

Proposed Cross-Party Group (CPG) on Social Enterprise in The Scottish Parliament

**Tuesday 27 March 2018, 13:30
Committee Room 2, The Scottish Parliament**

Agenda

13:30 Introductions

13:35 Background to the previous Social Enterprise CPG and any questions

13:40 Proposed purpose of the Social Enterprise CPG

13:45 Election of office bearers

13:55 Further discussion and questions about the CPG and about social enterprise in Scotland

14:15 Next steps - administration and registration form to be completed by Social Enterprise Scotland

Report from the meeting

MSPs were provided with the agenda and background information about the CPG and social enterprise before the meeting (see below).

Attendees: Ben Macpherson MSP, Dean Lockhart MSP, Rachael Hamilton MSP, Andy Wightman MSP and Duncan Thorp, Social Enterprise Scotland. Duncan Thorp met with Alex Cole-Hamilton MSP separately as he could not attend this meeting.

Attendees introduced themselves and Duncan Thorp gave a presentation on the background and history of the CPG.

Attendees discussed the proposed purpose of the CPG and agreed to make changes, see below.

MSPs were happy with the proposed founding members of the CPG.

Ben Macpherson MSP was elected as CPG Convener, with Andy Wightman MSP and Rachael Hamilton MSP elected as joint Vice-Conveners.

A further brief discussion and questions followed.

Duncan Thorp stated that Social Enterprise Scotland would take forward the administration of the CPG as the designated secretariat.

End

Background to the CPG

Social Enterprise Scotland was the founder of and secretariat to the previous CPG on Social Enterprise that ran in 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. The relaunch of the CPG has strong support in the social enterprise community. Information and minutes of previous CPG at:

www.parliament.scot/msps/97764.aspx

Proposed purpose of the CPG

- To raise awareness and understanding of social enterprise among MSPs and the public
- To contribute towards the growth, influence and success of Scottish social enterprises
- To demonstrate the positive economic and social impact of social enterprises in Scotland
- To promote the role of social enterprises in designing and delivering public services
- To help open private sector business opportunities to social enterprises

Revised purpose after discussion

- 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

Proposed founding members

The Wise Group (employability etc. One of Scotland's biggest social enterprises)

Link Group Ltd (social housing, one of Scotland's biggest social enterprises)

Impact Hub Inverness (previously known as HISEZ, business support for the H&I region)

The Social Enterprise Academy (training and development for social entrepreneurs, works in schools and further/higher education)

Firstport (agency for social enterprise start ups)

Senscot (manage local and thematic SENs - Social Enterprise Networks)

Social Firms Scotland (support for Social Firms i.e. social enterprises that support people with employment support needs, disabilities etc.)

Grassmarket Community Project (homelessness social enterprise, Social Enterprise of the Year 2017)

Kibble (education and care for excluded young people, big, well established social enterprise)

New Start Highland (social enterprise working in poverty, homelessness and employment in the Highlands)

CEIS (business support, employability and event management)

Community Enterprise (business and community development)

Homes For Good (well-known Glasgow social enterprise)

School for Social Entrepreneurs Scotland (training and support for social entrepreneurs)

Scottish Borders Social Enterprise Chamber (local support and networking on the Borders)

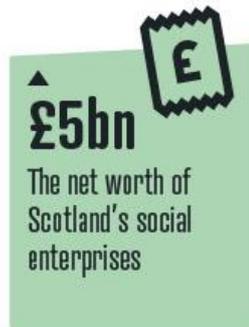
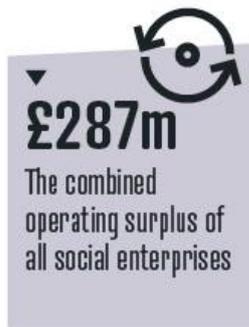
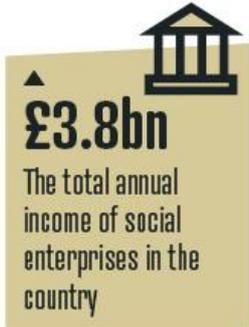
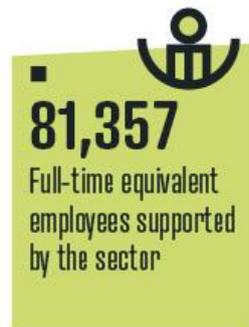
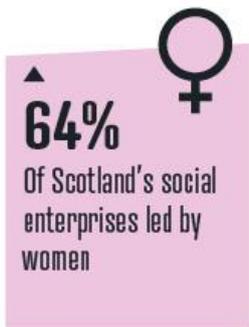
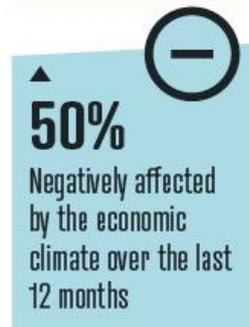
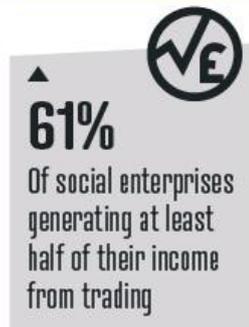
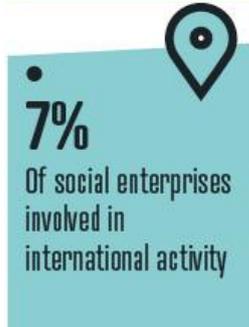
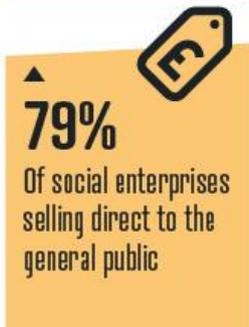
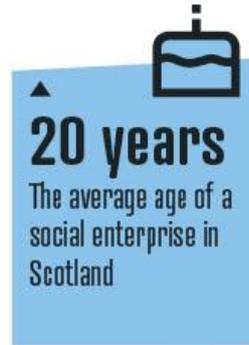
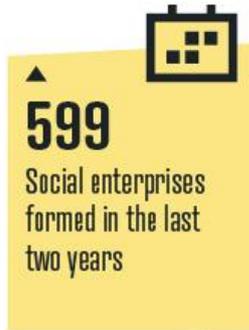
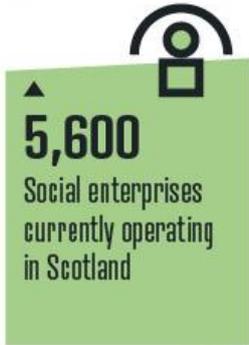
Social Investment Scotland (key social investor in Scotland)

InspirAlba (business and community support in Argyll and Bute)

Key statistics

Social Enterprise in Scotland The Headlines

CENSUS 2017



Comparison with 2015 Social Enterprise Census:
 ▲ Increase since 2015 ● No change since 2015 ▼ Decrease since 2015 ■ No comparison possible

What is social enterprise? The Scottish definition

Social enterprises are innovative, independent businesses that exist to deliver a specific social and/or environmental mission. All their profits go towards their mission. Social enterprise is a dynamic, ethical and more sustainable way of doing business.

Social enterprises trade in many markets - selling goods and services to individual consumers, local authorities, government and private businesses. Social enterprises aim to make a profit just like any private sector business. However, 100% of their profits or surpluses are reinvested back into their social and/or environmental purpose. Social enterprises in Scotland have an "asset lock" on all their buildings, land and other assets i.e. only the community and society can profit from their work. Social enterprises must be sustainable in order to meet their social and/or environmental mission.

The term "social enterprise" shouldn't be confused with private businesses that simply operate in an ethical way, charities that don't do business (or trade very little) or public sector arms-length companies (ALEOs), though some of these may be on a journey as "emerging" social enterprises. See the Voluntary Code of Practice for Social Enterprise in Scotland contains the full criteria.

There is no legal definition. Definitions vary across the world and even within the UK. We believe in being inclusive and appreciating the value of other types of organisation - while being very clear about what we mean by "social enterprise". A robust debate about definitions, within a constantly evolving business landscape, is something we welcome.

What examples are there?

Diverse examples you may have heard of include: The Big Issue, Social Bite, The Wise Group, Divine Chocolate, Cornerstone, Kibble Education and Care Centre, media co-op, Glasgow Housing Association, Isle of Eigg Heritage Trust, Link Group Ltd, the Eden Project in Cornwall, Capital Credit Union, The Grameen Foundation, Mondragon Corporation in the Basque Country and the Homeless World Cup.

Where can I see social enterprise in action?

There's probably a social enterprise running a shop, art gallery, sports centre or cafe in your local area - take a look at the Directory of Social Enterprise or contact SES. Elected members, the media, public officials, private businesses and others can also contact us to arrange visits. Watch Social Enterprise Scotland TV on Vimeo.

What types of social enterprise exist?

Social enterprise is a diverse community and the more-than-profit approach is used by a huge range of organisations, of every size, operating in every corner of Scotland and in most sectors of the economy. A social enterprise is often simply a standard Company

Limited by Guarantee with an appropriate "asset lock" and social mission. It could also be a registered charity (of which there are over 23,000 in Scotland) or a Scottish Charitable Incorporated Organisation (SCIO). Below are some of the common types (both descriptive and legal model) and a social enterprise is often one or more of these. Together they make up Scotland's social enterprise movement.

Co-operatives and Mutuals Co-operatives and Mutuals are democratically-owned businesses which give employees, customers or members a direct stake in the business. There are now around 600 co-ops in Scotland, with a turnover of more than £4bn a year and employing 28,600 people. Legal models are known as co-operative societies or community benefit societies. Co-operatives UK.

Social Firms Social Firms are commercial businesses that provide real, integrated employment for people with disabilities or other disadvantages in the work place. They may be registered charities, a CIC or other model. There are currently around 80 members of Social Firms Scotland.

Community Interest Companies CICs are limited companies created for the use of people who want to conduct a business or other activity for community benefit. They are required to report on activity to the UK CIC Regulator. Community Interest Companies Association and the CIC Regulator.

Development Trusts Development Trusts are community run organisations that are concerned with the economic, social, environmental and cultural needs of their community. They are owned and managed by the local community and aim to generate income through trading activity that enables them to deliver services. They might be a CIC or charity or other model. There are currently over 200 members of Development Trusts Association Scotland.

Credit Unions Credit Unions are a type of co-operative that provide financial services to members. Many operate in areas of social and financial exclusion, though more employers are now offering credit union membership and they're being accessed by ethical consumers. The largest offer a competitive range of mainstream financial products. There are over 100 credit unions in Scotland with over 280,000 members and assets of over £300m. Association of British Credit Unions Ltd (ABCUL Scotland) and the Scottish League of Credit Unions.

Housing Associations (aka Registered Social Landlords or RSLs) Housing Associations and housing co-operatives are voluntarily-managed companies providing affordable housing for both rent and sale. They give priority to those in greatest need and reinvest any surplus income in maintaining or adding to their housing stock. Many Housing Associations also support other forms of social enterprise through 'Wider Role' community regeneration/tenant support activity. There are around 160 Housing Associations and co-operatives in Scotland providing more than 277,000 homes and over 5,000 places in supported accommodation. Scottish Federation of Housing Associations.

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