



**Belfast Area Partnerships**  
**Social Economy Exhibition and Conference Report**  
**December 2003**

**By**  
**East Belfast Partnership**



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## **Belfast Area Partnerships**

### **Social Economy Exhibition and Conference Report**

As part of the Belfast Area Partnerships Development Project, seven mini, citywide and intercity conferences are to be held over the next two years. The first of these events took place on Thursday 13<sup>th</sup> November 2003 at the Park Avenue Hotel. With a theme of 'The Social Economy', the event included an exhibition, conference and series of workshops. The East Belfast Partnership, with a dedicated interest in the Social Economy and several such companies of its own managed the event - the first of its kind in Northern Ireland.

The aim of the exhibition was to bring together Social Economy Companies, offering products and services, with those agencies and organisations that support such ventures and to help raise the profile of the sector. By doing this it was hoped the exhibition would attract a number of target visitors and as such act as a directory of social economy organisations. Target visitors included:

- Those people considering establishing a social enterprise
- Those people wishing to use social economy companies for products and services
- Any one with a general interest in the social economy as a whole

The conference session, Chaired by Sammy Douglas, which ran from 10.00am to 12.30pm in the same hall as the exhibition, provided delegates the opportunity to hear from people with vast experience in the Social Economy and included keynote speaker Cheryl Kernot, Director of Learning with the School for Social Entrepreneurs. As Director of Learning with the School for Social Entrepreneurs Cheryl's speech considered the topic of Social Entrepreneurs – Born or Bred? (See Appendix A). Maurice Kinhead, Chief Executive of East Belfast Partnership also gave a talk outlining his experiences of managing projects within the Social Economy from an East Belfast perspective (See Appendix B). The session ended with a time for questions from the audience taken by a panel of representatives including members from Belfast Local Strategy Partnership and The Social Economy Agency.

In total 8 support organisations and 15 Social Economy Companies exhibited their products and services. Over 100 people booked to attend the event which included a series of 9 workshops held throughout the afternoon. The workshops dealt with various topics and were facilitated by people with wide ranging experiences and backgrounds.

The workshops were titled and facilitated as follows:

Marketing Your Community Business	Trudi Dunlop, UCIT
Training for the Social Economy	Jackie McCoy, UUI / School for Social Entrepreneurs
Funding and the Social Economy	Michael Meenan, MM Consulting
Taking Full Advantage of IT	Geoffrey Ready, Avec Solutions
Getting the Legal Structure Right	Phil Nicholls
Ideas that Work	Anne Molloy, Social Economy Agency
Employing Staff in the Social Economy	Una McKernan, NICVA
Structures and the Social Economy	Phil Nicholls, Phil Nicholls Associates
The Idiots Guide to Fundraising	Dean Llewellyn, Best Cellars

The following sections include information which has been provided by the facilitators and includes the key points considered at each of the workshops sessions.

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**MARKETING YOUR COMMUNITY BUSINESS– Trudi Dunlop UCIT**

This workshop aimed at dealing with the practical issues of marketing a social economy project. It focused on the concern of being able to market the social benefits without appearing not to be a 'real' business.

**The Importance of Marketing**

Community businesses are unique in that they have social objectives as well as normal business objectives. They also often have limited financial resources and a small workforce. It is therefore very important that considerable thought is given to marketing activities. It has to be made a priority and realised that the benefits will come in the long term rather than the short term.

In the community enterprise sector you have to look at your business as any other private sector business and market it in the same way. Just like a private business your community business relies on making profits and if it doesn't do this it will fail.

Unlike a private business you might not want to spend your profits but invest them into your community but whatever you do with them you still need profit in order to survive.

Marketing will therefore help your business to sell more and generate higher profits.

**Know the Customer**

Make the customer the focal point of everything the organisation does. Why?

**NO CUSTOMERS = NO BUSINESS**

Keep listening to their problems, requirements, suggestions and respond to them.

Peoples circumstances and consequently their needs change.

It costs 5 times more to attract a new customer than to keep an existing one.

Most businesses rely on repeat business – eg Orchardville Business centre. Keep a database or records of your customers so they can be posted brochures, a newsletter,

special offers again in the future – to remind them of you. Take note of any special requests if possible so you will already know them for next time you have dealings with them.

### **Creating Awareness**

First think about what message you want to put across based on what you are offering, your strengths and what differentiates you from the competition. To maximise impact try and summarise it into 3 main key points which can constantly be repeated.

*The Linengreen, Moygashel – ‘For shoppers of good taste’*

**Marketing to Funders** –Develop an Annual Report which positively shouts about the good you are doing.

**Promotional Tools** - Don't necessarily need a big budget

**Word of Mouth** - Every customer and staff member has the potential to go out and market your business.

**Public Relations** - Is concerned with gaining publicity

Using the media is your best bet for free publicity. Print newsworthy stories you might have -Free of charge. Many of the stories of non-profit organisations are of considerable interest.

Local weekly newspapers are good for community organisations so it is worth building a relationship with a local reporter and keeping them up to date with your developments throughout the year including fundraising events, staff appointments, presentations, openings etc.

Most papers carry an events listing so you might be able to get your event mentioned the week before it is due to take place.

Don't be afraid to send your press release to the Belfast Telegraph, Irish News and Newsletter also if you feel it is newsworthy enough.

'NICVA Media resource guide' (available from NICVA) has guidelines about writing press releases and contact names for all the editors of all papers – Can ring newspapers either and find out.

#### Press Release Guidelines:

- Keep headlines punchy
- Try to encapsulate the main point of the story in the first paragraph. The information can be expanded in subsequent paragraphs
- Try to make it interesting
- Send in the release in plenty of time - not 2 days before the event
- Follow up phone call

Free also –Staff appointments section– send photo and details

It is also possible to write a letter to the editor for eg to say thank-you for help received such as donations.

Invite key people eg editor of local newspapers, tourist office to stay for a night, have a meal, coffee etc and give them great service and ask them to write an independent review – more credible than advertising.

Also free of charge and invaluable are the Community newsletters eg local council, LSP, NICVA News , UCIT Focus,– Ask to have an article included in their literature – they are generally very happy just to include an article describing what you do.

As well as hopefully getting you more customers good public relations will:

- raise the profile of your organisation
- help recruit volunteers
- help raise funds and
- help influence decision makers.

Another form of Public Relations is Exhibitions/ Trade shows/ Launches.

Necessary to find out what are the relevant shows in your particular industry - ask for discount rates as you are not for profit or a charity.

### **Advertise**

Newspapers (negotiate the cheapest rate possible with them), Trade journals, radio (not too expensive) and even TV (very expensive).

*The Linengreen, Moygashel – included brochures in UCIT FOCUS newsletter*

*Other places they advertise: Tatler, NI Homes and Interiors, Telegraph, Irish news, Fermanagh Lakeland tourism*

*They find church magazines are good – eg Church of Ireland Gazzette, Presbyterian Herald,- distributed across all of NI and have a longer shelf life than a newspaper.*

Other ways?

- Make sure it is well signposted
- Advertise in local shops if appropriate
- Check to ensure you are listed in telephone book/ yellow pages – free
- Leaflet drops – cheaper than postal charges
- Mailings

### **Internet**

Is a good means for promoting your organisation – essential for targeting the International market.

Can be expensive to get a professional in to design a website – Enquire at the local college or university for a student

Look for someone who is just graduated and starting out. They are looking to get experience and may design a site for free or for a token amount as they can use it as an example of their work.

If you can't go down the route of developing a website there are many other websites which could carry information about your organisation that your potential customers might look at eg local council websites, support organisation's websites, tourist sites, rural support network sites etc

*Eg North Antrim Community Network websites [www.nacn.org](http://www.nacn.org) and [www.antrim.net](http://www.antrim.net).  
Look up the equivalent websites in your locality.*

*eg for a tourist accommodation initiative make sure a link to your website or at least your contact details if you don't have a website are listed on sites of complementary companies to yours eg the tourist info sites/ sites of other tourist attractions in the area/ Foreign websites- if people are looking for accommodation or are on that sight for some reason your details will be there also.*

NICVA **Workshops**, Caroline McClure eg Practical Media and PR Skills; Marketing your Website; Running Events; £20 for NICVA members £30 for non members.

### **Try and think creatively**

Eg The Linengreen, Moygashel

If this fails:

Find a similar organisation to yourself in a different location and make contact and share your experiences and information eg what has worked for them in the past.

It doesn't have to be a community business you learn from – find a small privately run business where the owner drives a big car – must be making profits – go in and have a look round, see what they are doing and steal their ideas.

Keep copies of great print materials you see and list things that other organisations have done successfully to raise their profile.

### **Services Marketing**

– eg café, playgroup, accommodation, tourism projects etc

Unique characteristics and resulting marketing issues:

If you visit a store to purchase a product you can touch it and examine it etc to make a choice. With a service you have no physical product to promote. It is therefore difficult to communicate across as it isn't an actual thing – Have to try and provide evidence of it in your promotional material eg – if it is accommodation - nice brochures so people will presume it is a nice place, lots of photographs of bedrooms, dining room etc so people can see what they are buying, pictures of cheery staff so people will think it is friendly and a good service.

eg Farset brochure and Grangecourt website

With a service often there will be busy periods whether it is at lunchtime for a café, or in the summer for a tourist initiative. Have to watch service standards don't slip and you can cope with demand. Important to try and spread demand as well as create demand eg winter season and quiet periods – eg special offers in the quiet periods.

Have to recognise the importance staff play in whether you get a good service. You can have the nicest café with the best food but if staff service is bad people remember it and you will get bad word of mouth. You need policies and procedures for service delivery so staff know what to do.

### **Internal marketing**

Staff need to be motivated and happy to give a good service – need to market your initiative to the staff who are working for you – Must be treated well or they won't be in the mood to treat customers well – encourage them in developing their skills, provide access to training if possible.

When you are relying on voluntary labour, short term or often part-time labour – often they are forgotten about when it comes to training.

**How Do You Know if You've Been Successful?**

Record the number of new clients you get, the numbers you lose, repeat clients, how people talk about you – and try and learn from this and what promotional activities are working.

Try and develop a procedure to monitor and record information eg addresses of your customer so you can send them out information in the future, ask them where they heard about you to assist with promotional activities.

**Marketing Plan**

Once you have made all these decisions about your product or service, your customers and your promotional activities you have effectively developed a marketing strategy. Why not write it down and you have a Marketing plan – it is as simple as that and looks great for funders etc

**Sources of help**

UCIT Community Business Advisory service

[www.businesslink.gov.uk](http://www.businesslink.gov.uk) - Go to the Sales and Marketing section - lots of marketing info eg writing marketing plans which can be printed off

NICVA workshops and online guides – how to improve your marketing, writing a press release, Public Relations tips. Go to NICVA's website [www.nicva.org/](http://www.nicva.org/)

Resources/Online guides

Community Business Start Up Programme

Social Economy Agency

## **TRAINING FOR THE SOCIAL ECONOMY - Jackie McCoy UUI/School for Social Entrepreneurs**

This workshop considered the training available for staff and board members involved in social economy projects.

### **Certificate of Higher Education in Social Enterprise - funded by Belfast Local Strategy Partnership**

#### **A Definition of the Social Economy**

DETI commissioned review – Northern Ireland Social Economy Review, June 2001  
([www.colinstutt.com/socialeconomy.htm](http://www.colinstutt.com/socialeconomy.htm))

Defined Social Economy organisations as those which:

- have a social, community or ethical purpose
- adopt an explicit, market-based business model, and
- have a legal form appropriate to a not-for-personal-profit status.

In summary, the application of an explicit business model to not-for-personal-profit organisations with a social, community or ethical purpose.

#### **Components of the Social Economy**

- Employee owned businesses
- Credit Unions
- Co-Operatives
- Development Trusts
- Social Firms
- Intermediate Labour Market Companies
- Community Businesses
- Charities' Trading Arms

**What Social Economy organisations do:**

- Create incomes, wealth and employment in disadvantaged areas and for disadvantaged communities
- Provide routes to mainstream employment
- Draw on voluntary support and donations
- Advocate the needs of disadvantaged communities and areas
- Provide a channel for public funds for disadvantaged areas and communities
- Contribute to development of social capital

**Other Definitions of the Social Economy****Social Economy Agency**

Three common characteristics of Social Economy Enterprises

- Enterprise focused
- Explicit social aims
- Local Ownership

**Certificate of Higher Education in Social Enterprise**

- Certificate of Higher Education in Social Enterprise
- Developed by the Business Institute of the University of Ulster
- in partnership with Venture International and the School for Social Entrepreneurs in Ireland
- First of its kind in Northern Ireland.
- 15 participants in its first intake from across Belfast
- Over a 15 month timeframe - three terms
- Covers six main subject areas
- Key Output – a social enterprise plan

**Knowledge and Skills**

Participants will have the knowledge and skills to establish a sustainable social enterprise having:

- Established social, environmental and financial objectives
- Identified a social enterprise opportunity

- Conducted a community profile
- Explored sources of funding and finance and
- Developed a social enterprise plan for presentation to key stakeholders

**Who Should Apply?**

- This course is for individuals representing groups who are actively pursuing the establishment or development of a sustainable social enterprise

Such enterprises must:

- Have a social purpose
- Engage in trade
- Demonstrate not for private profit
- Have common ownership
- Display democratic structures
- Be publicly accountable

**The Six Modules**

- Introducing social enterprise:-context current environment and future trends
- Planning your social enterprise
- Investigating the social enterprise
- Governance of social enterprises
- Financial planning for social enterprises
- Social Enterprise business planning

**Unique elements of the Programme****Best practice visits**

- designed to expose participants to social economy business practice in other environments

**Case - study examples**

- provide challenging debate for local participants

**An individual mentor**

- will be assigned to each participant

- will be responsible for supporting the development of social enterprise project ideas
- these mentors will also accompany the participant on the best practice visit

### **Applicant Profile**

- Commitment to Social Enterprise values and principles
- Commitment to the formation of a Social Enterprise
- Previous track record and experience in community economic development or private enterprise

### **Attendance**

- 1 day per fortnight during academic terms
- 4 days individual mentoring, over the 15 months, organised by mutual agreement

### **Fee**

Thanks to the generous support of the EU through Belfast Local Strategy Partnership for Belfast, this pilot programme is offered free of charge.

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**FUNDING AND THE SOCIAL ECONOMY – Michael Meenan, MM Consulting**

Involvement in trading can raise issues for traditional funding arrangements in the voluntary sector. This workshop sought to explore how these issues could be resolved. The workshop was very well attended and benefited from a panel of 3 contributors.

**Contributors**

The workshop had inputs from representatives of 3 organisations including East Belfast Partnership Board, Belfast Local Strategic Partnership and the Voluntary and Community Unit (DSD). This range of contributors added to the initial focus on the importance of establishing a positive relationship between organisations who provide funds and those who develop projects requiring funding such as social economy projects.

It was suggested that a good relationship of trust between funding organisations and community groups was key to developing a healthy approach to the development of social economy projects. A practical issue at the core of this debate was raised late in the workshop when a community representative from Whiterock Creche recounted how they were financially penalised by their funder when they began to make a profit.

**Funding for the Community and Voluntary Sector – The Context**

It was clearly the experience of many who attended this workshop that the current climate for fundraising was based on fear and compliance rather than achievement and change. It was also acknowledged that the model of community activity which generated income presented challenges to the statutory sector. It was reported that many community groups were penalised for raising funds through not for profit activity. This was in spite of government organisations seeking an exit strategy for raising the issue of sustainability with community and voluntary organisations.

**What is meant by the Social Economy?**

Some contributors suggested that social economy was the new buzz word and that groups were now being expected to rework their projects to fit this new context. There was also a more general debate about what was meant by the social economy.

A representative from Bryson House suggested that social economy was the new term in vogue and that working definitions of what was meant by this term were needed to develop a fuller debate. Others questioned how the term social economy could be applied to projects providing childcare or after schools projects.

It was suggested that there are a number of models which could help define social economy activity. These include running existing services in a more business like fashion and running services for profit.

### **Practical Issues**

There was some discussion around the importance of obtaining contracts when receiving public (or other) funds. It was also suggested that there needed to be a policy among funders that rewarded rather than penalised income generation. Some also suggested that the social economy debate could also have the impact of getting community groups to think and act in a more business like fashion. This could involve encouraging community groups to seek good practice in record keeping and other areas of their activity. There was also mention of some government initiatives which are providing the opportunity for groups to raise some of the issues of concern around the social economy debate.

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## **TAKING FULL ADVANTAGE OF IT – Geoffrey Ready, Avec Solutions**

This workshop aimed at highlighting how existing systems can be enhanced and other options considered, in order to improve the efficiency and effectiveness of operations.

### **Social Economy...**

Making large-scale 'enterprise' resources available to human-scale organisations

- Business / Strategy
- Finance
- Human Resources
- Compliance / Quality
- Information (IT)

### **Social Economy...**

Bringing 'Enterprise' IT to the Social Economy

Requirements:

- Affordable Affordable
- Practical Practical
- A 'Good Fit'
- Broadband Internet
- Groupware and Document Management
- 'Open Source' Software Movement
- Website Content Management

### **Broadband Internet**

- ADSL and Cable Internet access are now widely available
- Not just faster and cheaper replacement for dial-up or ISDN
- Bandwidth and 'always on' make it possible to do things that used to require expensive leased lines

### **Broadband Internet**

Applications:

- Run your own mail server (yourdomain.org)

- Remote access for teleworkers or branch offices (Virtual Private Network)  
Collaborate with Wide Area Networks / Extranets
- Communicate with video conferencing

*Don't forget security (firewall)*

### **Groupware and Document Management**

- Microsoft Exchange Server
- Microsoft Sharepoint

#### Microsoft Exchange Server 2003

- More than just an email server
- Shared diaries, contacts
- Resource booking
- Customised forms
- Outlook web access

#### Microsoft Sharepoint 2003

- Moving from flat storage to document management
- User permissions – reader, author, editor
- Versioning and publishing
- Collaboration
- Central interface
- Integration with Office 2003

### **'Open Source' Software Movement**

#### Beyond Microsoft and 'Proprietary' Software...

- 'Free' or 'Open Source' e.g. Linux operating system
- Much in common with social economy: co-operative, collaborative, voluntary
- Thousands of applications

#### Advantages of Open Source Software:

- Low Total Cost of Ownership (TCO)
- Reliability

- Security
- Freedom of information
- Open standards
- Compliance with future legislation?

#### Common Objections

- How can anything 'free' be any good?
- Lack of support
- Lack of warranty / legal protection
- Not widely used / lack of compatibility
- Too hard to use
- Too difficult to switch

#### Three Ways of Using Open Source Software

- Windows PCs (or Macs) running Open Source applications e.g. Open Office ([www.openoffice.org](http://www.openoffice.org))
- Servers running Open Source operating systems (e.g. Linux) and applications (e.g. Apache web server)
- PCs running Open Source operating system (e.g. Linux) and applications

#### **Northern Ireland Open Source Community**

- Joint venture between NICVA and Avec Solutions
- Free discussion, advice and support for not-for-profit organisations considering Open Source software
- [www.niosc.org](http://www.niosc.org)

#### **Website Content Management**

##### Generations in Internet/Intranet Web Design:

- First generation: structured documents linked by 'hyper-text'
- Second generation: sites driven by graphics, 'flash', multimedia graphics
- Third generation: rapid access to information using a variety of 'platforms' or devices

**Third-Generation Websites:**

- Separate design from content
- Separate designers from content providers
- Searchable archives of valuable information
- Backed by powerful relational databases
- Managed using easy-to-use web-based tools (content management systems)

**Signs You May Be Ready for Content Management**

- Your existing website has grown beyond its original 12 to 20 pages, and has now become an unmanageable collection of 30 or more pages, difficult to track and difficult to keep up to date
- You are finding that you need to be updating your site more than once or twice a week
- You would like to bring more news and interactive content such as discussion forums, bulletin boards, online polls, or downloadable files into your website
- Your information is time-sensitive, in that it needs to be posted on a certain date and it needs to be removed on a later date
- You want to involve a wider number of content providers (information officers, PR specialists, admin staff) in the development of information for the website, and these are not the same people as your technical support staff or web designers
- You would like to be able to add content and administer the website from any remote location

**Content Management Systems...**

- Historically, limited to large enterprises and very expensive e.g. Vignette: starts at > £100,000
- Enter the practical, affordable Open Source content management systems
- Come in many shapes and sizes
- Simple database-driven 'portals' or 'weblogs'
- Complete content management frameworks (with workflow and revision control, dynamic page generation, etc.)

**Choosing a CMS**

- There is no 'right' CMS
- Choose the tool appropriate to the job at hand e.g. is your site primarily a web portal? Mainly news items? Articles? Discussion forums? Web logs? Do you need workflow system? Do you require a specific design? Are there infrastructure requirements? etc.

**Choosing a CMS:**

## Online Resources:

- [www.oscom.org](http://www.oscom.org)
- [www.opensourcecms.com](http://www.opensourcecms.com)
- [www.cmsinfo.org](http://www.cmsinfo.org)
- [www.la-grange.net/cms](http://www.la-grange.net/cms)

**Bringing 'Enterprise' IT to the Social Economy:**

- Broadband Internet
- Groupware and Document Management
- 'Open Source' Software Movement
- Website Content Management

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## **GETTING THE LEGAL STRUCTURE RIGHT – Phil Nicholls, Phil Nicholls Associates**

This workshop considered what the appropriate structures for a social economy project are. It dealt with the pros and cons of such options and was aimed at those people thinking of starting a social economy project.

### **Legal Structures for Social Enterprise Initiatives**

#### **Three Options:**

- Guarantee Company
- Share Company
- Co-op Society

#### **What do the Options have in common?**

- incorporated / registered
- have a membership
- have directors or committee
- must send documents to Registry - annual return, accounts

#### **Ownership**

- elect / appoint directors or committee
- change the constitution
- dissolve the company / society

#### **Differences**

- Whether members can invest in the project
- Whether members can benefit financially
- Systems of voting
- Cost of registration

#### **Guarantee Company**

- Members cannot invest in the project

- Can provide loans and donations
- General expectation is that members cannot benefit financially
- Though need not be the case
- Voting: one member one vote
- Though need not be the case: weighted voting rights
- Cost of setting up: about £300

### **Share Company**

- Members can invest in the project
- Can also provide loans and donations
- Traditionally members do benefit financially:
- Though this can be varied
- Voting: traditionally one vote per share
- This can be varied
- Cost of setting up: about £300

### **Co-op Society**

- Members can invest in the project
- Though can have nominal shareholdings
- Members do usually benefit financially
- Though this can be varied
- Voting: one member one vote
- Cost of registration: over £500 unless you use model rules

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**IDEAS THAT WORK – Anne Molloy, Social Economy Agency and Network**

This workshop considered examples of community business which have been successful and aimed at generating and sharing ideas within the group. The key points discussed during the session are outlined below.

Each person introduced themselves and why they had come to this workshop – what they hoped to get from it. Participants were then asked to brainstorm the ideas that they knew of that worked:-

- Accommodation / buildings / small units
  - ❖ Farset
  - ❖ Lisburn Self Build
  - ❖ NB Tourism
- Translation Services
- Services to a community
- Conference facilities / conferences
- Asset - base
- Community / Home safety & prevention
- Social services – contracting out
- Public procurement
- Environmental works:
  - ❖ Colin Glen
  - ❖ Bryson House
- Tourism / Culture
- Child care: morning and after schools etc.
- Evaluations
- Training provision: Health & Safety
- Luncheon clubs
- BURC – John Hewitt (pub restaurant)
- Transport

- Creative industries: DREAM
- Play Resource Centre
- Educational
  - within schools
  - within sectors

## **BARRIERS**

What are the barriers to success?

- Public promotion
  - Costly
  - Not promoting ourselves
  - Lack of opportunity
  - We should have a Social Economy “brand”
- Public services
  - Annual contracts
- Contract may be for wider area and not necessarily of benefit to local community
- Misunderstanding / definitions
- Market leading development
- Community Businesses V Social Economy Enterprises which meet a local need
- Not prepared to take risks (power)

## **SOCIAL ECONOMY REVIEW**

- Social goals
- Enterprise focus
- Ownership

## **HOW DO THEY WORK / FAIL**

- Partnership ; networks
- Commitment : organ, comm.
- Access to finance
- Need / demand
- Staff turnover, reputation for low wages
- Funding / information booklet
- Isolated workers – support
- Conference March 2004

## **FREE DISPLAYS ??**

- EU regulations ie. Income generation
- Short – term £
- Legal structures booklets

**Employing Staff in the Social Economy – Una McKernan, NICVA**

This workshop considered what difference if any, should it make to the way we employ people if their jobs are dependent on trading rather than a grant? This session explored the various options and implications.

The key focus of the discussion was around the following:

- Contracts of employment in general (legal considerations associated with the contract beyond what is written down eg custom and practice, other policies within the organisation)
- Defining self employment and making clear distinctions between this and treating individuals as employees
- Good practice in employing staff rather than treating them as self employed ie employees ability to gain statutory rights for sick pay, maternity pay etc. As was the case in some of the organisations represented, individuals were treated as self employed and paid for completing specific pieces of work on a long term basis however had no rights with regard to sickness and other benefits.

Difference between employing people within a social economy organisation and others. Key focus is that a difference does not exist, employment law and regulations associated with this apply across the board regardless of the environment.

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**Structures and the Social Economy - Phil Nicholls, Phil Nicholls Associates**

This workshop considered the appropriate structure for community businesses and other social economy projects dealing with issues such as companies limited by guarantee, the issue of shareholders within social economy companies etc.

The first part of the workshop was concerned with discussion on two issues:

- (a) why do some funding organisations and funding programmes - in particular the Community Business Programme, BRO and IFI - insist that recipients of a grant set up their project as a company limited by guarantee?; and
- (b) the weaknesses of guarantee companies particularly as a vehicle for trading enterprises.

No satisfactory answer could be found to the question raised by the first issue. It may be as a result of lack of understanding, lack of information on the alternatives, or trying to keep things simple. The insistence on guarantee companies is surprising given the long history of co-operative societies in both the North and South of Ireland and their prominent role over more than a century as the vehicle for social and community enterprises.

Companies limited by guarantee have a number of weaknesses:-

- (i) It is impossible for the members of the company to invest capital into the project - leaving the project reliant on grants and loans and generally seriously undercapitalised and with a weak balance sheet which in turn makes it more difficult to borrow funds from commercial sources.
- (ii) Members may lack commitment to the project- because it is too easy to sign up as a member.
- (iii) There may be difficulties in getting guarantee company subsidiaries recognised as being part of a tax group.

In Britain, Community Interest Companies (CIC) will soon offer an alternative legal form. The idea has been developed as a response to the weaknesses that other legal structures - particularly guarantee companies - have. For example, the CIC will be able to issue shares to investors. Protection is built in to the structure in the form of dividends being capped or set at a fixed rate and there will be a lock on the assets of the company.

The legislation bringing in CICs will not apply in Northern Ireland. Moreover, because the plans envisage the setting up of a regulatory body (with full time staff) to oversee the registration and monitoring of individual CICs, it was felt that similar legislation would be unlikely to be introduced in Northern Ireland (at least in the foreseeable future) because of the cost implications.

However, model CIC constitutions could still be developed for use in Northern Ireland even in the absence of any legislation. While the regulatory mechanism would be missing, the CIC model would still offer a more appropriate legal form for social economy trading enterprises than the guarantee company which in turn has no special regulatory procedures.

It was agreed that this proposition should be put to funding bodies.

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## **THE IDIOTS GUIDE TO FUNDRAISING – Dean Llewellyn, Best Cellars**

This workshop offered essential fundraising tips for beginners and considered innovative ideas for the more experienced.

### **The Funding Cycle**

- Find a need
- Prove it (surveys, telephone, anecdotal, Gov Statistics)
- Cost it (refer to Project on Mars)
- Fill it
- Evaluate it (Photographs, questionnaires, reports)

### **Types of Funding**

- Core Costs
- Capital
- Project

### **Sources of Funding**

- Government Agencies
- Trusts
- Banks
- Lottery

### **Essential Starters Kit**

- Bank Account
- Constitution
- Steering Group/Committee

### **A Project on Mars**

- Cost everything as if the Project was on Mars
- You won't get funding for it all but it achieves two things:
  1. You have thought about ALL the resources required.

2. The amount you are asking for in relationship to the total cost of the project is more attractive.

### **The Invisible Asset**

- Volunteers

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**APPENDIX A****Cheryl Kernot, Director of Learning, School for Social Entrepreneurs**  
**Social Entrepreneurs – Born or Bred?****How do we decide?**

- By looking at what they do
- By looking at what character traits they seem to have in common
- By considering the learning support they've had
- By listening to their life story

**What do Social Entrepreneurs do?**

- “Create something significant out of nothing; turn the equivalent of base metal into a kind of gold.” *Charles Handy*
- Spot the gap in our social fabric, and act as intermediaries between capital and labour to create new social institutions to fill those gaps.
- Create social value through innovation and leveraging financial resources – regardless of source – for social, economic and community development.

**Social Entrepreneurs**

- Identify unmet social need and
- Generate solutions based on a close reading of the views of those most directly involved
- Their aim is to build social capital and social profit in some of the most difficult' and 'excluded' communities
- They are skilled at redirecting and regenerating underused, abandoned, redundant or derelict human and physical resources
- such as skills expertise, contacts, buildings, equipment and open spaces

**Why the current focus on them?**

- A reduction in the role of the state and corresponding reliance on the voluntary sector

- Public sector organisations are being asked to do more with less, leaving gaps in service delivery

### **Why Now....?**

- The breakdown of other traditional social support structures
- An increasing belief that local people hold the solutions to local need

But entrepreneurial behaviour is not intrinsically beneficial.

“Entrepreneurs” in some communities turn their enterprise to highly damaging ventures such as drug dealing.

### **Common traits**

- Passionate
- Clear vision
- Inspires and motivates
- Tolerant of ambiguity
- Self-reliant
- Opportunity seeking
- Risk taker
- Sees connections, patterns
- Energetic
- Independent
- Big ideas
- Coalition builder/
- Good networker
- Communicator
- Persistent
- Flexible
- Planner
- Committed
- Conviction
- A tendency to innovate

**Common Traits**

- Strong belief in what they are doing
- Underpinned by strong underlying values
- And by own personal background

**A Visionary**

- Grasps, evaluates and interprets complex social, political and economic situations
- Identifies and creates connections, patterns and opportunities from what others would see as random events and information
- Creates clear vision of a new possibility
- Can visualise the detail to make vision happen

**Commitment and Persistence**

- Demonstrates unusual persistence in driving for measurable success but without losing realism
- Has inner strength and courage to take really difficult decisions and risk being disliked

**Lateral Thinking and Flexibility**

- Exploits change and uncertainty to create new social opportunities
- Creates value from under-used assets
- Finds innovative ways of solving old challenges and realising new ideas

**Conviction**

- Not influenced much by the ‘right way of doing things’
- Self-confident which can lead to lack of self-criticism

**Planner**

- Focuses on crucial issues
- Resolves difficulties fundamental to progress
- Foresees difficulties and evaluates risk well

**There is no “right” combination**

- They come in all shapes and sizes
- SSE Fellows range in age from mid 20's to mid 70's (with a current student who is 18.)
- Some have high level qualifications.
- and some left school at 15.
- They have come from rural Devon and inner city Glasgow.

**Some SSE student examples**

Huda Al Amin

- Came from Sudan as refugee in 1999
- As a result of her experience of living in a hostel she founded Mosaada, an independent self-help group for single women in London, particularly refugees and asylum seekers in hostels and temporary accommodation

Tom Bulman

- Established full-time schooling ‘without walls’ for 14-16 year olds about to be expelled from school.
- “Classes” take place in the workplace and in parks and community places.

**Belfast examples**

- Edward McAteer editor of Horizon Magazine, a community magazine which Eddie plans to run as a social enterprise
- Anne Maginnis developed a cafe to complement and subsidise an existing meals on wheels service.

**Spotting/Meeting Gaps**

- Tricia worked on a project to allow elderly people to remain in their houses by adapting the accommodation to release equity.
- James set up AnyBodyCan - an electronic Market-place for disabled and disadvantaged people being developed within the Newcastle area.

- *Kids Gloves* a boxing education program in a disadvantaged area where anti-social behaviour and learning difficulties can be spotted early so help can be given at an earlier stage benefiting neighbourhoods and cutting crime.
- SHPRESA: setting up support for more than 150 families of Albanian speaking asylum seekers, refugees and migrants to help them settle and fully participate in society, gain confidence and make progress in their life.

### **Chrissie's Story**

I live in East London on the Teviot Estate in Poplar. In 1997, I set up the Teviot Action Group (TAG) on a isolated and run down estate in Poplar Borough where there's a high percentage of crime unemployment and lone parents and no resources on the estate. Initially we campaigned for better public transport.

TAG now runs and advice and guidance sessions, language classes, bingo nights, it classes children's after school clubs, mother and toddler groups, training recycling projects, runs two football teams study support classes for people that have missed out on education and involves over 450 people.

I am now the Chair of TAG, Coordinator of Projects and community director of Leaside Regeneration. Being a community activist has changed me from someone who was insecure with very low self-confidence, who suffered a hard life through horrendous life history to someone who can lead campaigns and run organisations.

### **Who are they?**

- Social entrepreneurs are society's mavericks and reformers;
- They are the changers of minds and the breakers of rules
- They cause change

Is that you?

Or someone you know?

## **APPENDIX B**

### **Maurice Kinkead, Chief Executive East Belfast Partnership Making and Losing Money in East Belfast**

#### **WHY?**

- Funding insecurity
- I enjoy it?
- Can't get it elsewhere
- Sustainability

#### **WHAT?**

##### 3 Criteria

- Profitable
- Community benefit
- Employment
  
- Avec Solutions
- Landmark East
- Espresso East
- East Belfast Publishing
- 27 jobs and £900k turnover

#### **HOW?**

- Hard Work
- Money
- Opportunism
- Management
- Ideas
- Excellent People

#### **PROBLEMS?**

- Funding
- Time

- Staffing

**FUTURE?**

- Separate Focus
- Growth
- Quality