

Cross-Party Group on Social Enterprise

Tuesday 21st November 2023, 18:30 – 20:30,
The Storytelling Centre, Edinburgh

MSPs

John Swinney MSP

Ariane Burgess MSP

Non-MSP Group Members

Booked Delegates:

Chris, Martin, Social Enterprise Scotland

Andy, Paterson, Social Enterprise Scotland

Steven, Cullum, Scottish Government

Margaret, McSparran, Highlands and Islands Enterprise

Ian, Gray, Social Print and Copy

Steve, Lawrence, The Good Stuff Network Edinburgh

Yasmina, Ferrigan, Hadeel Ltd

Nora, Ramadan, University of Stirling

James, Wood, Edinburgh Social Enterprise Network

Craig, Sanderson, n/a

Tracy, Thomson, NatWest Social & Community Capital

Dan, Rous, Self employed

Pauline, Hinchion, Scottish Communities Finance Ltd

Wendy, Wu, Edinburgh Napier University

Xabier, Villares, The Melting Pot

Jamie, Lawson, Social Enterprise Scotland

Emma, Soanes, Young Enterprise Scotland

Paul, Hailey, Giraffe Checkin Works

Gareth, Ruddock, Checkin Works/Giraffe Trading

Jeremy, Miles, Firstport

Josie, Saunders, Ceteris Scotland
Liydmyla, Shurkovska, Ukrainian women club
Sarah, Cameron, Community Enterprise
Helene, van der Ploeg, Grassmarket Community Project
Neil, McLean, Social Enterprise Academy
Selina, McMorran, Third Sector Dumfries and Galloway
Jill, Keegan, Scottish Community Alliance
Craig, McEwen, The Usual Place
Neil, Hay, The Broomhouse Centre t/a Space
Dughall, Laing, Braveheart Industries
Felicity, Rylands, The Melting Pot
Shumela, Ahmed, Resilience Learning Partnership
Jock, Tamson, Lyon International
Georgie, Nicholson, Hey Girls CIC
Lesley, Compston, KLAS Care C.i.C
Jason, Schroeder, Scottish Men's Sheds Association
Kim, Wallace, Social Enterprise Scotland
Michelle, Sutherland, Definitii
Alex, Stobart, Mydex Data Services CIC
Jackie, Brierton, GrowBiz Scotland
Daniel, Fisher, Greyfriars Charteris Centre
Louisa, Macdonell, Business in the Community
Duncan, Thorp, Social Enterprise Scotland
Edward, Fittell, tsiMORAY
Pauline, Hinchion, Scottish Communities Finance Ltd
Douglas, Westwater, Community Enterprise
Jen, Collins, Creative Dundee

Apologies

n/a

Agenda

Duncan Thorp, Social Enterprise Scotland:

Welcome to the Storytelling Centre, not our usual venue and the latest meeting of the Social Enterprise CPG. Apologies to anyone logging in remotely who can't hear the conversation very well. We'll be back in parliament for our next CPG on 5 March at 6pm, please make a note in your diary. Also we have a joint CPG online on 8 December at 10.30am with WEALL and Cooperatives UK, all welcome.

We'll now have the vote on office bearers and on the proposal that John Swinney MSP is the new CPG Convener, that Ariane Burgess MSP is the new Vice Convener and Social Enterprise Scotland continues as Secretariat of the group. No other MSPs have put themselves forward.

(Duncan proposed that John Swinney MSP is the new CPG convener. Everyone in the room was asked to vote yes, no or abstain by a show of hands. We then voted on the election of Ariane Burgess MSP as Vice Convener with the same process, followed by a vote on Social Enterprise Scotland continuing as CPG secretariat with the same process. There was a unanimous vote in favour of all three candidates with no abstentions).

I'll now hand over to SES CEO, Chris Martin, for a few words on the policy context we're now in, in particular the departmental move for social enterprise support within The Scottish Government.

Chris Martin, Social Enterprise Scotland:

We all have experience of social enterprises changing lives. We now have a great opportunity to take the CPG forward. There are frustrations about procurement, more social enterprises driving the economy and social care delivered by social enterprises and not just corporates. It's great what has been achieved so far, let's build on it. The agenda is driven by members of this group. I want the sector to strive and to achieve more. In terms of the move to the Scottish Government economy directorate, this could be the greatest platform for social enterprises or we could be obscured - the former not the latter is what is needed.

Ariane Burgess MSP:

Thank you, I'm delighted to be Vice Convener. The way for communities to build wealth is social enterprise. I was previously teaching this in New York and was told clearly that Scotland is leading the way. In terms of the changes for social enterprise and the government directorate, the Community Wealth Building Bill and the community empowerment agenda, social enterprises are clearly at the forefront of the wellbeing economy. We're in the Scottish Storytelling Centre and this is our story to tell. These values are very much alive in Scotland, social fabric alive. Social enterprises that are going. Met many at the award last year.

John Swinney MSP:

Thank you, We need to encourage more MSPs to engage with the CPG, to get it on the radar of others. There are many CPGs, we need better participation.

Kim Wallace, Social Enterprise Scotland:

Kim provided an overview of the Social Enterprise Action Plan consultation process and highlighted the emerging themes: Consolidating what we have and improving effectiveness and efficiencies, the need to streamline client journey strengthening the links between national and local support particularly to folk coming in new to the sector it can appear very confusing, Start-up Funding – there's a gap in funding for start-ups – focus is currently all on the individual entrepreneur so no start-up funding for community groups for example. Realising Market Opportunities – a feeling that we've not made as much progress here in terms of procurement both with public sector and private sector and more support is needed around collaboration. Looking at new approaches to developing leadership – collective leadership has come up a lot. Importance of peer support, networking and community learning exchanges. The need for wellbeing support for leaders, staff and volunteers – recognising it's been a tough few years and people are burned out. Raising the profile of social enterprise - recognition that this is getting better but we've still got a long way to go with public bodies and the general public. Next steps will be series of meetings in January with key stakeholders to agree Actions to be included in the 2024-2026 Action Plan.

Duncan Thorp, Social Enterprise Scotland:

What about other current policy priorities of government and parliament that are of relevance to social enterprise? For example, fair work, business purpose, procurement, economic transformation including wellbeing and community wealth building and local democracy and community empowerment. Also thematic policy areas too, in justice, health, tourism, rural needs and other areas. How do we engage civil servants?

Also in terms of practical actions for the group, this could include letters to Ministers asking questions or for information, asking for Motions, questions or debates in parliament or calling for specific changes to laws or regulations. What should we prioritise, what is most effective at getting policy change? Anything else?

John Swinney MSP:

Where do we put our energy and what do we want to see? Getting onto the right policy agendas - what will make the biggest difference and impact? We can then map out the opportunities to make change and shape thinking. What should be at the start of the new Action Plan to set the scene?

Helene van der Ploeg, Grassmarket Community Project:

Frustration after The Gathering event, social enterprise only mentioned twice, no details, no mention about money matters. There's a fear about talking about money and costs and we didn't talk about the economy. We're all responsible for generating income. The economy goes hand in hand with everything we need to do with wellbeing. Great chat but really frustrating.

Georgie Nicholson, Hey Girls CIC:

It should be just called procurement not *social* procurement. When buyers procure it should always be social. Many private sector SMEs are saying they're doing social purpose but they aren't.

John Swinney MSP:

There's a clear link between these two points. Not millions floating around spare in grant funding but £50 billion public spending not being deployed effectively through the prism of social enterprise. Good examples of where it is happening, like with Hey Girls, but it could be much better for others.

Georgie Nicholson, Hey Girls CIC:

The cost of our goods or services may be higher than a standard business, cost is an issue for local authorities.

Ian, Gray, Social Print and Copy:

With both public sector spend and grant, yes there is limitation but taking a proportion of government department spend on social enterprises could really develop our communities. We sit on local forums in Edinburgh and Glasgow. PCS (Public Contracts Scotland) means lots of hours work and a huge cost for our organisation. We need dynamic purchasing and a centralised area for social enterprises to gather to sell goods/services. Not always the cheapest but delivery back to communities is big, with local jobs and training local people.

John Swinney MSP:

Some examples needed of how we might implement practically.

Tracy Thomson, NatWest Social & Community Capital:

I agree with what's been said. A mentality that social enterprises will always step in to save things does exist. We're not pulling together private sector and social enterprise enough, we need more of this and to give organisations the spotlight.

Neil McLean, Social Enterprise Academy:

I'm struck by our sense of ambition. Why are we not thinking more about social enterprise business model in social care? Learning and development of social entrepreneurs too and helping people transition private sector businesses into social enterprise business models. It's tough and we need to look after our social enterprise leaders.

Jackie Brierton, GrowBiz Scotland:

How do we prioritise spend to do some of these things? Delivery of NSET, I was part of the advisory group, difficult to get anything beyond the standard discussions, complete lack of understanding about social enterprise. A suggestion was made to get rid of asset lock! That scale up growth model doesn't include social enterprises. Community Wealth Building approach needs serious resource. CWB has been ambushed by local authorities and anchor institutions that don't include social

enterprises. Under the new Scottish Government directorate this gives us a direct route, we can then challenge how things are delivered. Growbiz is about developing social enterprises in rural areas. Agricultural Bill rural dimension not included. Scottish Government Rural directorate engagement is needed too.

John Swinney MSP:

There's a lot in there to follow up. NSET issues illustrate the point that social enterprise development needs to go the right way within the new government division. We have to make the case that social enterprise should deliver a larger proportion of economic activity in Scotland. Focused on the common good not the individual. That agenda fits neatly with the current agenda of the Scottish Government in many ways. Yes it's not just about the scale up agenda. Gives us a feel about what we need to be arguing for. Enables sector to contribute to the economy compared to the past, a more emphatic contribution.

Jamie Lawson, Social Enterprise Scotland:

Some points from our online attendees. Shumela Ahmed from Resilience Learning Partnership says: We need to level the playing field between charity and social enterprise sectors. Agree completely on learning and development, leadership etc. Need to look at procurement too - so important. Our success at RLP success has lessons to share. We've managed to become a national partner of Scottish Government in NTT. If wellbeing economy model is to be adopted we need to nurture social enterprise in communities.

Josie Saunders, Ceteris Scotland says: To Mr Swinney's point about the role of social enterprises in Scotland's economy, it would be helpful if a key goal of the action plan set out to collate an evidence-based assessment of the social and economic value that social enterprises make. This may help in unlocking some of the funding Mr Swinney mentioned and can also be used to shape the way public tenders are valued.

Steven Cullum, The Scottish Government:

PCS not working quite as well as it should, we're working with the procurement team to change it. You can't search by social impact organisation. We want to see who is spending what on social enterprise too. Review results are out soon.

Bridie Ashrowan, EVOC:

EVOC are working in partnership with ESEN (Edinburgh Social Enterprise Network). Those in Community Planning Partnerships (CPPs) are not accountable to each other for delivering spend. NHS and others have a lot of spending power. What opportunities are there locally? In Wales the wellbeing framework is accountable. People here are getting away with not putting money where their mouth is. Some really good practice in Edinburgh in health and social care, could we take the learning to other areas? CPP is spending a lot and we have the city region deal too. We need accountability of spending.

John Swinney MSP:

A lot of money is still being spent, a phenomenal amount of money that could have a transformational effect. That's where we need our thinking.

Jill Keegan, Scottish Community Alliance:

Don't forget about the local democratic deficit. How can CWB happen with these centralised structures, that are removed from communities? This all needs to be there at a local level. Local communities need power over spend, we need a campaign that underpins CWB.

Douglas Westwater, Community Enterprise:

The vast majority of social enterprises are not interested in procurement, let's not get lost in it. They are just selling in their local communities. Social enterprises are a better business model, profit and reinvestment into local communities. Be proud of that. The relationship with the Scottish Government has been very important over the past year. Good friends in the Scottish Government who are extremely supportive. Government is not just a funder, we feel like partners.

John Swinney MSP:

Government not just being a funder is a key theme here. Using government spend to build the sector. I worked for an insurance company before entering parliament. They behaved as if the policy holders were in the room with them, that's who they were acting on behalf of. Then taken over by another company, literally overnight it changed. Shareholder return was placed first over the course of two months. It used to be collective and communal. Originating from the cooperatives and mutuals, social enterprises are the next generation. These strong aspirations and values chimes with the Scottish Government policy agenda.

Ariane Burgess MSP:

I appreciate the rural angle being brought up. I sit on the Parliament's Rural and Islands Committee. I would welcome follow up conversations about that. Also the tension in small communities between social enterprises who get support and small businesses who don't, maybe now is an opportunity to change that with the department move within government? Also the local democracy issue, we took evidence in the Local Government Committee from DTAS and others. Bringing power down is an opportunity, lets not get it stuck, let's drive it forward and make it real.

Pauline Hinchion, Scottish Communities Finance Ltd:

We're looking to the future at the moment but we're not talking about climate change. It will shape the type of society and economy we have. In 2014 we didn't talk about it but we need to now. Local, community based, delivery of goods/services and decision making must be the default. We need to understand and drive that.

Ariane Burgess MSP:

The Scotland Loves Local initiative, how do we use that? How does this fit in? This is about community wealth and contribution to localism.

Jamie Lawson, Social Enterprise Scotland:

In relation to that initiative Scotland's Towns Partnership annual conference is next week and Social Enterprise Scotland has kindly been invited to exhibit and facilitate an afternoon event at it.

Daniel Fisher, Greyfriars Charteris Centre:

More people do know what social enterprise is but still there's a lack of awareness, we still need to explain it to those outwith the sector. It's a real barrier.

Tracy Thomson, NatWest Social & Community Capital:

Perhaps it's time to build a more specific legal model for social enterprise?

John Swinney MSP:

Awareness very important. In my local community people are wanting to spend money that supports their locality. Not sure if they have gone through a thought process about it but we need to encourage that. We need to think far more about sustainability now. Two of my local towns were saved from flooding by local communities recently, they took control of the situation. Purchasing and spending decisions of authorities needs to be diverted to social impact.

Pauline Hinchion, Scottish Communities Finance Ltd:

Participatory budgeting was tried but hasn't worked.

John Swinney MSP:

Many more community groups are going to be funded to deliver services and interventions, based on evidence of what works.

Steven Cullum, The Scottish Government:

The schools awards programme is building a generation out of the schools system, who are now understanding social enterprise. Young people not wanting to work in big private organisations but want social impact. Not enough young people involved in the sector, what can we do to get more engagement? Climate change important to them too.

Georgie Nicholson, Hey Girls CIC:

I speak about social enterprise a lot to different people. There's an idea that you won't make money in social enterprise. People need to know its not volunteering, you should be able to get a good salary.

Speaker (unknown name)

People from deprived backgrounds don't necessarily have the skills to engage in social enterprise, we need to be aware of that. Procurement issues e.g. Edinburgh city council took a decision to invest in social enterprise and employability.

Sarah Cameron, Community Enterprise:

The Social Enterprise World Forum took place recently in Amsterdam, lots of young people doing great things. Scottish Youth Parliament an example too. Have any CPGs done anything with them and can we?

Jason Schroeder, Scottish Men's Sheds Association:

There's a difference between SROI [the Social Return on Investment tool] and financial return. Some councils understand social returns, many don't. Schools and other buildings lying empty and they won't transfer them to us. Not enough traction in local authorities, can the CPG do something to educate them?

John Swinney MSP:

The Scottish public finance manual was a barrier, so we changed it to be compatible with the Community Empowerment Act. Market value factors were changed to become overwhelming case to transfer. Those obstacles shouldn't be there. Local example in Stanley of community ownership, the building is full and busy with community activity.

Jamie Lawson, Social Enterprise Scotland:

Alex Stobart from Mydex CIC is asking a question about the NSET group [National Strategy for Economic Transformation], saying it doesn't appear to have published Meeting Minutes for some time, and is it still going?

Duncan Thorp, Social Enterprise Scotland:

Yes, we are part of the NSET sub-group that's looking at the review to increase the number of social enterprises, cooperatives and employee owned businesses in Scotland. We had a meeting the other day, I can update Alex.

John Swinney MSP:

We can seek to sum up some key things. Awareness raising and active engagement with the sector to drive economic contribution. Social enterprise is also part of local democracy and community endeavour. Lots happening locally, not just national programmes. Much is associated with the Community Wealth Building agenda. What actions do we take now? To shape government thinking we need to be in front of the government, how do we make some noise? Ministerial roundtable on social enterprise? With Cabinet Secretary Neil Gray MSP and sector people. Myself and Ariane can also influence. MSP debate in parliament and government minister to take part. The Cabinet Secretary at the next CPG. Neil and Tom Arthur MSP visiting social enterprises. Identify best social enterprise visits for the First Minister too.

Steven Cullum, The Scottish Government:

The FM recently visited CEIS in a constituency capacity. Followed by lots of questions about social enterprise. Local constituency visits for ministers are best on Mondays and Fridays.

Tracy Thomson, NatWest Social & Community Capital:

What about social enterprise and the big Business in the Parliament conference?

John Swinney MSP:

MSPs can bring a local constituency business with them to that conference, it could be a social enterprise.

Duncan Thorp, Social Enterprise Scotland:

There's good news, we've been invited to join the Business in the Parliament conference steering group this year, for the first time. I'd emailed them last year to ask how to get involved. The theme is Workforce for the future and I have just attended the first meeting.

Neil McLean, Social Enterprise Academy:

Scotland is widely regarded as best place to do social enterprise, how do we profile this?

John Swinney MSP:

This needs to be said and we must ensure it stays that way in the future. If we don't do this then it might slip away and not be the case. Ministerial engagement with a social enterprise roundtable could be a priority. What thinking do we want to promote? What is our agenda to drive forward? Action Plan needs to capture all this.

Bridie Ashrowan, EVOC:

There was a local meeting with the Cabinet Secretary for net zero last week. We have great case studies too.

Tracy Thomson, NatWest Social & Community Capital:

Scottish Enterprise support a lot of social enterprises that trade outside Scotland, hope that they support local social enterprises as much too?

John Swinney MSP:

An argument to advance that would be time well spent. HIE [Highlands and Islands Enterprise] has a much better understanding of social enterprise, much better space for support in rural and remote areas. Land ownership statistics are a good example of HIE investing in communities to achieve huge business activity, we need that capacity building approach. SOSE [South of Scotland Enterprise] also picked up that approach to an extent.

Jackie Brierton, GrowBiz Scotland:

A number of CPGs are siloed and not connecting with others e.g. the rural CPG.

Duncan Thorp, Social Enterprise Scotland:

We're pro-actively doing partnership working with other CPGs, joint CPG on 8 December. Mainly the CPGs on cooperatives, wellbeing economy, fair trade and credit unions, shared values and common interests. Over 100 CPGs and MSPs are very busy.

Xabier Villares, The Melting Pot:

What other spaces are there to chat about this? Important to know what is already happening, more opportunities to connect and meet and also with frameworks like Community Wealth Building.

Jamie Lawson, Social Enterprise Scotland:

Fabio Villani from TSI Moray asks that a key ask from this group to ministers should be about ensuring that HIE (and SOSE and Scottish Enterprise) have the revenue funding to support capacity building in social enterprise and the wider third sector.

John Swinney MSP:

I'll need to bring this to a close now, thank you to you all. We'll have some practical and constructive conversations around all this.

END