprises; number of employees (full time/part time); geographical location of enterprise by postcode (thereby allowing the Government's objectives to tackle Poverty and Disadvantage to be identified); core trading activity and turnover. The Joint Working Group on Mapping and Scoping the sector will also consider the feasibility of adding further data fields to address Section 75 groups. It will, however, be important to consider the potential benefits of this additional data against the possible burden on social economy enterprises themselves, many of them small in size, and their ability and willingness to provide this information. Further guidance is awaited from the Equality Commission on the issue of gathering information on Section 75 groups and this will be taken into account when available.

As regards this first NI wide analysis of the sector, it may therefore be appropriate to focus initially on the key data and build on this baseline in subsequent exercises, supplemented by local data.

4. The Action Plan for 2004-05 of this Strategic Plan includes specific actions and programmes focused on the social economy by Departments/Agencies, for example, Invest NI's Community Business Start Up Programme. These are monitored across Section 75 groups as far as possible. Likewise, the activities of the Local Strategy Partnerships under Measures 3.1 and 3.2 of Peace II for social economy activity are subject to Section 75 monitoring requirements. Results of these monitoring activities will be considered as part of the overall data collection process.

Assessment of Impacts

5. As noted above there is no current statistical information on which to base assessment of impact of the overall approach across the Section 75 Groups. It is, however, possible to make general assessments, at this stage, about the impact of the social economy and therefore a more integrated approach to its development, as regards equality and New TSN considerations. As noted in Chapter 3 "Social Economy in Northern Ireland" – the sector can:
 - create income, employment and services for the population at large and particularly for disadvantaged people, groups and for disadvantaged areas;
 - provide routes to mainstream employment;
 - define and promote the needs of local communities;
 - operate with innovation and creativity to meet local needs and take advantage of opportunities;
 - draw on volunteers, thereby increasing active citizenship and voluntary donations;
 - contribute to social capital;
 - enable a high proportion of income to circulate within the local community, facilitating the accumulation of wealth in the area; and
 - provide channel for public funds for disadvantaged areas and communities.

6. The social economy, by its very characteristics will impact positively on disadvantaged individuals who would, in some cases, be considered or consider themselves to be removed from the mainstream labour market and who may find it more difficult to obtain employment or face social or financial exclusion, for example, Intermediate Labour Markets and their equivalents can provide training and work experience for the long-term unemployed thereby enhancing their employability; people with disabilities can find employment in social firms; Credit Unions and Industrial and Provident Societies including Housing Associations can help those who are socially or financially excluded; community businesses, Local Enterprise Agencies and Co-operatives can create and maintain jobs and services within local economies.

Conclusion

7. It is considered that the social economy and the implementation of this draft Strategic Plan will have a positive impact on Section 75 Groups and on disadvantaged individuals and areas. Further data and research on its impact will be undertaken during the next three years in conjunction with the sector and will be used in the evaluation of the Strategic Plan and in the scheduled Equality Impact Assessment, and the Government's forthcoming Strategy to tackle Poverty and Disadvantage.

Questions

- **Are there any other issues that you feel should be included in these equality considerations at this stage?**
- **Can you identify any further sources of relevant information?**

Annex F

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Notes