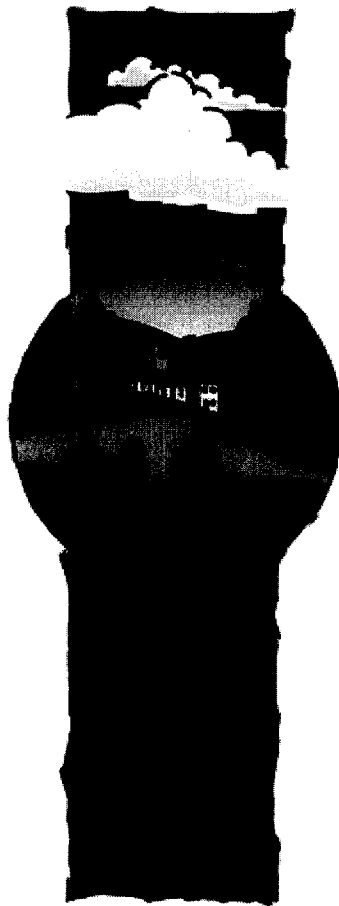


Rural Community Network (NI)

Response to Developing a Successful Social Economy



April 2004

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1.0 Introduction

1.1 Rural Community Network (NI)

Rural Community Network (RCN) is the regional rural voluntary organisation for NI, established by local community groups to articulate the voice of rural communities on issues relating to poverty, disadvantage and community development. Formed in 1991, it is a membership organisation with over 500 members.

RCN recognises the significant difference social economy enterprises can make to the quality of lives of those living in the most disadvantaged rural areas of Northern Ireland, areas which traditionally tend to be less favoured by the private sector. RCN therefore commends DETI for initiating discussions on developing the social economy in Northern Ireland and welcomes the opportunity to respond to this consultation document.

1.2 Background to Response

In developing this summary response RCN has drawn upon feedback from limited consultation conducted with rural social economy practitioners. This response is therefore indicative only of what may be the issues for rural communities across Northern Ireland. Individual reports from each of the four consultation sessions are attached at the back of this report

2.0 Key Issues

2.1 What is and who are social economy enterprises?

There was no dispute amongst those RCN consulted over the description provided in the strategy as to what and who are social economy enterprises. All agreed that social economy enterprises must have a social, community or ethical purpose, operate using a commercial business model and have a not-for-personal-profit status. However all claimed to have experience of rural organisations on the ground finding it difficult to translate this to their particular circumstance.

Some rural organisations are very clear about the fact that they are operating in the social economy, others are clearly doing so but are completely unaware of it, others think they might be or that a bit of what they do might be.

Whilst the words in the strategy are nice there is an obvious need to bed these down with organisations on the ground and more clearly define what does and does not constitute a social economy enterprise in language and in a way which is accessible to all.

2.2 Achievements to date

RCN and those with whom it consulted recognised the significant developments with regard to the structures the Department has put in place. It is important however that the roles responsibilities and linkages these new

structures have / will have / should have with the existing rural community infrastructure be made clear and communicated effectively to ensure complementarity and avoid duplication.

2.3 The balance between 'social' and 'economy'

At a local level the key driver for social enterprise tends not to be financial, it tends rather to be the potential benefits to community. The qualitative social outcomes are to the fore; finance is seen as a means to an end. The strategy places too much emphasis on the financial aspect and as such there is a need to redress this imbalance and re-focus on acknowledging and rewarding social outcomes. There should be an acceptance that not all SE enterprises will ever be sustainable in their own right. E.g. many rural SE enterprises rely heavily on voluntary effort / time and on public support for their success.

2.4 Action plan for 2004 – 2005 – Top Down

Whilst there was broad acceptance of the objectives and associated actions; participants felt they were generally appropriate and specific comments on each are made in the individual consultation reports attached; there was some sense that in developing and presenting this strategy for consultation now the Department had 'put the cart before the horse'. It was suggested that there is a job of work with regard to bedding down the idea and language of the social economy with those on the ground before consulting on draft objectives and actions.

Consultation with SE enterprises in rural areas to-date has not been widespread the strategy has been developed rightly or wrongly from a strong top down perspective. RCN submit that there is a danger of the strategy not delivering on its potential if the Department fails to engage with those on the ground in identifying its relevance to them and their work.

Participants – North Antrim, Houston's Mill, Broughshane, 24th March 2004		
Name	Address	Telephone
Paul Fletcher	North Antrim Community Transport	02829768960
Breige Conway	North Antrim Community Network	02821772100
Valerie Blake	Broughshane & District Community Association Ltd	02825862777
Andrew McAlister	LEADER & Cushendall Development Group	02821772138
Orla Black	Cushendall Development Group	02821771378

General Comments:

- Participants very clear about what the social economy is and isn't. They referred to terms such as: non-profit making; business in the community; communities with an interest in working on projects with economic outputs; social enterprise with value both economic and otherwise to people; and not directly competing with the private sector.
- They were however keen to point out that understanding of the sector was poor generally amongst rural people and even amongst those working in the social economy. Indeed one respondent reported that when inviting people that work in the social economy to participate in this consultation process they dismissed it as being of no relevance to them. Consult / compliment, implement and review, these words kept appearing over and over again.
- Why is this the first opportunity to comment on the social economy strategy (particularly concerned given the nature of their respective employment)? Effectiveness of IDSG in its activities of bedding down the process across Government and beyond questioned. Strong need to re-invest in the consultation process to ensure wider ownership and knowledge of the strategy.
- Broadly happy with the objectives, but there is a clear need for more focused work on each with regard to bedding them down locally and with developing clear prioritised actions. Without such investment in the process they felt implementation would be particularly difficult and the benefits / value added to the sector of the strategy limited.
- Largely a top down process, only limited local involvement in the Strategies development to date. Local knowledge of the Strategy even amongst those actually running or employed by social economy enterprises is virtually non-existent. Much more consultation required.
- Questioned whether there was actually a need for four structures. Some of the key functions set-out could more efficiently be conducted / implemented making use of the existing rural community infrastructure. How will complementarity with

work of Invest NI, Networking bodies, LEADER, INTERREG etc be ensured. –
Co-ordination role?

Objectives:

As objectives participants felt those stated were fine but made the following comments about the associated actions:

Objective One

- As a priority action there is a need to clearly define the social economy sector. Local involvement in this process was viewed as being key to the success of this action. Awareness raising and the promotion of opportunities should be much wider than Government alone.
- The communications strategy needs to be much broader and go beyond Government Departments and Agencies and should include awareness raising in the community and private business sectors.
- The introduction of award categories was not viewed as a priority. Likely that only major enterprises would be interested in this. This approach would suggest the strategy is geared more towards the bigger players in the social economy which almost entirely are urban based.
- Too many bodies, government has not looked at what is already there. What will each of 'these limbs do?' How do they communicate and how can the community and Government communicate with them?
- Support, administration and advice - Are four bodies required to deliver this?
- Broader networking making use of existing networks and drawing on the existing rural community infrastructure is required, including the Rural Support Networks, LEADER groups and INTERREG. Under INTERREG target measures for the social economy have not been picked up.

Objective Two

- Intermediate Labour markets, this is already happening – EQUAL, why does this have to be so specific?
- Why focus on tourism, wide range of possible areas could be considered.
- The opportunities of broadband is something general not specific to social economy, so why the focus?
- Need for financial support for not only for new initiatives but also to help those established to build on and consolidate what already exists. Need to consider extending the current three-year funding arrangement.

Objective Three

- Concern that social economy enterprises become the cheap option for Government, should not be a substitute for statutory provision, anything could be dumped on the sector.
- Review of legislative arrangements in NI welcomed – charities legislation

Participants, Enniskillen, 29th April 2004			
Name	Organisation	Address	Tel No
Frankie Donnelly	Fermanagh Rural Community Network	52 Forthill Street Enniskillen	028 66327006
Glenn Moore	Kesh Development Association	Mantlin Rd, Kesh, Co Fermanagh, BT93 1TU	028 686 32158
Michael O' Brien	FAST Rural Transport	Unit 2 Tullynagarn, Irvinestown	028 686 28484
Anita Flanagan	Rural Lift		
Michael Mavey	Oaks Healthy Living Centre		

General Comments

- All had a fairly clear idea about what the social economy was, but acknowledged that 'grey areas' still exist. 'Some of our activities are in the social economy others are not, does that make us a social economy organisation?'
- Primary motivation for a social economy enterprise is social gain and not profit.
- For half the attendees this was the first time they had heard about the strategies development, the others had heard about the consultation but had until this event not had sight of the consultation document. Concern that there would be many working in the sector that would not be aware of the strategies development.
- Strategy identified as being very much top down from Government. However it is good that it strategy is being developed. There is a 'long-term trail of real success... there is much that could be learned from the bottom up'
- Successful social economy enterprises all rely heavily on voluntary effort.
- Agreed that there was need for work to define statistically what % the social economy contributes to the economy of Northern Ireland. And to give clearer guidance about what is and is not considered in the social economy. 'Is it just everything outside of the private and public sector? – Wider community and voluntary sector?'
- 'Social economy businesses generally but in particular in rural areas tend to pick up those jobs that no-one else wants, that is until they are shown to be profitable, then there are complaints about un-fair competition'. There has been cases where ambulance services (non-emergency) from Belfast and Craigavon have refused to go beyond the Ballygawley roundabout – local taxi firms and local community transport providers have brought clients to meet ambulances at the roundabout.
- Danger here for social economy enterprises simply becoming the cheap option for Government, represents a win – win for Government, cheaper services and contributing to local social goals. Sector could be exploited to do those things no one else wants without adequate support / finance.

- Social economy is fulfilling Government tasks, Government can then pass off / or sidestep difficult / awkward tasks.

Objectives & Actions:

Objective One

- Over arching objective fine there is a definite need for a programme of awareness raising, however not solely with Government and the education careers system. There are wide range of people working in the social economy without knowing that is the sector in which they work. They would certainly not see how this strategy would be of relevance to them.
- Work within the schools to promote the sector is important. Schools do not do this actively.
- Awards if developed should be categorised to ensure scale and nature of business is reflected. Particularly important in the rural context as it is likely that the larger businesses will be in urban areas.
- Very important to recognise that voluntary effort is key to the success of all social economy enterprises – this should be acknowledged and rewarded, getting the balance between 'social' and 'economy' is key.
- Need to acknowledge that much has already been achieved there is much experience amongst those that have been operating in the social economy – need to ensure that this learning is shared.

Objective Two

- Overarching objective fine.
- Important to note that NI has been dependant on EU / Peace Funding. In NI we need to get better at / re-focus on identifying philanthropic and venture capitalist opportunities.
- Important to acknowledge learn from work that has already been undertaken, Proteus, business transfer partnerships.
- Community business programme is coming to an end, there is a need to fill the gap – concept of social enterprise needs to be better grasped.
- Suspicion that focus on tourism reflects perception that it is mainly tourism based social economy enterprises that are most profitable.
- Idea of Intermediate Labour Market Initiatives welcomed.

Objective Three

- Overarching objective fine.
- Need for more detail about what the development Community Interest Companies would entail – competition?

- Government could walk away, need to be clear about Government role / diminished role with regard to funding.

Participants – Ballynahinch, Market House, 26th April 2004		
Name	Address	Tel No
Dermot McNabb (Ballymote Project Ltd)	5 Ballystrew Rd Downpatrick	028 4461 2274
William Hanna (Crossgar Community Centre)	39 Ballynahinch Rd, Crossgar BT30 9HS	028 4483 0987
Nicholas McCrickard (East Down RCN)	Ballymote Centre, 40 Killough Rd, Downpatrick	028 4461 2311
Joyce Cochrane (Ballynahinch Regeneration)		028 9756 1172
Vincent Fullan (Ballynahinch Regeneration)		028 9756 4050
Margaret Cunningham (Castlewellan Regeneration Ltd)	Corncrane Building, Lower Square, Castlewellan	028 4377 2080

General Comments:

- Social economy role wider than that described in strategy. Ballynahinch regeneration has had a key role in building a better business environment generally, including promoting private enterprise. Skills used outside of promoting social enterprises, for good of the whole town, key role in facilitating the private sector to get involved in community.
- Needs to be an acceptance that not all social economy enterprises will be sustainable in their own right. They rely very heavily on voluntary effort / time and on public support.
- Social economy network, with no money - what can it do that East Down Rural Community Network (local Rural Support Network) can't do?

Objectives

All objectives accepted as being important. Participants experienced difficulty though in identifying relevance of strategy to them in their work. Focus rather on sharing success stories and challenges faced and how they were addressed. Little comment on objectives, only a few direct comments on specific actions.

Objective One

- No actions here directly relevant to supporting the work that is currently going on.

Objective Two

- Increased access to and opportunities for funding welcomed. Also support with legal matters welcomed.

Objective Three

- Action 3.4, welcomed by some, others still didn't see relevance to them in their day-to-day work.
- Partnerships good idea, but how can social economy enterprises be assured of a 'fair crack of the whip' when it comes to the distribution of funding. '...At present we (Ballynahinch regeneration) act as an unofficial one-stop-shop for information for the Council, but we get no money for doing this'.

Participants, Rural Support Network Officers, 20th April 2004		
Name	Address	Telephone
Brian O Brien	Strabane & District Community Network	028 816 62588
Breige Conway	North Antrim Community Network	028 21772100
Sandy Wilson	Oakleaf Network	028 79301550
Patrick Kelly	Regeneration of Mourne Area	028 41754141
Mary T Conway	Omagh Forum for Rural Associations	028 822551559
Aiden McCullagh	TADA Rural Network	028 38881157
Lorraine Griffin	COSTA	028 8554981
	East Down Network	028 44612311
Frankie Donnelly	Fermanagh RCN	028 66327006

General Comments

- Confusion about what is and what is not considered to be in the social economy. Need for greater clarity.
- Need to explore where and how work of RSN's and SE Network and sub-regional SE Networks can compliment and not duplicate.

Objectives

Objective One

- Need to fist define clearly what we are talking about. What will we be scoping what are the parameters, must be beyond the scope of this limited consultation.
- Link to and relevance to DSD's and the VCU's work on resourcing the community and voluntary sector (Pathways for Change) should be stronger.
- Need to ensure those on the ground see relevance of strategy to them and their work. Government focus is fine, but linkage to the ground is essential.
- Fear that innovation and creativity could be stifled, because of emphasis on financial aspect. Ned to consider community development processes. Accreditation of quality marks may be more appropriate. Awards based on current perceptions of social economy, what about the acknowledging the value of community development processes.

Objective Two

- Needs to be a clearer focus on social outcomes – local driver for social enterprises is not always financial. Not being strong from a business perspective might be less relevant - the main outcomes an enterprise may be non-financial, i.e. benefits to community, qualitative outcomes may be more important.

- Suspicion that DETI 'want to tick a box', because they now have a statutory responsibility to embrace community development – 'this appears to be DETI's response'. Not actually meeting an identified need - DETI are asking people to join something established rather than having something develop organically from an identified need.
- Emphasis seems to be on money, why tourism?

Objective Three

- Actions against objectives seem sensible. Creating greater clarity around charity law, discrimination policies welcomed. '...clearing up the grey areas'.