

**SE Action Plan Reference Sub-Group Meeting  
Station Hotel, Perth  
Thursday 6<sup>th</sup> December 2018**

The SE Reference Sub-Group met in Perth on 6<sup>th</sup> December 2018. The agenda included a SWOT analysis on the three SE Action Plan priorities. **Headline observations are covered below – with fuller comments etc further down.**

**Priority 1:**

### **Stimulating Social Enterprise**

- SE World Forum – a great boost for Scottish SE internationally – but best place to ‘raise awareness’ is locally via SENs – where they exist – or TSIs. Buy Social is only for the few.
- National Intermediaries and Support Organisations must make a greater effort to engage at a local level – particularly beyond the central belt.
- Action Plan committed to ‘strengthen and extend SENs’ – it is not happening.
- Inconsistent approach by TSIs to supporting SENs – some very good – some not very interested.
- Need to strengthen relationship between TSIs and SENs. – Showcase areas where things are working well.
- Concern that SE could be diluted by Govt interest/support for mission-led orgs. Any support should not come via Govt TSD.
- How strategic is the strategy? Has it evolved into a box-ticking exercise. What is the vision? Is it about growth, scale, showcasing Scotland as world leader...or genuine change? We need to debate this.
- Can it not be bolder – do something new? – i.e recommendation from earlier Sub-Group - hold back 10% of annual SE Action Plan (circa £800k) for new initiatives – agreed upon by panel including Govt and sector.
- Ensure Strategy and Action Plan are better integrated with other SG programmes - namely Empowering Communities Fund, Rural Development Fund (Leader etc).

**Priority 2:**

### **Developing Stronger Organisations**

- There is a resilient sector out there – it needs encouraged and supported.
- There is concern that the Action Plan is being done to frontline SEs – not done with them.
- There is a lack of transparency about application process – who gets funded – who decides etc – it appears very top-down. Too many of those ‘at the table’ have vested interests. Services being delivered are often tailored to meet ‘deliverers’ need – as oppose to needs of recipients/beneficiaries.
- Internationalisation is all very well – but not at expense of funding/resources to frontline organisations.
- More independent training/learning on social investment.
- Review of SE Intermediaries is a priority – to clarify respective roles – and provide leadership role required.

**Priority 3:**

### **Realising Market opportunity**

- Need to capitalise on political support
- A lot of work still to be done in terms of procurement – to help smaller organisations access smaller contracts. Still a gap between Govt rhetoric and reality – nationally and locally.
- Same applies with sub-contracting opportunities – especially in Health/Social Care

Specific comments - those in bold being cited repeatedly.

Priority 1:

## Stimulating Social Enterprise

### Strengths

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- Social Enterprise World Forum
- Many TSIs are supportive of SE
- **Local SENs and TSIs in best place to raise awareness as they are local**
- **Acceptance of SE Code as benchmark in Scotland**

### Weaknesses

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- **Support (financial) must get down to grassroots**
- Enterprise programmes overlap with existing within schools from local LAs
- National entrepreneurs' programmes not local enough and not matured to local opportunities
- **Not all TSIs are fully supportive of SE**
- **Not asking SEs what the need – just offering what is available, even if it doesn't fit**
- No collaboration between all organisation as to who is doing what, with who and when
- TSI in-fighting stifles innovation & blocks progress
- A lot of SE don't know that they are SEs
- **Internationalisation focus is at the expense of front line SE. Funding for International activity should come out of 'Global Scotland' budget.**
- Only really one place to go for start-up funding (Firstport)
- **Reluctance of intermediaries to leave central belt. New SEs have no budget to travel to Edinburgh etc or time.**
- **Not all TSI have the same approach to supporting start up or development**
- **SEs can't navigate complex landscape. Failure to get development support they need.**

### Opportunities

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- SENs can join up new SEs with existing to provide peer support
- New TSI framework emphasis on social enterprise support locally
- **Fund local SENs to develop local social enterprises**
- **Provide national marketing – to raise awareness of SE, TSIs and SENs**
- **Local SENs best places to raise awareness in local areas but need to be funded to do so – greater engagement with Local Authorities**
- Spend more time, money and energy talking about what SE is and its economic impact
- **Highlight & publicise where SEN + TSIs work well in partnership (develop models)**
- **Ensure Strategy and Action Plan are better integrated with other SG programmes - namely Empowering Communities Fund, Rural Development Fund (Leader etc).**

### Threats

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- SEs fail because they don't get the support needed at each stage
- The 'census' is not the perfect measure of progress – still too early to measure difference over time. Trends
- **Ensure there is no move away from using the Code to say what an SE is.**
- **Lack of national marketing and promotion**
- **Dilution of what we mean by social enterprise**
- **Relationships between SENs & TSIs need strengthened.**

## Priority 2:

# Developing Stronger Organisations

## Strengths

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- **Resilient sector and members**
- Good models already exist in the SENs. Need to capitalise on these and better argue the case
- There is a lot of support out there – need to make sure it gets to right places
- Good ‘vision statement’

## Weaknesses

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- Not enough time allowed to respond to delivering/funding opportunities.
- **Lack of capacity with Govt TSD**
- Business support is not locally aware – of operating environment & local competition
- **Lack of resources for SENs to operate effectively.**
- **TSD Funds being used for international initiatives**
- Struggling to get small loans - too much paperwork relative to the sum of money
- Not enough opportunities for start-ups to access seedcorn funding
- **Genuine feeling that the S.E Action Plan is just about box ticking and not about really wanting to help at grassroots.**
- **Opportunities, resources + funding should be same in each area. All advisors should have training + all be same.**
- **Govt to be transparent with who money goes to + what spent on. Provide evidence.**
- **Top down design and delivery**
- Lack of resources to deliver the vision
- **Too many vested interests making case for their own funding, rather than making sure funding gets down to SEs**
- Not enough understanding of cultural issues and barriers
- Too many organisations abbreviates/acronyms. A confused and cluttered landscape for SEs
- **Need to improve our ‘leadership’ of and for the SE sector in Scotland.**
- **Being told what we need to develop - not asked**
- Costs too much to leave central belt. So some intermediaries won’t go to more rural areas.
- **Top-down design and delivery**
- **Messy landscape, confusing for SEs to know who does what. Lack of capacity within the third sector**

## Opportunities

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- **Need more social investment knowledge**
- **Leadership programmes should be available locally**
- **Support/fund local delivery not national**
- Action plan itself
- One central point (a website – nationwide) which explains each organisation (including ones at local level) and what they do and how to access it.
- Business support could be delivered more effectively by local SENs who know local situation & people
- Government should listen to/connect with social enterprises + not those making money from us.
- **Independent review of governance, organisation and responsibilities**
- A glossary directory or roadmap to help navigate complexity
- Better communications between TSI & SEN + referrals
- **More engagement with the private & public sector regarding sub-contracting comm. benefit clauses to SEs.**

- Scope to develop more regional support e.g. – regional SENs
- **The voice of the SENs and their needs not being heard by Intermediaries and Govt.**
- Business support also available through the TSI
- Deliver more support locally via new Bus Support contract = more collaboration between small/local SEs

## Threats

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- SEs realising that all funding spent in same old areas & start shouting about how unfair it is
- SEs averse to loan and other finance – risk & lack of sustainability to repay
- **SE Reference group is made up of only organisation that have a vested interest. It should be made up of grassroots SE's. They could realise this and go to newspapers**
- Lack of support/ambition to grow the sector- need to see beyond the localism argument.
- **S.G often refers to SE 'membership' organisations – need to be honest about memberships 'count'**

Priority 3:

## Realising Market opportunity

## Strengths

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- Openness of 3<sup>rd</sup> sector - plus it is the right thing to do
- **P4P been a great resource & I've put SE in touch with them with great success**
- Political will supports SE growth, capitalise on this

## Weaknesses

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- **Transparency of decision making around who gets money to deliver services**
- Lack of opportunity to get access to funding to deliver this objective
- Many grassroots SEs don't see this as very relevant, as they struggle to continue to deliver on day-to-day basis
- Lack of SEs able to bid for meaningful contracts
- SEs don't have confidence or capacity to tender for contracts
- The SG body responsible – does not understand procurement
- Stranglehold of centre ignores local opportunities
- Barriers to entry – public procurement bias against smaller contracts
- Small scale procurement for groups required
- Public procurement too risk adverse
- Lack of blended finance
- SEs are poor at marketing - & even recognising the power of & need for effective marketing
- Stop using 'buy social' – it seems to be for a small 'elite'.
- Need further and meaningful reform of public procurement think 'fair start'

## Opportunities

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- Social enterprises trading with wider society organisations
- **Community benefit with each local authority. Could be legislated + resource available to help private businesses partner with SE's**
- Local SE fairs would open up markets & raise awareness of SEs but needs budget & time to organise.
- **Utilise the SEN network better because of the links to front line organisation**
- Create network of SE hubs (physical or virtual) to increase capacity to procure contracts, currently going to national bodies
- Link to & use of community benefit clauses in LA/commercial contracts
- Enable SEN's to have more money (or any money) to spend on promoting local SE's to consumers.

- Development of more (local) social enterprise directories
- **Social care & social prescribing are massive opportunities for SEs locally, as they know their communities**
- Funding given to Social in the Garden (Edinburgh). Fund similar events throughout Scotland
- More emphasis regarding subcontracting community benefit clauses to social enterprises
- Need to act as a matchmaker between SEN members and businesses
- extend the Buy better & SE festival campaigns.

## **T**hreats

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- Is Govt TSD right place to house SE?
- Local Authorities lack of knowledge/understanding of SE
- **Confusing SE with mission-led business. Any funding for mission-led activity should not come from Third Sector Division**