



Department for the
Economy
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An Roinn
Geilleagair

Call for Evidence for new Social Economy Work Programme

SUMMARY REPORT

JULY 2024

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General Information

Purpose of this Document

This document provides a summary of responses received to the Call for Evidence on a new Social Economy Work Programme, which was published on 07 September 2023.

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Further Enquiries:

socialeconomy@economy-ni.gov.uk

Introduction

The Department for the Economy funds a Social Enterprise Work Programme which delivers strategic support to the social enterprise sector. A draft one-year work programme to run from April 2024 was developed with a greater focus on the outcomes that the Department would like to see.

The Department published a Call for Evidence on the new Social Enterprise Work Programme on 7 September 2023. The Call for Evidence sought views on the overall approach and objectives of the proposed work programme. The Call for Evidence closed at 5.00pm on Tuesday 31 October 2023.

Summary of Responses

What are your views on the overall approach of the work programme – connecting a smaller number of objectives to the activities required and the outcomes that would demonstrate success?

While there was support for the overall approach to reducing the number of objectives, and broad support for those chosen, some issues were raised. The length of the work programme being one of these, in that one year might not be long enough, for various reasons. It was suggested that a one year work programme might not be enough time to provide enough certainty for the provider, for instance. In addition, it was suggested that implementing elements of these objectives could not be done quickly, making the one year timeframe too challenging. It was also highlighted that setting up viably exporting Social Enterprises (SEs), as suggested, would be difficult to achieve within the one year timeframe.

Points were also raised around there needing to be a focus on more social enterprises becoming self-sufficient, and less reliant on public funding. There was a suggestion there should be an assessment of the sector, so that data can drive direction. Investing the small numbers of social enterprises suggested for some activities was highlighted as a risk as it could mean if that small number were unsuccessful then DfE's investment would not have had an impact, and that SEs who need it most might not receive support.

The main points raised were:

- Need to get more SEs to set up that are self-sufficient and less reliant on public funding.
- Would appreciate a more personal touch i.e. more visits, phone calls.
- Agree with this approach, particularly around outcomes. This is necessary to ensure that public expenditure is used wisely and is solely focused on Social Economy Work. This appears to be a very comprehensive document which supports strategic outcomes which will support the engagement and development of social enterprise businesses.
- One year does not provide enough certainty for the provider. Implementing elements of these objectives will not be immediate, so one year doesn't give much time. Setting up viably exporting SEs in one year would be difficult.
- In the absence of a strategy for NI, this might not give the sector or the wider community confidence that this part of the economy is a key driver.
- Need to be clear where it might be the same participants across different objectives and give enough time for objectives to be achieved and monitored.
- Concern around exporting given the local nature of a lot of SEs.

- Need more assessment of the sector, so data can drive direction.
- Investing in such small numbers leaves a risk that if they fail then DfE's investment has had no impact. Investing in smaller numbers of SEs might mean that SEs who need it most do not receive support.
- Providing the "what success looks like" appears to provide the solution and hence removing opportunity to develop more innovation and dynamic long-term growth strategies for the whole sector.

What are your views on the 4 proposed objectives?

There was broad support for the objectives chosen; that they were strategically accurate and comprehensive. However, there were some conflicting views. One such view was that there was no need for research as there is enough from other countries, but other feedback suggested that the research element and continuous monitoring are just as important for long-term impact as the active support and without sound research identifying the barriers to social business and sectoral growth it is unlikely to make meaningful impact.

It was also felt that growth is not always a measure of success and perhaps using words such as 'increased or improved sustainability' are a better fit. There was also feedback that certain elements might have cross-over with some of the local government programmes.

- Strategically accurate and comprehensive.
- The research isn't needed as there is enough actual fact based examples of success of Social Economy, in vibrant forward looking economies and cities around the world including in some councils in UK.
- The research element and continuous monitoring are just as important for long-term impact as the active support.
- Theme 1 should be taught at all levels of education from 16 years old and up in NI: the highly tech friendly society we now have would be a great place to start. The concept of 4 strategic themes (not objectives) is to be welcomed.
- The fundamental issue is which the most appropriate themes are and an assurance that they are not based on INI's priorities but on a practical assessment of need and co-designed with the social economy. Agreed that this is important, but growth is not always a measure of success and perhaps using words such as 'increased or improved sustainability' are a better fit.
- The 4 proposals are good and the element of developing a number of enterprises is a good one. In respect of the directory, I am not sure why there has to be a charge for that, why can this not be freely accessed by everyone? It would help the sector generally and also assist for those suppliers looking to partner with a social enterprise in the social value procurement process.

- Action 2.1 is the most rational point in the growth section. Without sound research identifying the barriers to social business and sectoral growth it is unlikely to make meaningful impact. Sound data capture and analysis must be the foundation for programme planning as previously highlighted.
- The councils can make a significant contribution to the delivery of objectives 1 and 2 through their NIESS activity in particular and could work more closely with DfE to agree a collaborative action plan.

Do you have any comments on any of the objectives in the proposed work programme (please indicate which activity number(s) you are commenting on)?

There was positive feedback for opportunities for SEs to network with each other, facilitating collaboration, and sharing best practice. It was mentioned again that there needs to be a longer term drive towards SEs becoming less reliant on funding, and more self-sufficient. There was a suggestion that some of Invest NI's criteria in the past has been somewhat exclusive of SEs. It was also suggested that making sure the activities are reviewed throughout the year to assess success will be important, as they are new approaches. Additionally, there was a concern around whether many SEs would have the scope to export, and the need for geographic inclusion in activities was also raised.

- Ensure geographic inclusion where possible.
- Most of the social enterprises in NI are service providers, as opposed to manufacturing products and therefore will not fit within Invest NI's criteria. Consideration should be given to Invest NI operating/ outsourcing a pilot of investing in all social enterprises.
- On Action 1.1, it might be useful to also factor in a 6 and 12 month check in to review marketing strategy to ensure this service and plan is still effective. This would also bring some accountability to the organisation in maintaining marketing/promotion. Signposting to skills support such as the digital marketing courses would be positive and succession planning for who will look after this if volunteers or roles change.
- Tailored Marketing for 3 months is not a long enough period to ascertain success.
- Action 1.4 – we acknowledge the need to share information on funding availability, but we feel that this needs to be balanced with a drive towards a longer-term push towards financial sustainability and away from a reliance on grant funding.
- Action 1.5 What evaluation process is to be used for the competitive tender? Procurement support is needed; if there isn't the demand for one workshop per Council area there might be the opportunity to collaborate with neighbouring Council areas and then to specifically mentor individuals to assist with bids. Difficult for any grantee to ensure 10 tenders via e-tenders will be successful.
- Action 1.5 Action disregards need of many in the SE sector who lack the scale to qualify for these kinds of contracts. This is a policy issue that DfE could be championing. Is there a bigger question here around how more SEs can become part of supply chains? Social value not at all. This is now a key part of any tender scoring and both private/ public sector need assistance to embed this effectively.

- Action 1.8 Not opposed to those wanting to access support to internationalise but how do other agencies with knowledge and expertise interact with this action? Consideration should also be given to export of ideas/best practices as a measure of success.
- Action 2.2 - 10 social enterprises to export is aspirational. Need to consider not only exporting of goods but knowledge and experience of how NI has been exemplars to others across the globe.
- Actions 2.2 and 2.5 – exporting will be challenging.
- Significant resources in focusing social enterprises to focus on exporting. Many may be restricted in doing so by their Memorandum and Articles and their social mission. May be purely focused on assisting people locally.
- NI however has created a reputation worldwide for its social enterprise activity and no consideration in the Call for Evidence towards what NI social enterprises can export abroad e.g., exemplars in post conflict resolution.
- Action 2.3 collaboration and networking is important, so space to make those connections will be really positive.
- On the Social Enterprise Mark in Action 2.1, there are more cost-effective accreditations available. Is this action intended to increase public awareness of the sector or to increase the validation of a genuine SE?
- How are the SEs that are going to be supported selected.
- Risk of potential duplication with councils – NIESS. Actions 1.1; 1.2; 1.5; 1.7; 1.8; 2.2; 2.5; 3.3 and 3.4 could be channelled through councils.
- Action 2.4 – very supportive of this – and keen to enhance participation levels, resources permitting. The opportunity to meet and network with social enterprises and sector advocates is invaluable in sharing best practice, both for the public sector and for the social enterprises themselves.
- Action 2.5 to create these mentoring opportunities requires having relationships with organisations across the globe. Difficult for an organisation to create these relationships within a 12 month period.
- Action 3.2 – we consider that the cross-departmental group presents an opportunity to maximise buy-in across all departments and would encourage DfE to consider how the agenda for this group can be elevated to raise the level of ambition and drive tangible progress.

Are there other measures of success you would like to propose for any of the activities? (please use activity numbers)

Again, it was suggested that 'increased or improved sustainability' may be better measures of success than 'growth'. Success might be measured by the ability to achieve funding following support, or an improvement on the outcomes of the 2019 report i.e. more enterprises, more people employed in the sector.

Comments included:

- Growth is not always a measure of success and perhaps using words such as 'increased or improved sustainability' are a better fit.
- Should be more recognition of the need for organisations to be sustainable as not all will be looking to, or indeed able to, grow.
- Turnover can increase from matters such as Living Wage and costs – not reflective of business growth. Needs to be a focus and understand the need for social enterprises to generate Social Impact, rather than encouraging pure business growth.
- A measure of success should be verbal feedback from the benefactors. Are they aware that the programme has been of benefit to them.
- Why not have some mentorship? Have a small number of groups like 4-6 depending on the size of the group someone who can come in and help with any questions, maybe have all the said groups meet up every 1/4 and change ideas.
- Invite actual successful entrepreneurs who started Social Economy Work programmes in other countries to instruct 'how to' work shops and have 90 day follow up with those who sign up to take part.
- Success would be an improvement on the outcomes of the 2019 report i.e. more enterprises, more people employed in the sector etc.
- Success in achieving funding following support.
- Action 4.1 Given DfE are the client for the work programme as with action 3.1 this should be commissioned independently and not form part of the work programme.
- Success should be measured over a minimum of a five-year time frame on how the sector has aligned to DfE overall vision and desired outcomes.
- Overall participation numbers on targeted business support activities appear to be limited – discussions could be had with councils to consider whether there is an opportunity to review and increase these as appropriate.
- It may be appropriate to create a baseline around grant income versus earned income and to seek to increase the latter over time – based on initial survey work set out in action 4.

Conclusion

Following the call for evidence, the team used the responses to inform the open call for the Social Economy Work Programme 2024 which was published on 12 December 2023 and closed on 19 January 2024.

We endeavoured to incorporate as much feedback as possible into the final work programme however it is important to note that there were some conflicting views and that not all of the suggestions would have been possible to implement.

One point raised was that there should have been more engagement with the sector to inform the draft programme. The draft programme reflected informal engagement and took into account expressed views on where existing gaps in provision lay, but the call for evidence process, which enabled us to create a final work programme fully informed by the sector, was the main mechanism for engagement with interested parties.

There were a number of changes made to the Work Programme to reflect the feedback we received.

The final Work Programme gave bidders freedom to set their own outcomes for achievement which would then be scored, since feedback suggested the proposed outcomes may be unrealistic to complete within 12 months.

In addition, some of the activities were amended to reduce duplication with the new local government enterprise contract to areas where sufficient demand justified additional investment. Changes were also made to some of the other activities, including ensuring half of the social enterprise of the month recipients are from outside the Greater Belfast area. Amendments were also made to the activity around exporting based on feedback, so that it focused on helping SEs to be able to begin their journey towards exporting, and not requiring them to be exporting within 12 months.

The Work Programme also included an option to extend the grant for a further two periods of up to 12 months each, subject to satisfactory review. This is the same procedure that was in place for the contract that was ending.

Additionally, the 'what success looks like' element was removed from the Work Programme as a result of the feedback regarding the measures of success.