

Cross-Party Group on Social Enterprise

Tuesday 26 October, 18:00-19:00, online meeting

Minute

Present

MSPs

Paul McLennan MSP

Michelle Thomson, MSP

Collette Stevenson MSP

Invited guests

n/a

Non-MSP Group Members

Katy Air, Freelance

Monica Allen, Voluntary Action South Lanarkshire

Charles Brodie, Confederation of Economic Development Ayrshire (CEDA) Ltd

Florence Burke, BBC Children in Need

Lois Cameron, Talking Mats

Polly Chapman, Impact Hub Inverness

Ailsa Clark, Inspiralba

Lesley-Ann Clubb, Lamentally Sound CIC

Maeve Curtin, Glasgow Caledonian University

Michael Dale, Coffee + Clay C.I.C.

Davie Donaldson, Progress in Dialogue

Sheila Fazal, Social Enterprise Accountancy Scotland CIC

Ruth Finnan, The Circle

Dean Fisher, Scottish Borders Social Enterprise Chamber CIC

Conor Forbes, Social Enterprise Direct

Simon Francis, Campaign Collective

Mark Gallagher, Recovery Enterprises Scotland CIC

Linda Gillespie, Development Trusts Association Scotland

Pauline Gordon, SENScot

Sophy Green, Instant Neighbour

Catherine Greig, Vale of Leven Credit Union

Alistair Grimes, AGC Ltd

John Halliday, Community Renewal Trust

James Henderson

Pauline Hinchion, Scottish Communities Finance Ltd

Celia Hodson, Hey Girls CIC

Andy Jack, Link Group
Chris Jamieson, Social Investment Scotland
Jo Karatzidis, Social Investment Scotland
Dughall Laing, Recruit With Conviction
Simon Lynch, Scottish Borders Social Enterprise Chamber
Chris Martin, Social Enterprise Scotland
Yvonne McBride, partnership for procurement
Craig McEwen, Inspired Community Enterprise Trust Ltd
Grant McLean, VANL
Zakia Moulaoui, Invisible Cities
Tracey Muirhead, School for Social Entrepreneurs Scotland
Claire Pattullo, ESE
Jennifer Robertson, Glasgow Social Enterprise Network GSEN
Pamela Stewart, Social Enterprise Direct
Alex Stobart, Mydex Data Services CIC
Jennifer Thomson, North Lanarkshire Council
Tracy Thomson, Royal Bank of Scotland
Adam Underwood, The Larder
Kim Wallace, SENScot
Kate Walshaw, Social Enterprise Scotland
Darah Zahran, Scottish Enterprise
Helene van der Ploeg, The Broomhouse Centre t/a Space

Apologies

n/a

Agenda item 1

Introduction to the meeting: Duncan Thorp chaired the initial part of the meeting, welcomed attendees, explained the agenda and some of the history and context of the CPG, thanked the outgoing convener of the CPG, Tom Arthur MSP, committed SES to continue as secretariat and explained that the agenda would start with the policy discussion, followed by election of office bearers, due to parliament decision time, then mentioned future meeting themes, including social enterprise and public service delivery plus procurement as potential topics for discussion.

Agenda item 2

Attendees then took part in a discussion on the topic of “Policy priorities for social enterprises”. A record of the discussion from the first part of the meeting:

Polly Chapman, Impact Hub Inverness: Procurement can't be ignored in the wider discussion about public service delivery and as well as looking at the positive case studies we should look at the challenges, particularly for smaller organisations. We had a similar discussion with Scotland's Rural College recently and the issues for smaller organisations came up there too. This issue has to be reflected in this wider discussion.

Duncan Thorp, Social Enterprise Scotland: Are you currently helping any organisations engage in that way?

Polly Chapman, Impact Hub Inverness: None that I can think of currently but we have certainly done that previously, helping organisations look at the principles of it as well as tendering. We also ourselves deliver public sector contracts and have also come across barriers due to contract conditions meaning that we couldn't go for them. We're part of another project where the GDPR and IT parts that we had to meet were complex. It will put off a lot of smaller organisations. Not that conditions shouldn't be there but this should be addressed in some way, particularly in rural areas and where organisations don't have specialist staff who can deal with these aspects.

Duncan Thorp, Social Enterprise Scotland: Does anyone have comments on that topic? Not that we want to dominate the discussion with just procurement which is an easy thing to do. Any thoughts on barriers or challenges?

Dughall Laing, Recruit With Conviction: Is it worth investigating discussions with Scotland Excel [the procurement service for local government]? Always found them to be supportive in terms of community benefit clauses and supporting smaller organisations. Following on from what Polly was saying about scale and size they are always helpful. Don't know if you have existing links but I'm happy to help with that one.

Polly Chapman, Impact Hub Inverness: There's a lot of help for organisations but not that much guiding the public sector bodies and that's where the work needs to be done.

Dughall Laing, Recruit With Conviction: My question was really bringing Scotland Excel in to get the message to those procuring organisations, as that is their role. Just to see if there is that link?

Duncan Thorp, Social Enterprise Scotland: Someone from P4P [specialist procurement support service for social enterprises] or who is connected to that might like to come back on that in terms of the support available?

Yvonne McBride, P4P: Procurement quite rightly does always come up. We had a whole conversation with the Scottish Government procurement team this morning about new policies around the climate challenge and the fair work agenda, all of that is progressing. But yes smaller organisations are struggling to get their heads around where best to get support and information and their capacity to deliver. From the buyer side there are tools and policies available but you can put all the information and support in place but you're dealing with people, lots of commissioners and

buyers, hearts and minds, and that's a much longer journey. There's a recognition that lots more work needs to be done with buyers and Scotland Excel have done lots of work with the public sector as have e.g. Samtaler in terms of community benefits. There is support but perhaps it needs to be more joined up with both buyers and also suppliers.

Margaret Simpson, Scottish Borders Social Enterprise Chamber: Locally we've set up and host the sustainable procurement group but also been working with local authority and community benefit groups and support around procurement and published a guide. We should link this all in closer together and it's the only way we'll move forward. It works really well.

Duncan Thorp, Social Enterprise Scotland: Good to know. It's really good to share best practice and that is one of the roles of this group, sharing what's happening in your local area that might be replicated across Scotland.

Ailsa Clark, Inspiralba: I've shared a link in the chat about a three year action research project that we've been involved with, specifically looking at third sector delivery of public services, recognising the kind of useful nimbleness that organisations can take to benefit delivery of local services and link these to local need. While that's a useful report with lots of positive recommendations most haven't been taken on board and that reflects the imbalance of power where communities perhaps know the solutions but are dealing with officers in larger organisations who have different constraints and challenges and it's trying to find a middle ground and way forward. It does need more of a joined up approach with public sector reform more widely. In our area mostly the contracts are not there and where they are it doesn't meet the capability and capacity of small organisations, even joining up becomes a complex process. Particularly in light of Covid and the relaxation of rules and recognising often communities know better and small organisations can deliver more effectively, there's definitely lessons to be learned.

Duncan Thorp, Social Enterprise Scotland: How do you think we might bridge some of those gaps? The issue is raised a lot, the culture of local authorities and the public sector, compared to the culture we're all embedded in. How do you solve some of that?

Ailsa Clark, Inspiralba: There's a whole wealth of information and recommendations in that report especially around efficiency and effective use of resources and mutual understanding. Working with third sector organisations they don't necessarily understand the political context, for example, that partners in the council are having to deal with. Improving understanding could help but also recognising the benefits that those different perspectives have. Public sector have rich infrastructure of expertise, finance, HR etc. while third sector are better at tuning

into what local needs are, with innovation, speed and adaptability. How do we bring those together to affect change and use public resources more effectively.

Duncan Thorp, Social Enterprise Scotland: We saw that during the lockdown period of local authorities and public sector suddenly being flexible, and a lot of us were thinking why can't you have been that flexible before? What can we learn from that period so that local authorities and others can adapt better?

John Halliday, Community Renewal Trust: I agree with Ailsa that third sector and community organisations can adapt more quickly. We need to look at good practice where radical commissioners have circumvented procurement completely. Some good examples in Wigan at the moment and multiple public services coming together in Plymouth, with mental health being funded on an entirely trust basis in a consortium, sort of alliance contract model and in Gateshead where people are delivering a whole range of services at a community level in a different model. We need to start getting people doing this in Scotland and there is some action by the Scottish Community Development Centre getting on board with some of these examples and bringing people in. We need to start looking at radical commissioning and getting rid of procurement entirely, based on trust and treating communities like real people. We need to introduce commissioners to that and in examples where this has happened they are very keen. We assume they are caught up in red tape and won't be interested but we need to speak to them before they speak to procurement department.

Duncan Thorp, Social Enterprise Scotland: That's a really good idea in terms of future topics for discussion and if you've got any particular names of potential speakers you can pass on to me. We're always looking for new and innovative speakers, it's good to get in outside perspectives for fresh ideas.

Celia Hodson, Hey Girls CIC: I just wanted to highlight a new programme we're launching soon which is through our sister company MyPeriod. It's an app that we've developed in partnership with COSLA so that people in local communities can find out how to access any free period products. Talking to 32 councils is a challenge, we couldn't have done it without COSLA. Probably got about 230 locations so far, 18 local authorities. Local authorities input their own info, getting councils to see the value of working collectively.

Duncan Thorp, Social Enterprise Scotland: That's really interesting. What's it been like working with COSLA, what has that relationship been like?

Celia Hodson, Hey Girls CIC: COSLA have been amazing, hats off to staff who worked with us. Been tense at times bringing everybody to the table. Started off with a focus group and COSLA ran workshops. They also helped with getting some of the perhaps naysayers around the table that we absolutely couldn't have done without

COSLA support, along with getting everyone on to the app, going round and round with feedback and the levels of data involved.

Duncan Thorp, Social Enterprise Scotland: That's good to know and a perfect case study of social enterprise working with the public sector in a really positive way.

Pauline Gordon, SENScot: To pick up on Polly's point about smaller organisations and procurement, particularly in rural areas. There is a real willingness from commissioners and procurement people to do more with the third sector. They say it's often hard to find them, where they are and what they do and what they're offering. We were at the government procurement meeting. We said that even if you're lotting contracts, sometimes contracts are regional and smaller organisations don't have the capacity or capability to respond. Our ask of the buyer community was to encourage collaborative bids, not just with third sector but third sector in partnership with private organisations so we get a real mixed market. Public service reform is running on a different path to procurement reform and procurement has gone further and faster and progressed more. We need to align the two a lot more so opportunities for the sector widen. Market engagement with third sector and SMEs plus innovation are the weakest parts at the moment, welcome government moves to address innovation, often in health products, they will talk to suppliers now. Procurers are allowed different methods but no one is really using it, particularly in health, we draw out the examples that John talked about.

Duncan Thorp, Social Enterprise Scotland: You've highlighted a key issue about policy into practice and how policy translates into reality. That is a real issue in general policy not just social enterprise and procurement. We often tick box that legislation has been passed but don't see what's happening on the ground. Maybe that is a role for this group?

Pauline Hinchion, Scottish Communities Finance Ltd: I'd like to talk about how the group can inform the Community Wealth Building Bill. I have concerns it will just be about public agencies like NHS and councils and diminish potential of CWB to our sector. Also that it will just be about procurement and contracts for the sector so we need to lobby and make sure our voices are heard. Interested in the thoughts of others on this and whether it's been considered as part of this group too.

Duncan Thorp, Social Enterprise Scotland: Good to have a diversity of topics. Will be interesting to see what's going to be in the forthcoming Bill and how we can influence it. There is a big role for social enterprise in CWB and fair to say most people don't really know what CWB is yet. We can look at e.g. the CLES principles but how can social enterprise and the third sector lead on this?

John Halliday, Community Renewal Trust: I agree with CWB but is it just terminology thrown at something that we'll take years and years talking about how

we can change things but not just about simply how we can get money out to communities. The Social Enterprise Action Plan doesn't put any new money out to communities so how do we get outcomes? We've only had Covid response funding. There's a risk with CWB that we get caught up in improving procurement and some communities will benefit but it's similar to Participatory Budgeting in this respect i.e. has good principles but if it needs to get money out to communities and existing social enterprises, if we don't get it right we'll have missed the boat.

Duncan Thorp, Social Enterprise Scotland: The issue of funding and finance is a constant and we need to be conscious of that. Also comes back to the issue of policy into practice and seeing what's happening on the ground. We'll all keep an eye on the legislation to make sure it fulfils ambitions for social enterprise.

Neil McLean, Social Enterprise Academy: Thoughtful about the cost of engagement. There's a lot of good will to get smaller organisations involved in both procurement and CWB but how you do that is a difficult problem. For example, in Northern Ireland an anchor organisation was the commissioning body and had a very sophisticated way to engage tiny organisations in delivery of social care and also an example in Edinburgh. Any thoughts about how we do that in Scotland? No absence of will but practicalities an issue. We need examples from other places and best practice not just theoretical.

Duncan Thorp, Social Enterprise Scotland: Yes, comes back to that point about what we can learn and replicate, if anyone has suggestions about speakers please do pass to me.

Shona Sinclair, SKS Scotland: There was a recent tender we looked at around Community Wealth Building. We had a concern there would be a lot of duplication around mapping, what resources are out there, who is doing what and how they're doing it and what the opportunities were. We need to ensure we don't replicate what is already being done. With two projects, in both Highland and Argyll and Bute, that we developed, there were a lot of learnings that came out of it all around what did and didn't work and why around procurement and I can share names to bring into the conversation if helpful.

Duncan Thorp, Social Enterprise Scotland: Absolutely. That's a good point about duplication, there are a lot of initiatives already happening around economic innovation and also social enterprise support so CWB might be a good example of that. What is already happening with CWB on the ground?

Chris Raftery, The Scottish Government: Just to come back to John's point about funding, The Social Enterprise Strategy and lack of funding for community-based organisations. The Covid response money set the scene and context going forward. The Social Enterprise Action Plan, apart from in three areas, one of which is directly

about funding community organisations, has no reference about funding in general. Just because it's not explicitly in the Action Plan doesn't mean to say it's not being funded. The sector steering group for the Action Plan will be specifically looking at what the priorities should be for the Action Plan for the next couple of years. I appreciate that information is not specific in the Action Plan.

Josiah Lockhart, Firstport: Over the life of this CPG there is the economic transformation strategy that is already being wrapped up but also the Business Purpose Commission within the fair work team in The Scottish Government and the Just Transition Commission that will be very important.

Duncan Thorp asked if anyone with further thoughts can get in contact with them. The meeting then moved on to the second part of the meeting of welcoming MSPs, CPG admin and the election of conveners via the SurveyMonkey platform.

Agenda item 3

The next part of the meeting then took place to elect office bearers and involved MSPs in the continuing discussion:

Paul McLennan MSP: I was elected as MSP six months ago, a Councillor for fifteen years and council Leader in East Lothian plus on the regional advisory board of Scottish Enterprise and NHS Lothian. Member of a number of other CPGS, including the new Wellbeing Economy CPG, with relevance to social enterprise. Very keen to support social enterprise, a vitally important part of the Scottish economy, really looking forward to working with the group if elected. Vital that the voice of social enterprises feeds into parliament committees and government.

The voting took place by attendees, with no access issues to voting issues reported, Paul McLennan MSP being elected as Convener and Rachel Hamilton MSP being elected as Vice Convener. Duncan Thorp gave congratulations to both office bearers. Paul McLennan mentioned possibility of a meeting in December and Duncan Thorp mentioned that meetings are broadly quarterly and December would be fine and then mentioned the potential topic of public service reform. The previous conversation then continued for the remainder of the session.

Helene van der Ploeg The Broomhouse Centre t/a Space: In terms of Community Wealth Building I think we have some funding to get someone in to conduct grassroots consultation. However, even in recruiting for that role, the language is just not understood and it's too top-down driven. Fantastic examples of what's been achieved in Ayrshire and down south but unless we can get local community buy-in it's going nowhere. But it's so important. Bottom up approach needed too.

Paul McLennan MSP: In the Local Government Committee it's in our work programme and very much on the agenda to look at CWB and looking at pilot projects and how we can expand on that. Good to discuss and happy to talk about that with anyone.

John Halliday, Community Renewal Trust: In all the talk about a wellbeing economy and related approaches we should look at the existing social enterprise economy as a kind of preview of what that would look like. It's not about transitioning, there already exists a thriving social enterprise economy that's been around a long time across different sectors. There's a role for us in showing what the future could look like and learning lessons and that we don't need to invent something or look at what Scottish Enterprise says in terms of a transition but we can look at what we've got and how we can support local communities to grow what they're already doing. Economic discussion is too often in a separate space to a social enterprise discussion. Would be a good theme of how we inform the wellbeing economy.

Paul McLennan MSP: Social enterprises are too often undervalued but play a key role in economic development and employment. The third sector already are the wellbeing economy. My role and the role of other MSPs in the group is to listen to the sector and feed back to colleagues in government and committees in a two way process. To make sure social enterprise is recognised in economic transformation, we need to continue to push the agenda. A lot of new MSPs to raise the profile with too.

Chris Raftery, The Scottish Government: I'd really welcome the link with the wellbeing economy and making sure social enterprise isn't that niche actor but is spread right across the economy and government. Any impetus we can get would be welcome.

Paul McLennan MSP: Yes would be keen on following that up.

Margaret Simpson, Scottish Borders Social Enterprise Chamber: I'd agree again with all that's been said. We've just established, with the DWP, youth hubs across the Borders, and in a lot of areas we're trying to support mental health and job creation and we're a Kickstart Gateway but we need resource to deliver. We're part of the local Third Sector Interface but haven't received a funding increase in 10 years. Would love the chance to do more, we've had a 42% increase in our membership during Covid, there is a need for us and we should showcase that.

Duncan Thorp, Social Enterprise Scotland: Thanks Margaret. Worth bearing in mind that The Social Enterprise Census will be out at the beginning of next year, we haven't had one since 2019 so that will give us a real feel for the size of the sector,

how many jobs are being provided etc. and we can start to measure the effect of the past 18 months.

Paul McLennan MSP: I work closely with my own TSI so I recognise that in terms of funding. To grow social enterprise we need to recognise the funding issue for TSIs and keen to pick up with this in the group and how we can build capacity.

Ailsa Clark, Inspiralba: I know that the session is recorded just for the minutes but can we share the recording with just MSPs to hear the first part of the discussion?

Duncan Thorp, Social Enterprise Scotland: I'll have to ask the whole group about that but if it's just with the five founder MSPs I can ask. There will be a written report from the meeting too and some bullet points of key points for MSPs.

Paul McLennan MSP: I'll have a conversation with Duncan about the discussion, the next meeting, agenda and themes etc. for the next year. Any feedback from group members welcome

Pauline Hinchion, Scottish Communities Finance Ltd: Everyone recognises that social enterprise has had a big impact on the private sector but there is not a budget for engaging with other parts of the economy. That has to change. Quite a tight budget to have an impact on other parts of the economy. Do we need more resources and should budgets be shared across government departments? To get more socially just business models we need to consider this.

Paul McLennan MSP: For next year's budget process we should get in place some key asks into our CPG programme, before the budget each year. Also invite the minister to speak.

Duncan Thorp, Social Enterprise Scotland: Yes keen on that, we have had ministers like John Swinney speaking at previous meetings.

Collette Stevenson MSP: Before being an MSP I was a Councillor and Depute Provost for South Lanarkshire, got the opportunity to visit lots of social enterprises, including The Haven in Larbert, absolutely incredible work being carried out. Saw sanitary products from Hey Girls there, I was with procurement officer and my background is in accountancy, we managed to get Hey Girls products for the procurement framework for whole of South Lanarkshire, giving out free period products. Uniforms made by Haven, by people of varying disabilities, are worn by workers in The Scottish Parliament today. Remarkable work being done and what really stands out for me is that 65% of social enterprises are led by women. I want our local authority to bring in social enterprises around Community Wealth Building. Keen to get involved, to listen and to learn more.

Duncan Thorp, Social Enterprise Scotland: Thank you so much for those comments, really appreciated. We're aware of the number of CPGs and the limited time MSPs have so we're grateful you're here.

Lois Cameron, Talking Mats: Regarding topics for discussion we're applying for a smart award but we're aware there is no room to mention social impact, only financial. But if you want social enterprises in that field then public grants there should be some way to look at social return.

Paul McLennan MSP: The Wellbeing Economy CPG is looking at how we measure beyond GDP so happy to discuss how we might take this forward as part of the group.

Duncan Thorp ended the meeting with thanks and a congratulations to the new convener and deputy convener. Paul McLennan stated he is looking forward to working with the group, thanked attendees for their contributions and highlighting how we need to raise the profile with other MSPs too.

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