

**2nd meeting of the Cross-Party Group (CPG) on Social Enterprise in The Scottish Parliament**

***Scotland's national policy forum for social enterprise***

**Thursday 25 April 2019, 13:00 - 14:30**

**The Robert Burns Room (Committee Room 1), The Scottish Parliament, Edinburgh, EH99 1SP**

Tom Arthur MSP, Scottish National Party (SNP), Convener  
Rachael Hamilton MSP, Scottish Conservatives and Andy Wightman MSP, Scottish Greens, Joint Vice Conveners

Secretariat provided by Duncan Thorp, Social Enterprise Scotland

***AGM, Scotland's Social Enterprise Strategy and new policy topics***

This 2nd meeting of the CPG (and AGM) will provide you with an opportunity to discuss [The Scottish Government response](#) to the policy issues raised at our first meeting. We'll also hear from Scottish Government officials with an update about [Scotland's Social Enterprise Strategy 2016-2026](#) and related [action plans](#). In addition we want to hear your views about specific policy topics to discuss going forward.

**Agenda**

12:40 Arrival at The Scottish Parliament (please arrive no later than 12:40 in order to get through security and be taken to the relevant room - we can't guarantee entry after the meeting starts).

13:00 Networking, drinks and light lunch provided.

13:15 Introduction by CPG Convener, Tom Arthur MSP.

13:20 AGM business - election of office bearers, financial report and any questions.

13:30 Discussion about the letter received from the Cabinet Secretary responsible for social enterprise, Aileen Campbell MSP. Please read [the letter from The Scottish Government](#) before the meeting.

13:45 Speaker from the Equalities, Human Rights and Third Sector Division, The Scottish Government - update on [Scotland's Social Enterprise Strategy 2016-2026](#) and related [action plans](#).

14:00 Discussion and questions about the strategy and action plans.

14:20 Any other business and any general questions about the CPG. Including topic ideas for the CPG going forward - what should we discuss?

For example: The Scottish National Investment Bank, the future of Third Sector Interfaces, employability, city region deals, islands and rural and remote communities, taxation for social enterprises, social enterprise transport including railways, high street retail, community ownership, regeneration, public service delivery.

14:30 Meeting ends.

If you need further information or have questions please email:  
[duncan.thorp@socialenterprise.scot](mailto:duncan.thorp@socialenterprise.scot)

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*Cross-Party Groups (CPGs) provide an opportunity for members of all political parties, outside organisations and members of the public to meet and discuss a shared interest in a particular cause or subject. The Cross-Party Group (CPG) on Social Enterprise in The Scottish Parliament is Scotland's social enterprise policy forum. You can see details of the group, MSP involvement and the external member list etc. on The Scottish Parliament website [here](#).*

### **Purpose of the group**

- To give Scottish social entrepreneurs a strong, united voice and help them influence policy-making
- To pro-actively raise awareness and understanding of social enterprise among MSPs and the public
- To help drive forward the growth and success of the social enterprise economy in every community
- To increase the role of social enterprises in designing and delivering public services
- To open up private sector business opportunities to social enterprises
- To tell the inspiring stories about the human and environmental impact of social enterprises

### **Background to the Social Enterprise CPG**

Social Enterprise Scotland was the founder of and secretariat to the previous CPG on Social Enterprise that ran in Parliamentary Session 4.

The CPG had a high level of engagement and turnout. It discussed issues of importance to MSPs, our society and economy, including: public service reform, local government and social enterprise, public sector procurement, the Commonwealth Games and more.

Information and minutes of previous CPG at: [parliament.scot/msps/97764.aspx](http://parliament.scot/msps/97764.aspx)

Social Enterprise Scotland has now re-established the CPG due to popular demand within the social enterprise community.

The relaunched CPG has been approved by The Scottish Parliament, with the support of MSPs, information on The Scottish Parliament website: [parliament.scot/msps/social-enterprise.aspx](http://parliament.scot/msps/social-enterprise.aspx)

Tom Arthur MSP of the SNP has been elected as Convener by founder MSPs, with Rachael Hamilton of the Scottish Conservatives and Andy Wightman of the Scottish Greens as Vice Conveners. Dean Lockhart MSP and Alex-Cole Hamilton MSP have also given their support to the CPG as founding members.

The new CPG builds on the success of the previous national policy forum. Open to all, the group will be an opportunity for social entrepreneurs to connect with MSPs and drive forward the development of social enterprise policy.

The format of the meetings are a roundtable discussion, with plenty of time for questions and debate. Future meetings will have guest speakers and specific themes. Meetings are open to anyone with an interest in social enterprise.

SES provides secretariat support and development for the CPG. Questions about any aspect of the CPG to Duncan Thorp: 0131 243 2650 / [duncan.thorp@socialenterprise.scot](mailto:duncan.thorp@socialenterprise.scot)

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## **Report from the meeting**

A full report will be sent to all delegates after the 2nd meeting and published on the SES and The Scottish Parliament websites.

## **Report from the 1st CPG meeting:**

Tom Arthur MSP: Thanks to Ben Macpherson MSP, who helped set up the CPG before his promotion as a Minister. Great to see such a range and depth of social enterprises here today plus many support organisations.

Moohgouon Kamgan, AfricAlba: As a social enterprise we didn't want to rely on grants. We're based in Glasgow due to the higher African population. Rental costs for offices is an issue.

Trishna Singh Sikh, Sanjog/Punjabi Junction: Our social enterprise income has been used for past ten years to fund our charity. Procurement is a key issue. Good brand and reputation but never big enough to compete with bigger players.

Rachael Hamilton MSP: Hard to scale up because of funding? Scaling up to reach public and private sector markets?

Trishna Singh Sikh, Sanjog/Punjabi Junction: Scaling down just now but developing outside catering and other work. Sub-contracting needed, we're not Sodexo. Many small organisations need this.

Tracey Muirhead, School for Social Entrepreneurs Scotland: Fife Council just launched a new initiative around partnership working and procurement.

Graeme Ferguson, Fife Council: Public sector spends about £11bn a year on procurement. If we want to move from grant dependency procurement is key. We're working with procurement colleagues. Local authorities are all facing big challenges. Community Benefit Clauses in contacts have been a focus. Challenge is to build capacity to compete. Getting into big company supply chains. Maybe 'micro contracts' needed. We can help get to these supply chains, we've published a new guide. The P4P [specialist third sector procurement service] can help too.

Celia Hodson, Hey Girls: We looked at public sector contracts and they seemed too big. Then we looked again and decided that we can get support to bid. Our small social enterprise is now winning tenders across Scotland. Glasgow City Council was the first and other local authorities followed.

Trishna Singh Sikh, Sanjog/Punjabi Junction: We work with excluded women, our aim is to help improve their lives and be employment ready. But the process takes time and effort. There is no spare capacity to do more and keep going.

Shalinay Raghavan, Building Futures: The private sector wants us to work for nothing because we're 'not for profit'. Local authorities and government need to hold construction companies to account. They have tight profit margins - but so do we. Recognition needed that we are businesses. 'Not for profit' does not mean free.

Zahra Hedges, CEIS and Social Enterprise Scotland: Social enterprise is often just used as a tick box exercise for the private sector.

Graeme Ferguson, Fife Council: You know the cost of your own services and how much you need to charge. Walk away if they can't pay the price.

Decio Emanuel, Nu-El Consulting Ltd: Social enterprise is the future for Scotland's economy. Social enterprises are enterprises, often social enterprises themselves don't see this.

Josee Scott, Freedom Unlimited Enterprises: Can The Scottish Government have reserved contracts for social enterprises?

Alison Chandler, Aberdeen Council of Voluntary Organisations: There's always been a cluttered landscape for social enterprise support, not changed in 13 years. Often this support doesn't reach Aberdeen. Some social enterprises just get on with it without support and are not connected to sector support networks.

Audience member: What about the role of Business Improvement Districts (BIDs)?

Tom Arthur MSP: The local BID in my constituency has come together to help regenerate the local community.

Dean Lockhart MSP: BID partly funded by the local authority and outside the procurement rules, not bound by them. What gaps are there in terms of support?

Susan Harkins, Business Gateway Edinburgh: We made the strategic decision to have a specialist adviser but this is not consistent across all of Scotland. Confusion in local authorities about definition e.g. we are not talking about 'not for profit'. We work closely with clients to explore all models. We work with Firstport [specialist social enterprise start up agency]. Lots of women are leading social enterprises and it fits in with The Scottish Government inclusive economy agenda. The catering supplier question is common but difficult to find enough suppliers, even for the recent Social Enterprise World Forum in Edinburgh. Business support is not consistent.

Barry Ayre, FreshSight: I've heard the procurement story for the past 18 years. What Fife Council is doing is brilliant. According to the Social Enterprise Census 2017 57% of social enterprises have a turnover of less than £100,000. We should be sector-led, not a Scottish Government responsibility. Perhaps we need 6 strategic partnerships for social enterprise across Scotland.

Gordon Hodgson, Edinburgh Social Enterprise: We aimed for 100% catering supply chain for the World Forum. They do exist but capacity and resilience an issue. One supplier pulled out a week before the event and we had to source an alternative. Currently discussing big contract with a consortium. Great work done by P4P, would be good to continue this at a local level. We want to do more but support needs to be localised. We've been talking about this issue for a while in the sector.

Zahra Hedges, CEIS and Social Enterprise Scotland: A review of national social enterprise intermediary/support bodies will be taking place. The Just Enterprise [specialist social enterprise business support service] does work well. There is an imbalance in support depending on where you live. We encourage private sector engagement and we have guidelines for engagement, public sector is slower. Find a different door.

Celia Hodson, Hey Girls: In terms of the cluttered landscape support is far better in Scotland than England. We approached all agencies and accessed support, we're grateful for their support. We have 11 public contracts but also 4 private contracts. We do need a tube map style guide of support.

Moohgouon Kamgan, AfricAlba: We have an issue with empty buildings in Glasgow not being used. Often told to call City Property. Glasgow has a lot of empty buildings but they're closed to use, could be used by social enterprises. Community Empowerment Act must play a role.

Alan Miller, Triodos Bank: The community Right to Buy is a real opportunity.

Catherine Eadie, MHScot Workplace Wellbeing CIC: We had a great meeting with P4P. Procurement and getting ready to bid is an issue due to capacity and getting on with the day job, it's time consuming.

Graeme Ferguson, Fife Council: Business Gateway and Just Enterprise are sources of free support.

Celia Hodson, Hey Girls: We had five days of Just Enterprise support, very good.

Tom Arthur MSP: What other issues are there apart from procurement? Capacity building, internationalisation, what else?

Lindsey Sibbald, Business Gateway Edinburgh: There's a difference between community enterprise and social enterprise. Some are community based and not wanting to expand beyond their local area. Get the business basics right. Stop using 'not for profit' and similar language.

Shalinay Raghavan, Building Futures: We're limited in Scotland in terms of business models that can move businesses towards better sustainability. How can we lever in investment to scale up? A blended model of grant/investment needed. Appetite for risk needed.

Tracey Muirhead, School for Social Entrepreneurs Scotland: We have a blended model called Match Trading to increase trading activity. We pay a grant but only on condition of increased trading activity. A 93% increase in trading activity by those in the scheme. It's sponsored by Bank of Scotland.

Lindsey Sibbald, Business Gateway Edinburgh: Must ensure business basics e.g. does anyone want to buy your product? Increased interest in social enterprise is good but still a misunderstanding of what it means.

Trishna Singh Sikh, Sanjog/Punjabi Junction: Ten years ago we were encouraged to adopt the social enterprise model without any experience in it. The business aspect an increasing focus in past two or three years. Business is a learning curve. There was a big social enterprise euphoria ten years ago but it's not easy to do. Huge challenges and barriers. Resilience needed.

Zahra Hedges, CEIS and Social Enterprise Scotland: Some start as charities, some start as businesses. B Corporations and other business models now emerging. Experience on a charity board is not necessarily transferable to a social enterprise board.

Dean Lockhart MSP: No legal definition, definition is an issue. The Voluntary Code for Social Enterprise in Scotland is there but needs work around this. What model works best? What can policy makers do?

Gordon Hodgson, Edinburgh Social Enterprise: Not one single best model, the model should flow from the business. All are good. We are getting more fraudulent enquiries, many dodgy models out there. Real issues coming up as model becomes more popular. Being used to simply win contracts. Sencot Legal are seeing the same issue. More also claiming to be social enterprises on social media.

Graham Branscombe, East Dunbartonshire Voluntary Action: Could we have social enterprise accreditation? Could Third Sector Interfaces (TSIs) lead on this?

Decio Emanuel, Nu-El Consulting Ltd: A legal model definition is needed. Different business models exist e.g. there are different types of Community Interest Company (CICs).

Alison Chandler, Aberdeen Council of Voluntary Organisations: We need awareness raising about social enterprise. Definitions of social enterprise often unhelpful, many

organisations that we identify as social enterprises would choose to exclude themselves from that definition.

Josee Scott, Freedom Unlimited Enterprises: Social entrepreneurs have courage and commitment. How can the support system work better? We are all visionaries and have dreams. There's power in a united voice.

END

Further points emailed in by Trishna Singh, Sikh Sanjog/Punjabi Junction after the meeting: Any more potential tax breaks? VAT exemption? A subsidised employment scheme for people to work specifically with social enterprises? Grants specifically for social enterprises?

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