

# Cross-Party Group on Social Enterprise

Tuesday 14 December, 18:00-19:15, online meeting

Minute

Present

MSPs

Paul McLennan MSP

Karen Adam MSP

Ariane Burgess MSP

Collette Stevenson MSP

Invited guests

n/a

Non-MSP Group Members

Booked delegates:

Monica Allen, Voluntary Action South Lanarkshire

Paul Bradley, Scottish Council for Voluntary Organisations

Marian Bruce, Highland Boundary Ltd.

Louise Cameron, Scottish Government

Polly Chapman, Impact Hub Inverness

Michael Cook, Circular Communities Scotland

Michael Dale, Coffee + Clay C.I.C.

Mike Douglas, Age Scotland

Neil Fergusson, Kilmadock Development Trust Limited

Tom Flanagan, Socient

Nicola Forbes, Hillcrest Homes

Cameron Forester, West Lothian Social Enterprise Network

Sophy Green, Instant Neighbour

John Halliday, Community Renewal Trust

Pauline Hinchion, Scottish Communities Finance Ltd

David Hood, The Scotcoin Project

Juli Huang, Edinburgh Futures Institute / University of Edinburgh

Leslie Huckfield, Glasgow Caledonian University

Chris Martin, Social Enterprise Scotland

Pam Maxwell, SCDN

Yvonne McBride, partnership for procurement  
Craig McEwen, Inspired Community Enterprise Trust  
Neil McLean, Social Enterprise Academy  
Liz Minns, SEUK  
Tracey Muirhead, School for Social Entrepreneurs Scotland  
Murray Napier, The Scottish Football Supporters Association  
Claire Pattullo, ESE  
David Reid, South Lanarkshire Council  
Jude Reid, Scottish Sports Futures  
Prof. Madam Ibironke Shonekan-  
Odekeye Elshaddai, Global Ltd SC647291  
Mary Sinclair, SENScot  
Susan Smith, SCVO  
Jennifer Thomson, North Lanarkshire Council  
Tracy Thomson, Royal Bank of Scotland  
Duncan Thorp, Social Enterprise Scotland  
Becci Toms, Heriot Watt  
Kate Walshaw, Social Enterprise Scotland  
James Wright, Co-operatives UK  
Mim Wright, The Bridge  
Darah Zahran, Scottish Enterprise

## Apologies

n/a

## Agenda item 1

Introduction to the meeting: Duncan Thorp welcomed attendees to the CPG and posted the weblink to the agenda in the chat and encouraged attendees to post questions and comments throughout the webinar, he then introduced the topic of “Social enterprise and the climate emergency” in the context of COP26 and the wider climate agenda.

## Agenda item 2

Attendees then heard presentations on the topic of “Social enterprise and the climate emergency”. A record of the presentations from the first part of the meeting:

**Duncan Thorp, Social Enterprise Scotland:** I’m going to speak briefly about our #GreenSocEnt campaign. The motivation was the run-up to COP26 but we will continue this campaign and develop it a bit more. It’s quite a straightforward campaign, we have a support and resources page on our website to help social enterprises engage in climate action, we’re also involved with the third sector net zero group and there’s a sector net zero strategy, Yvonne will talk about both of these next. We also published our green festive gift guide recently as part of our Buy Social project and we hosted a webinar showcasing the great work of five green social enterprises as part of the official COP26 fringe programme, demonstrating the diversity of what’s happening in terms of this agenda. We also gathered many case

study blogs of green social enterprises and we'll develop the available resources as part of the wider sector net zero group. There are a lot of social enterprises with climate at the core of their purpose or as part of a wider remit though the research demonstrates that many don't have this as a priority. There's still a lot to do to catalyse action in this area.

**Yvonne McBride, P4P:** I currently provide secretariat support to the sector net zero steering group. I just want to take you back to October 2020 when Sencot convened the group, made up of national intermediaries and stakeholders supporting the wider third sector. Over this time we've chaired the group and provided development support and consulted with intermediaries and social enterprises to develop a strategy with four high level objectives, building on leadership to realise our net zero ambition, embedding a commitment to net zero into policies and strategies, stimulating innovation and investment and setting out targets and milestones into how we might achieve that. Sencot and SCVO jointly undertook the survey, as mentioned, and currently CEIS, a group member, are undertaking a mapping exercise to further inform the group and future actions, a bottom up approach based on research. We were a bit disappointed in the response rate, only 549, but the results do reflect other surveys in the wider business sector. The research found we had a good base to build on with lots happening but organisations were at very different stages on their journey. Some were doing projects based on net zero but were sometimes unsure, not publicising it and not certain where to go for information. Just under 50% said the climate crisis was not important or only slightly to moderately important to them, however, 68% not doing anything wanted to do more, so there was a real appetite to do more and a great awareness. Some of the most disadvantaged people are most affected by climate change and it's important we take the people we work with in our communities with us. There was a need for support for organisations to measure their impact, clear, accessible guidance was wanted, according to the research, to reduce confusion. We hope to hear today some of your examples of activities, showcasing good practice. The next stage for the group is the mapping exercise about existing support, what the gaps are, support needs and barriers. Sencot, Social Enterprise Scotland, Circular Communities Scotland and other partners are on the steering group, so Michael and Duncan can also answer questions. The Scottish Government will fund a new, single intermediary, with a remit for leadership that includes achieving net zero and the group will serve as a sub-group in the Social Enterprise Action Plan process, connecting us to policy development and drive investment. Sencot has also sought to strengthen links with the climate hubs and business community and we will continue to chair it to deliver on the strategy for now. We look forward to taking part in a future CPG to report back on the net zero group.

**Collette Stevenson MSP:** Thanks and great to hear the work done so far. I'm on the Net Zero Committee so it's good to hear all the work that social enterprises are doing to engage. You mentioned about procurement and, as a local Councillor, I used to sit on the board of the Supplier Development Programme (SDP) and perhaps social enterprises should engage with Gillian Cameron of the SDP about tenders and being ready for business, we could maybe invite Gillian here. I'm meeting her in the new year to find out what's happening locally. Getting a joined up approach with Meet the Buyer events etc. Not sure if conversations have already been had or something to consider?

**Yvonne McBride, P4P:** I know Gillian very well and we work closely together and both sat on the procurement supplier group. SDP currently doing work on online training. If there are organisations who can benefit from SDP and also Just Enterprise, the business support contract for the sector, we all signpost to each other. It's certainly always worth hearing about that and reinforcing what support is out there.

**Paul McLennan MSP:** Just to back up what Collette said, I'm also meeting with SDP, and yes to inviting them to attend the CPG. I sit on the Local Government Committee and we're having a debate in January on retrofitting and the estimate from University of Glasgow is there's around £33bn, for a local authority like mine in East Lothian that's equivalent to £750m. There's an opportunity for social enterprise to look at skills and look to get involved with that agenda, it's going to grow a lot in the next 10-15 years but we need to develop suppliers and skills in that area.

**Michael Cook, Circular Communities Scotland:** We support the circular communities sector, everything from reduce, repair and recycling, to plastic waste, environmental education, sharing libraries, repair cafes, community fridges etc. We're a membership body, supporting the sector and representing like I am just now. In terms of a circular economy we need to move away from what we've had since the industrial revolution, which is a linear economy. Nature doesn't waste anything but since we've been using plastics etc. that don't decompose, we've had the problems of waste, pollution and, now we know, climate change. The linear economy is taking things out of the ground then putting them back in the ground. Mining and habitat loss at the beginning then pollution and carbon emissions at the end. A circular economy means keeping high value items in use as long as possible e.g. I fix my computer then when I can't I sell it to someone who can then reuse it, then after that break it down into parts to use and recycle, without taking out new resources. Social enterprise has a unique advantage in tackling climate change and building the circular economy. I've worked at big financial providers and those organisations have a loyalty to their shareholders to maximise shareholder value and profit. It can become the dominant concern but social enterprises take into account wider factors - people, planet, place and pounds. A lot of charities and social enterprises are beginning to look at their environmental impact. We recently published a report on the impact of our members over the last year, landfill diversion, Covid effects and jobs etc. Our membership is growing, 189 members now due to COP26, climate awareness, passion about community responses increasing. E.g. Scottish Men's Sheds Association taking waste and turning it into products and also tackling mental health and loneliness. Another member is Green Hive in Nairn, work with volunteers working on plastic pollution in a marine environment, Shrub Coop in Edinburgh working with students with shops to get them to hand on white goods at end of term to new students and reducing waste but doing a lot more too, Border Bikes working on bike re-use, multiple benefits for health, landfill and reducing car use. Also our own Reuse Consortium, currently trading half a million pounds a year, innovative and linking small social enterprises together nationally, using Scotand Excel to win a contract for welfare clients, tackling domestic abuse and homelessness, back to the "4 Ps" again, initial funding from Zero Waste Scotland. Directly benefits our members with public procurement. We are setting up a Sharing Library and Repair Cafe project, funding by Scottish Government and Zero Waste Scotland over the next 3 years, a gateway to the circular economy by sharing. Average household drill used just 13 minutes in its lifetime. We don't all need to own

one, just need access. Applies to other things, children's toys and bikes, clothes for a night out, we could borrow and share to reduce waste. Similarly repair, if I can get my computer fixed and lengthen its life by 3 years it saves going to landfill. A model to provide lower waste and consumption in future. Aim to grow these libraries by 400% in the next 3 years and a network to deliver it. Embracing a Circular Future is the new report, includes policies for MSPs for the Circular Economy Bill when it comes back for consideration, some ideas to really help with the next draft.

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## Agenda item 3

The questions and discussion part of the meeting then took place:

**Paul McLennan MSP:** We have about half an hour, keen to open up to questions now and to raise any action points and identify opportunities for the sector.

**Lukas Hardt, Wellbeing Economy Alliance:** A question for Michael, a really interesting presentation and project. I'm part of the Glasgow Tool Library, been really useful. One of the issues is that items are difficult to repair, are you engaging with any producers or manufacturers to make things easier to repair and recycle.

**Michael Cook, Circular Communities Scotland:** Yes but our focus is Scotland, so many things are designed outside and sold into bigger markets, the European level at least, e.g. disposable chargers. Scotland could seek to tackle it but Apple will make an i-phone for Europe. It's a global issue with global supply chains for product design. We're a member of the Right to Repair campaign, a European campaign that has had some successes at UK and European levels. We would like a repairability index, just introduced in France. Like a fridge has an energy rating it would have a repairability rating of red, amber, green. 90% of known issues that occur by volume can be resolved with YouTube video or PDF manual etc. Starts with design but also e.g. 10 years after the product is made parts should still be available. Down to policy makers globally, Scotland has a role but UK and Europe levels vital.

**Paul McLennan MSP:** In terms of opportunities for social enterprises to tackle climate change, are they ready to do this? At what level is it best to engage? Local authority level, Scottish Government, MSPs? How do we grow the sector from where it is now? Is there opportunity to create sector jobs around this agenda?

**Yvonne McBride, P4P:** Social enterprise is a very diverse sector, lots of organisations doing fantastic work and far along in this journey. Those who haven't yet done much just simply make a start, take a leap and do what you can do. There's something everyone can do to get us to net zero. The sector is ready and there's an appetite for it in terms of doing more and leading by example. But there needs to be further support and investment in the sector, organisations are at different stages. Organisations likely need to engage at a number of levels. We have a lot of small organisations so they can engage with local intermediaries, local authorities and Community Planning Partnerships as a first step. National intermediaries can help broker that engagement if organisations are struggling, where to go for information and support. Get yourself out there and known, share and collaborate if a small organisation.

**Paul McLennan MSP:** Thank you Yvonne. Michael, where do we build capacity in the sector to deliver the massive changes that are needed? How do we maximise opportunities for the sector from where we are now to take up the challenges that are out there?

**Michael Cook, Circular Communities Scotland:** It's a really critical question. There are a lot of organisations that come together to form a sector. There are a minority of social enterprises that exist just for environmental reasons, in transport, energy or circular economy, to drive behaviour change, encouraging cycling, green energy etc. The other 90% are primarily about people and social causes, homelessness or poverty etc. Increasing realisation that the environment isn't separate to that, climate change impacts lives. It's becoming mainstream, funders are beginning to ask about it. 20 years ago people started asking about diversity or fair work becomes a priority, the environment is being asked about, something being thought about. People don't want to be part of the problem and want net zero for their organisation. Question is how to get your own house in order and measure your carbon footprint. Organisations are changing as society is changing. The climate wants it to be faster. Procurement is a key lever but we need to scale to national level.

**Paul McLennan MSP:** Going back to local authorities, the spending on procurement in East Lothian is £100m a year, in some local authorities it's a lot more, does social enterprise get a fair deal in procurement? Some processes can be very elaborate and can take a long time.

**Claire Pattullo, Edinburgh Social Enterprise:** I'm the third sector and social enterprise rep for the region for City Region Deal. Edinburgh and South East Scotland City Region Deal have recently launched a community benefits portal where communities can make asks of suppliers and suppliers can post offers, including, for example, excess building materials. The portal is being hosted by Capital City Partnership, very new and launched 2 or 3 weeks ago. Part of it is about passing on and not wasting materials and to build a picture of what companies and suppliers have for communities, going beyond community benefit clause requirements. What are communities needing and looking for? Want to look at basic but then more sophisticated needs. Early days but good start.

**David Reid, South Lanarkshire Council:** There's much around construction and supply chains. It's about educating people about the basics of why social enterprise is important and how this can improve the environment, much happening locally here like LEAP and BikeTown. The Hub south west work too. It's not just about procurement, there's a wider question about education about social enterprise model. Opportunities for joint working in mental health and wellbeing too. [Posted in chat: Based on the Just Transition Commission advice on a Green Recovery in 2020 that "Public funding cannot do this alone, and there is a need to steer private money in the direction of government priorities" 6.1, I wondered about the opportunity to do more around promoting the benefits of a link between Social Enterprises and supply chains (for example in Construction) especially around themes like Recycling and Re-use?]

**Collette Stevenson MSP:** As a local Councillor in South Lanarkshire I was part of Scotland Excel and Business Gateway and involved with procurement, expenditure

was about £500m a year, probably one of the biggest spenders in the area. Looking at procurement and how social enterprises engage with Community Wealth Building, I've asked locally and could be asked in other areas, about putting in a supply chain visibility clause in tenders, so you can see who is getting business. Often officers are put on the spot in terms of community benefits, sometimes it's still just a tick box exercise, should be more meaningful and about the local community, though benefits might be going elsewhere. Big companies are good at telling you about benefits but what impact are they actually having locally? There should be visibility for tier 1 contractors to show they are working with social enterprises, don't think there are any commercial barriers to this. Also good for the image of companies to show this.

**Paul McLennan MSP:** Duncan mentioned in the chat about a meeting with CWB team today about how social enterprises can get heard in this agenda.

**David Hood, The Scotcoin Project:** The whole notion of someone showing off their green credentials helps a business and everyone else, shouldn't be commercial issues, good to be visible about this. The world was simpler with linear supply chains in some ways but not only have the circular economy etc. now but we've realised nature doesn't work in a linear way. It's quite complex. The third sector itself is complex with different eco systems and industries. As mentioned, what level do we speak at, local or national? Should be all of the above. We're trying to harness the Scotcoin eco system too around the third sector and involving everyone. Wonder if there is some technology e.g. Colin Campbell and Assist Social Capital mapped out whole third sector using sophisticated software. Something in there about technology in looking at supply chains and manufacture and supply, to take a snapshot to access goods. Trying to work on a kind of Gumtree for Scotcoin just now.

**Claire Pattullo, Edinburgh Social Enterprise:** To Collette's point, accountability important and getting to grips on what is being delivered. Our new portal will help with that but conversations with TSI and local authority have been about accountability, we've challenged things where a community benefit clause hasn't been delivered. Positive dialogue, better understanding and progress made. Suppliers have to log what they've done. We have to narrow gap between the communities and suppliers, communities should know if something has not been delivered. It was the Unlocking Potential toolkit that Assist Social Capital used. We were part of the pilot for it showing the power of networks and the role of social enterprise networks.

**Michael Cook, Circular Communities Scotland:** To David's point, it is very complex but there are three aspects: very complex, simple and profound. The profound bridges the other two. Simple to understand but hard to implement. The profound view is both simple and difficult to do but actually I have my carbon footprint and so does my organisation but whatever responsibility you have is, what are you going to do to tackle and understand it? Circular economy simple, what are you digging up and what is going to landfill. Reduce it. You don't have to understand entire supply chain but what are you buying and reusing? Complexity can lead to despair and inaction. You're both the problem and the solution to climate change. Keep it simple.

*Paul stated that MSPs and the CPG need to take actions forward. Speaking to the Cabinet Secretary Shona Robison but also public finance minister Tom Arthur and*

*Michael Mathison [Cabinet Secretary for Net Zero, Energy and Transport] about the role of the public sector and social enterprise in tackling climate change. We can take this up and report back. Duncan Thorp mentioned the various work strands and the sector net zero group and social enterprise action plan process and how we might build the links better with committees, government and other CPGs etc and share information. Paul also mentioned upcoming local election and opportunities with lots of new Councillors and that we might look at a social enterprise manifesto. Paul made closing comments and gave thanks. Duncan stated that the next meeting will be on Wed 16 Feb at 6.30pm with a theme of public service delivery and social enterprise.*

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