

10th meeting of Scotland's Cross-Party Group on Social Enterprise in The Scottish Parliament

Scotland's policy forum for social enterprise

**Tuesday 28 April 2015, 13:00 - 14:30
Committee Room 1, The Scottish Parliament**

Chic Brodie MSP, Scottish National Party, Convener
Anne McTaggart MSP, Scottish Labour, Vice Convener

Secretariat support for the CPG provided by Social Enterprise Scotland

The Role of Local Government in Developing and Supporting Social Enterprise and AGM

We'll have a short amount of time for AGM business, then hear from a number of speakers about their views and practical experiences, including some good practice case studies of partnership working at a local level.

The role of local government, the relationship with local SENs (Social Enterprise Networks), interaction with the Third Sector Interface, Business Gateway etc. are all hot topics for social enterprises.

We'll debate challenges, opportunities and solutions, so please share your practical suggestions for positive change.

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 Purpose of the group, MSP involvement and the external member list etc. on The Scottish Parliament website [here](#).

Agenda

12:45 Arrival at The Scottish Parliament (please arrive at 12:45pm at the latest to get through security and to be taken to the relevant room).

13:00 Networking, drinks and light lunch.

13:15 Introduction by CPG Convener, Chic Brodie MSP.

13:20 AGM business: Results of vote by group members on office bearers, finances of the group and any questions.

13:25 Speakers (10 mins each), followed by discussion: Jim Galloway, Scottish Local Authorities Economic Development Group (SLAED), Derek Marshall, Dundee Social Enterprise Network (DSEN) and Director of The Factory Skatepark and Yvonne McBride, Lead for Social Economy, North Lanarkshire Council.

14:30 Discussion on potential topics for future meetings and any further questions about the CPG.

14:40 Meeting ends.

If you need a contact or information after the event please email: duncan.thorp@socialenterprisescotland.org.uk.

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Report from the 10th meeting of Scotland's Cross-Party Group on Social Enterprise in The Scottish Parliament

The Role of Local Government in Developing and Supporting Social Enterprise and AGM
AGM Business, Duncan Thorp, Social Enterprise Scotland: Social Enterprise Scotland remains as secretariat for the CPG. After an electronic vote by group members, Chic Brodie MSP was re-elected as Convener of the CPG and Anne McTaggart MSP as Vice Convener. The annual return form will be completed and sent to the Standards Committee. The only finances for the group are for the cost of catering and this is paid for by Social Enterprise

Scotland. If anyone wants any more details or clarity on any of these issues then this information is freely available to you so please get in contact.

Chic Brodie MSP: Social enterprise is an exciting and inspiring sector. We are seeing many developments at a local level such as a co-ordinator for social enterprise in South Ayrshire. This is a Cross-Party Group, it's your group and we want your views.

Jim Galloway, SLAED (Scottish Local Authorities Economic Development Group): Delighted to be representing local economic development officers. Social enterprise is important in providing jobs and services across Scotland. There are many examples. We have a strategic overview of support available. In Edinburgh we support Edinburgh Social Enterprise Network (ESEN) who we produced a directory of social enterprises and research in terms of turnover, jobs etc. Important part of the economy. Time to mainstream social enterprise now. 30 years ago social enterprise was very different, grant reliant etc. Now more sustainable, which is essential. New, ethical businesses on the scene like Social Bite. Example of a Borders cafe that worked with the local authority to buy a disused building, community ownership important. The Fife action plan has practical and strategic solutions and part of the overall strategy plus a specialist within the local Business Gateway. Edinburgh BG has a specialist adviser too. In Aberdeenshire an old day care centre transformed into a 4 star visitor centre. Good examples of partnership mean solutions for the local economy and solving social issues. The Edinburgh Buy the Good Stuff campaign - we all need to buy the good stuff of goods and services.

Chic Brodie MSP: Social enterprise growth has been substantial. Now more mainstream. Procurement Act now in place and community benefit clauses. The Economy Committee in parliament has held an inquiry into international trading, we should capitalise on this.

Derek Marshall, Factory Skatepark: 18 years ago when Factory Skatepark started there was no support or network. Dundee Social Enterprise Network (DSEN) was the second SEN to start. It continues to grow and expand. Joint turnover of £17M a year with 80% through trading. DSEN now has 4 staff members, 5 soon. Good work with the local authority now but 3 or 4 years ago not the case. Doors have opened, we're at the table. Our local strategy is significant, we've adopted The Code (the SE voluntary code of practice). We're supported by an officer in the council, an ally. Launch of local directory and mapping exercise. Good approach to change and strong support from council leadership. There is a heavy meeting burden and no direct funding for the strategy. We have a role in council policy formulation e.g. asset transfer. We'll keep going, we're getting there, big challenge in changing things. Social enterprise must be in all policies and strategies, with a seat at the table. We have links in to the property department, procurement, transport, economic development. Welfare fund significant. Meet the Buyer events. Two PSPs (Public-Social Partnerships) in Dundee. When budgets are cut we come with solutions. Breaking in to procurement and self-directed support. Opening up markets. Not looking for special treatment but a level playing field and fair treatment.

Yvonne McBride, North Lanarkshire Council: We have many good examples of partnership working. The Community Planning Partnership and the Social Enterprise Framework. This was a joint vision - a lot of consultation. About how we do business with the sector and

building capacity. Original work was part of a European initiative. We still have this and it's about bringing social enterprise into mainstream business support. We also have a business awards with specific awards for social enterprise. People view the awards as prestigious. We have created a level playing field. Asset transfer - working with three pilot studies just now. We've worked with Ready for Business. Community transport - we've had workshop sessions to identify opportunities. Pilot projects in employability. These are innovative projects. Bike recycling social enterprises and access to waste bikes. We encourage consortium building e.g. North Lanarkshire and Stirling. We like to think we're ahead of the game. Social enterprise is included in policy. We're delivering on community benefits, with both social and economic returns. We recognise social enterprise as a growth sector. £36M spent with the sector - with plans for more. We've invested in income generation and asset transfer and worked with sector organisations. Having a vision was a good starting point. Third sector partners are always round the table. Over all the picture is positive.

James Dunbar, New Start Highland: What specific local authority changes to procurement would make a difference? What weighting is there on Community Benefit Clauses?

Derek Marshall, Factory Skatepark: Scale and size of contracts. Plus effective support through the process.

Fraser Kelly, Social Enterprise Scotland: Are contracts going to become smaller?

Jim Galloway, SLAED: Local authorities are looking for efficiency and savings, so the trend is towards a bigger scale. Is this good for the wider economy? But social enterprises should be at the table to influence. We are looking at wider community benefits, this should be part of the policy and practice of local authorities.

Yvonne McBride, North Lanarkshire Council: Every £1M of spend is open to Community Benefit Clauses. We have to justify *why not* using CBCs. No penalties as yet for any contractor. We ask for community benefits in detail and this is monitored. Some weighting in favour of CBCs is significantly higher and we want to go further.

Bosco Santimano, You Can Cook: Scottish Borders Council tenders out services, including to social enterprises. *But* now setting up their own arms-length "social enterprises". They are becoming rivals. How do I deal with that?

Jim Galloway, SLAED: We're changing services and opening up to social enterprises. Local authorities still have a policy of no compulsory redundancies. Sometimes these "hybrid" solutions to delivery of services are right.

Derek Marshall, Factory Skatepark: All councils are in a similar position with regards to ALEOs (Council arms-length companies). Our local strategy has the social enterprise Code as a basis for what a social enterprise is. *But* we must accept change - there are different models and a changing landscape.

Yvonne McBride, North Lanarkshire Council: We don't have everything in an ALEO structure but we do need to do things differently. No plans to extend ALEOs at this time.

Fraser Kelly, Social Enterprise Scotland: Self-directed support and integration of health and social care issue. Do we bypass public bodies to make this happen?

James Dunbar, New Start Highland: How can Councils be supported to buy more from social enterprises?

Jim Galloway, SLAED: It's *one* of the ways to develop social enterprise. Social Enterprise Scotland works with SELAG (Social Enterprise Local Authority Group) and has engaged with SLAED too. We've had "meet the buyer" events with social enterprises. We'll continue to work with Social Enterprise Scotland and other sector organisations.

Yvonne McBride, North Lanarkshire Council: Local authorities should use their buying power, we can help.

Robert Jacobs, Ayrshire Community Media CIC: What specific training is there for economic development officers on social enterprise? What about awareness-raising?

Jim Galloway, SLAED: A good suggestion. Will speak to Social Enterprise Scotland and also take this back to SLAED for discussion.

Anna Marie Campbell, Ayrshire Community Media CIC: Social enterprises can also be in direct competition to support agencies. Competing with pots of funding an issue, conflicts of interest. Most Community Planning Partnership (CPP) funding, for example, goes to those around the table - the big organisations not the small charities and social enterprises. The flaw in the system is people voting to fund themselves.

Derek Marshall, Factory Skatepark: There is some competition. Some local SEN (Social Enterprise Network) members go for the same contracts - but it's just open competition and a market. Some of *us* take funding.

Anna Marie Campbell, Ayrshire Community Media CIC: Advice agencies must not be in competition, it's not healthy. We need an independent service not idea theft - guarding business plans and afraid to seek support as a result. But yes those social enterprises bidding for the same contracts in open competition is not an issue.

Yvonne McBride, North Lanarkshire Council: CPP arrangements vary across Scotland. There should be funding there but we need to be careful what it's spent on.

Fraser Kelly, Social Enterprise Scotland: Is it about money or value? Why is it different across Scotland?

Jim Galloway, SLAED: Each local area has its own priorities, it's about local decision making. Organisations like SLAED can share best practice etc. Local decision making and difference should be celebrated. And organisations don't want to be 100% government funded.

Emma Galloway, Edinburgh Social Enterprise Network (ESEN): The Edinburgh *Buy the Good Stuff* campaign is different. Not about procurement but about consumers - the biggest market in Edinburgh. It's about thinking outside of the box e.g. helping big employers to help their staff buy social enterprise goods and services.

Rebecca McKinney, Social Enterprise Alliance Midlothian: The Community Empowerment Bill - no funding going into community capacity building. More affluent communities are going to benefit from the Bill, there's no consistency across Scotland.

Yvonne McBride, North Lanarkshire Council: We have worked on asset transfer. We had a citizen's panel and consultation before we started. We continue to utilise the TSI (Third Sector Interface) and the Business Gateway. Grants to help the process too. We'll need to see the final Community Empowerment Bill to see what it says. Business Gateway is there for support too.

Derek Marshall, Factory Skatepark: When we started there was no support. Asset transfer in Dundee is not about the Council making money - free and low cost and "how do we get this to the community" way of thinking. We represent social enterprises, we don't want to transfer liabilities to them.

Fiona Pearson, West Lothian Social Enterprise Network: We represent social enterprises and not the whole third sector. This varies across Scotland in terms of TSI and SEN funding. A review is needed.

Jim Galloway, SLAED: Health and social care big challenges for NHS and local authorities. Both are usually the biggest employers in the area, both organisations are not used to rapid change. They recognise social enterprises and their role. It takes time.

Yvonne McBride, North Lanarkshire Council: Agreed. Progress made in North Lanarkshire. Key role for the TSI. We need to see what else can be done with social enterprises. We have an open door and a good foundation. Takes time.

Derek Marshall, Factory Skatepark: Legislation is there. We need to make sure that all social enterprises are business ready.

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