

Swann, Barbara

From: Anna.McAleavy@co-op.co.uk
Sent: 27 April 2004 12:23
To: Davison, Anne-Marie; Swann, Barbara
Subject: NI Government's Three-Year Strategic Plan 2004-07 & Action Plan 2004-05



Response to
DETI.doc

I attach the Co-operative Forum (N.I.) response to NI Government's
Three-Year Strategic Plan 2004-07 & Action Plan 2004-05.

(See attached file: Response to DETI.doc)

Regards
Anna

~~AKI~~

~~David~~ ^{DI 28/4} Wilkin

As you prepare the
necessary for AM to
respond to Anna
tomorrow please. Thanks

Bob

27/4/04

Developing a Successful Social Economy”

NI Government’s Three-Year Strategic Plan 2004-07 & Action Plan 2004-05

Response from the Co-operative Forum (N.I.)

The Co-operative Forum (N.I.) welcomes the document and supports the recommendations for action.

Co-operatives and social enterprises both aim to develop sustainable businesses and to deliver against social as well as economic goals.

Within Northern Ireland's social economy, the co-operative sector is significant in extent but its development reflects the distinctive political and cultural ethos of the province. There are some worker, community and housing co-ops but very many more community based mutual self-help organisations which, although "kindred spirits", are not formally constituted as co-operatives. The retail consumer movement has about 50,000 members and there is a long established Agricultural Co-operative presence. The Credit Union Movement is strong throughout Ireland and its relative importance within the co-operative sector is a distinctive feature of the pattern in Northern Ireland. However the pressing need is for the branches of co-operation to work together to harness the synergies to be gained through developing their shared co-operative identity.

The Forum focuses on issues associated with: co-operative development; co-operation among co-operatives' and co-operation between co-operatives and social enterprises, and, since the Forum is not in competition with any other agency in the sector, it seeks to create partnerships with organisations working within the sector.

Objective 1

Increase awareness of sector and establish its value to the local economy

The Co-operative Forum (N.I.) welcomes UK wide Mapping and Scoping study as its findings will be critical to being able to assess the scale and value of the sector. This process will enable the sector to maximise impact.

An awareness programme is an important component in the process of developing joint working practices between the sector and Government Departments. The Sector should however maintain control of its own identity during the process.

The Forum believes that a social audit should be included as part of any impact assessment.

Objective 2

Develop the sector and increase its business strength

The Co-operative Forum (N.I.) welcomes the establishment of the Social Economy Network and Forum. While the Co-operative Forum (N.I.) focuses on the support and

Development of co-operatives and mutuals, the Social Economy Network provides an opportunity for participation from within the wider social economy and includes a mechanism to facilitate interaction with Government Departments.

Co-operative Action, which is funded by the Co-operative Group and a number of other retail co-operatives, was launched in 2002 to support the growth and development of new and existing co-operative solutions to community challenges. The Co-operative Group has also provided support for co-operative councils and forums across the UK and Northern Ireland. The Northern Ireland co-op, part of the Co-operative Group, is a member of the Co-operative Forum (N.I.). UCIT, also members of the Forum, provides loan facilities, equity investments and free support and mentoring to community economic development. The Credit Union Movement, which provided a source of finance to people previously excluded from access to loans is represented in the Forum by both the Irish League of Credit Unions and the Ulster Federation of Credit Unions. However There is a clear need for an appropriate and accessible financial framework for social economy enterprises including co-operatives at all stages of development.

One of the aims of the Co-operative Forum (N.I.) is to create awareness that the co-operative model is a viable and often more appropriate business model for new community based enterprises. The Social Economy is a less closely defined sector than the co-operative sector, however the entire sector needs a separate and distinctive legislative and economic model. We welcome the new legislation which will make it easier and less expensive to start up as a social economy enterprise or as a co-operative business.

The Forum would hope that specific support would be targeted towards agri-rural co-operatives and organisations which have to date been severely under-funded despite the large contribution which agriculture makes to Northern Ireland's economy.

The Forum endorses the need for an assessment of business training needs and supports initiatives to address skills deficits across the social economy sector. Existing structures should be used in co-ordinating training and the dissemination of information. Recent research has shown that the enhancement of people's lives through the availability of learning and developing new skills is a significant aspect of the co-operative contribution to addressing disadvantage (TSN research – Co-operative Enterprises and Social Disadvantage in Northern Ireland, Nov 2001).

Objective 3

Create a supportive, enabling environment

The Co-operative Forum endorses this objective as a starting point. The Co-operative Group, UAOS, UCIT, ILCU and UFCU have all participated in the review of the regulatory framework for Credit Unions and Provident Societies. We welcome the consultation on proposals to introduce Community Interest Companies to Northern Ireland and believe that the Forum as well as the Network should be included in the consultation process.

We welcome the review of the legislation to make it more suitable for organisations in the sector and that this should be coupled with an education programme to demystify the legal framework of social economy organisations. Any legislative models developed should be workable and understandable and able to compete with other legal entities.

Anna McAleavy
Secretary
Co-operative Forum (N.I.)
23 April 2004