



Consultation on the Social Economy Enterprise Strategy 2009 - 2011

Initial Observations

Limavady Borough Council has considered the Consultation on “Social Economy Enterprise Strategy 2009 – 2011”. The following are general comments on the strategy:

- Council agrees that this is a good step towards taking the social economy seriously. There is much to be done in terms of awareness-raising, and ensuring that the public is aware of the work of this sector.
- To date, and as is acknowledged in the Strategy, the Social Economy sector is not often valued as being “professional”. Recent research has shown that it has been a valuable part of the local economy, and during the current economic downturn, has picked up considerable slack in terms of central government engagement.
- However the document does not acknowledge the “stop gap” role that local authorities have played in developing the Social Economy Sector, whether through procurement of services, development, funding or advice.
- The Strategy also fails to discuss the potential for using local authorities as funding, delivery or advice agents after 2011, when local economic development will have a greater role to play under the new Council structures.
- Council would be keen to see how the Social Economy Network will extend its reach beyond the main areas of population in Northern Ireland, and work with rural communities. The Department of Agriculture and Rural Development, for example, has considerable resources under the Rural Department Programme, which could be utilised for social economy purposes. How will the Social Economy Network ensure that this and other programmes will have a widespread uptake by the sector?

Objectives

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

The Strategy notes the following three “initial” key objectives:

- Increasing awareness of the sector and establishing its value to the local economy;
- Developing the sector and increasing its business strength; and
- Creating a supportive, enabling environment

From 2005-2007, Limavady Borough Council, in conjunction with Limavady Community Forum conducted a Community Business Project, funded through the PEACE II Extension Programme.

As part of this, an evaluation was undertaken to recommend future developments, with the following actions identified as central to creating a healthy social economy sector.

Issue	Action
Support for new Social Enterprise	Establish a localised community voice for ongoing support and advocacy Develop training and awareness programmes to highlight the social economy Create localised best practice clusters to share experiences and information Administer social economy programmes and support with like level organisations
Personnel	Replacement Community Business Manager/Co-ordinator Seek to ensure continuity for local support staff resources Seek that Social Enterprises will retain core staff for ease of continuity
Equipment and Resource requirements	Assessment of needs analysis of social economy businesses within the sector
Diversification	Periodic research to identify and assess range and viability of product and service quality and sustainable market demand
Training and ongoing professional development	Continue to audit the localised needs for training Develop bespoke training for Limavady Community initiatives using Limavady context Seek to identify suitable funding from agencies such as Invest NI / Limavady Council / DETI / Social Economy Networks Ensure access to training through a variety of means Use Best practice examples as means to develop local capacity
Communication	Information sheet / networking / inter-group liaison

Actions

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

Many of the actions are laudable, but again the strategy does not show how Councils could be used as a third party delivery agent. Most Councils will have a community development function, and it is through this that most social economy enterprises will have had their first funding, or development work delivered. To ignore this function of Councils, where most grass-roots work has been done, would be a waste of an obvious resource.

In addition, the skewing of resources in order to back winners, ignores the benefits of more in-depth development work. Council would like to see some form of ideas bank for the social economy, and its entrepreneurs – a one-stop shop, whether virtual or physical. This could also be a “clearing house” for potential community-business delivered tenders or contracts, in addition to the “Trade Directory” mentioned on page 28 of the Strategy.

Many of the actions seem to represent social economy solutions “squeezed into” existing business development activities or schemes. Departments should be aware that this may be a square peg in a round hole. Social enterprises are rarely borne out of pure entrepreneurial ideas, and rely on volunteer help. Again, some awareness of the role of local authorities should be included, especially based on their community networks and development expertise.

Council would also like to see some pressure placed on lending organisations and businesses to recognise the importance of this sector. The strategy notes the Social Enterprises often feel they are not valued as “professional”, because of retrospective funding – however there is work to be done with banks and lenders to ensure they realise the viability and value of such businesses.

This strategy does not discuss the level of available skills in the sector, and concentrates on many of the assistances available from government initiatives. It would be prudent to develop some form of training needs analysis to determine the level of success of previous actions, and those which are proposed in the new strategy.

While this document is concerned primarily with putting in place a strategic framework, it is suggested that activities should focus on best practice visits. These could be conducted both on and off the island of Ireland. For those successes further afield, masterclass sessions could be organised for local potential social economy businesses to learn from the best, or most successful businesses in the field.

Small grants of around £5000 have assisted five social economy businesses in the Limavady Borough area. While policy may be to steer away from this sort of assistance, it should be considered as a part of the overall programme mix.

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? 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?

Council is keen to see a monitoring timetable put in place as soon as possible to ensure that central government is held accountable for its actions. This monitoring should be circulated on a regular basis, and should include tangible feedback from businesses who have been involved in any aspect of the strategy's work, as opposed to mere number-crunching from central government.

In terms of sources of relevant information, further research into the role of local authorities needs to take place, highlighting best practice and methods of local engagement and development.