



Report from Cork Workshop, July 21, 2021

Introduction

The following report provides a summary of the presentations and discussion that took place during the online Workshop that was organised by Cork City Council, as part of the FOSO-POCO Project. Further information on the Project can be found at: <https://www.corkcity.ie/en/doing-business-in-cork/european-projects/foso-poco>.

The number of participants registered for the Workshop was 53. The breakdown of participants by location is as follows:

Ireland	27
Malta	14
Estonia	10
Brussels	2

The participants were drawn from: active social enterprises; local government, academics and researchers and support organisations.

The report contains the following sections:

1. Theme and agenda of Workshop
2. Summary of profile of Cork and Irish ecosystem for social enterprises
3. Summary of presentations – local case studies;
4. Results of Q/A and Peer Review – Summary of discussions
5. Thematic presentations
6. Panel discussion
7. Feedback from small group discussion
8. Conclusion

Appendix 1 Agenda of Workshop

1 Theme and agenda of Workshop

The theme of the Workshop was: *Fostering Social Entrepreneurship Ecosystems Post-Covid 19*. The first part of the agenda gave the participants an overview of the Irish and Cork ecosystems and 2 models of best practice.

The second part of the agenda dealt with the theme of *establishing local supports to assist social enterprises in a post-Covid economy to further their viability and job creation prospects*. Three thematic presentations were provided, including a keynote address by Mr **Mikel Irujo Amezaga**, Minister for Economic and Business Development in the Regional Government of Navarre in Spain and Rapporteur European Committee of the Regions. This session concluded with a panel discussion on the theme.

The final part of the agenda gave participants an opportunity to participate in small group discussion on the theme of *establishing local supports to assist social enterprises in a post-Covid economy to further their viability and job creation prospects*. Each of the small groups were moderated by a member of the Cork Steering Group for the FOSO POCO project.

The moderator for the Workshop was Mr Chris Gordon, Irish Social Enterprise Network.

The full agenda can be found in Appendix 1.

2 Summary of profile of Cork and Irish ecosystem for social enterprises

A profile of the Cork and Irish ecosystems for social enterprises was prepared in advance of the Workshop by the Cork Steering Group for the FOSO-POCO project. This profile can be found at <https://www.corkcity.ie/en/doing-business-in-cork/european-projects/foso-poco>.

Cork City - population

Cork plays a key role in driving the economic, social and cultural fabric of Ireland, in particular the southern region of Ireland. Since the extension of the City boundary in 2019 the population of Cork is now 210,000 with a target to grow to 335,000 by 2040. Cork City serves a metropolitan area of 820km² and a population of just over 305,000 people.

Role of social enterprises in Ireland

Social enterprises operate in all areas of Ireland's social and economic life, trading in goods and services. They are professionally run enterprises and come in a number of different legal forms including CLGs (Companies limited by guarantee), CLS (Companies Limited by Shares), Cooperatives, DACs (Designated Activity Company), and many are registered charities also. While the term "social enterprise" is relatively new in Ireland, the country has a long tradition of non-State intervention in community and social life which is consistent with the ethos of social enterprise.

National policy background

Of greatest significance is the 2019 publication of Ireland's first National Social Enterprise Policy by the Department of Rural and Community Development (DRCD). The policy is aimed at supporting social enterprises and is focused on three objectives: (i) building awareness of social enterprise; (ii) growing and strengthening social enterprise; and (iii) achieving better policy alignment

SWOT analysis for social enterprises in Cork and Ireland

The following table presents a strengths, weaknesses, opportunities and threats (SWOT) framework to present current issues for the Irish and Cork ecosystems for social enterprises. The analysis underpinning this SWOT are the ongoing discussions of the Cork Steering Group

for the FOSO-POCO project, the on-going survey of social enterprises taking place as part of the FOSO-POCO project and an overview of the policy debate in Ireland.

Table 2: SWOT framework for social enterprise ecosystem in Ireland and Cork

<p>Strengths:</p> <ul style="list-style-type: none"> • Tradition of volunteerism and civil society activism • national policy • Legal structures in place for social enterprises • Supportive environment • Strong positive culture for social entrepreneurs • Participation in policy making by social entrepreneurs/enterprises. • Access to finance • Access to markets • Skills and business development support • Managing, measuring and reporting impact • Access to training and education 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • Lack of awareness of social enterprises among the general public, consumers and statutory organisations • Local strategy is underdeveloped • Accessing procurement opportunities • Reluctance to fund enterprises with charitable status by conventional commercial funders • No bespoke legal structure for social enterprises
<p>Opportunities:</p> <ul style="list-style-type: none"> • Procurement possibilities • Opportunities with circular economy, climate change and sustainability agendas and the renewed emphasis on social connectedness and its implications for mental health • EU agenda on the Social Economy • Developing a local social enterprise strategy 	<p>Threats:</p> <ul style="list-style-type: none"> • Decline in volunteering rates with implications for access to skills for boards of management and directorships • Decline in levels of public spending • Failure to operationalise EU agenda at national and local level.

3 Summary of presentations – local case studies

All of the powerpoint presentations can be viewed at <https://www.corkcity.ie/en/doing-business-in-cork/european-projects/foso-poco>

3.1 *Fostering Social Entrepreneurship Ecosystems Post-Covid 19 – Donal Guerin, Economic Development Section, Cork City Council*

This presentation focused on the following element:

- What is FOSO-POCO?
- Overview of Cork and Irish Ecosystem for Social Enterprises
- Activities undertaken by 8 Cork based organisations working in the field of social enterprise – FOSO –POCO Survey (see <https://www.corkcity.ie/en/doing-business-in-cork/european-projects/foso-poco> for further details of survey). This survey is ongoing.

Enterprise and Social & Community Enterprise support

Social Enterprise, Education, Training, integration

Opportunities for people with intellectual disability

Community Development

Supporting innovative nonprofit organisations with cash grants and non-financial supports

Creative Enterprise Hub

- SWOT framework for social enterprise ecosystem in Ireland and Cork
- Final thoughts - In 2022, Cork City Council will prepare a social enterprise strategy to address the issues facing the sector in Cork. National Government is also preparing new policies to support philanthropy and private giving in Ireland. New opportunities for social enterprises have become available since the transposition of two EU Directives on public procurement as law on 5th May 2016. The two regulations authorised by the Minister of Public Expenditure and Reform cover public procurement in the public

service and utilities sector. National, regional and local social enterprise/social entrepreneur networks and advocacy organisations have grown significantly (e.g. Rethink Ireland, Social Impact Ireland, Social Entrepreneurs Ireland and the Irish Enterprise Network), who have contributed massively to available mentoring capacity and funding for start-up and upscaling social enterprises. There is widespread agreement that the Irish social enterprise sector's capacity could increase further. Research, education and skills development initiatives aimed at addressing this issue include: university-based programmes; and local development companies that enhance sectorial skills are being in the process of further developed with high levels of success.

3.2 *Local good practice 1 - Presentation by Margaret Leahy, Rethink Ireland*

Rethink Ireland is a venture philanthropy fund, providing cash grants and business supports to the most innovative charities and social enterprises. Margaret's presentation focused on the types of funds available from Rethink Ireland. These include the Social Enterprise Development Fund; Genesis Programme and the Social Enterprise Start-up Fund. The impact of the Social Enterprise Development Fund in 2020 can be measured by: the 268 people supported to access employment in 2019; reached 353,000 people; employed 231 staff members; mobilised 1,878 volunteers and a combined turnover of €6.8 million.

Other examples of showcase social enterprises supported by Rethink Ireland in Cork include:

- Cork Counselling Services provides university and professional body accredited degree-level training. The courses are accredited by the University of Coventry as well as the Irish Association for Counselling and Psychotherapy (IACP). They currently have 90+ part-time students studying to become qualified counsellors. This training is integrated into their service provision which ensures their therapies are leading edge and that the training is grounded in the real world. The training raises 50% of their annual costs, which is then used to subsidise the counselling for those who cannot afford to pay
- Together-Razem addresses problems related to marginalisation, exclusion and isolation faced by the Polish and Eastern European migrant community in Ireland. From their community hub in Cork city centre, they provide advice, education, counselling and psychotherapy (in the native language of their service users) and integration supports.

3.3 *Local good practice 2 - Presentation by Cathy Buchanan, Manager , Meitheal Mara, Cork*

Meitheal Mara is a community boat yard and training centre, with a social enterprise strand that helps to ensure the sustainability of its operations. Its key objectives are to provide training opportunities for people of all abilities and ages in the skills of boat building and enabling personal development – as well as providing opportunities for rowing and experiencing the pleasures of boating. Meitheal Mara is very well known in Cork and employs 5 full time staff and 6 part time, as well as 12 staff on training programmes. Funding for the company is derived from a number of sources such as the sale of boats and services, donations and public grants.

4 Results of Q/A and Peer Review – Summary of discussions (joined by Dr Mary O’Shaughnessy, University College Cork, Ireland)

The panel discussion raised the following issues:

- There was a greater recognition among policy makers in Ireland on the role of social enterprises, which has led most importantly, to the development of national policy;
- During the recent COVID 19 lockdown, Government financial supports to businesses have been crucial in Ireland;
- New innovative grant schemes are being developed by the lead Government Dept, in collaboration with local authorities;
- The local dimension is crucial in the support of social enterprises. Of particular importance are the co-ordinating structures set up by local authorities (Local Community Development Committees, LCDCs) and the Partnership Companies that work with disadvantaged groups. However, local networks need resourcing.

5 Thematic presentations: Establishing local supports to assist social enterprises in a post-Covid economy to further their viability and job creation prospects

5.1 *Presentation by **Mikel Irujo Amezaga**, Minister for Economic and Business Development in the Regional Government of Navarre in Spain and Rapporteur European Committee of the Regions*

This presentation gave a detailed description of the central role that the social economy plays in the economic life of the region. The values underpinning the success of Navarre model of development are rooted in the EU Social Economy Europe. These values include:

- Respect for human dignity;
- Subsidiarity;
- Equality, pluralism and non-discrimination,
- Individual and the social objective over capital;
- Democratic control by the membership;
- Combination of the interests of members, users, and general interest (society);
- Reinvestment of the surplus to carry out sustainable development objectives, services of interest to members or of general interest;
- Voluntary and open membership.

The success of the Navarre model has deep historical roots and it contributed hugely to making the region one of the most prosperous parts of Spain. The key features of the model include:

- Link to the region
- Greater resilience
- Collective entrepreneurship
- Business cooperation
- Deep business roots in Navarra
- Contribution to employment

In 2020, Navarre's social economy was characterized as follows:

- 1,264 social economy businesses.
- 21,420 employed people, representing near 9% of the working population in the private sector in Navarra.
- 2.4 billion euro estimated turnover (largest part of the turnover is concentrated in Cooperatives and Labour Companies –more than 95%).
- More than 28,000 associates and volunteers at Social Economy companies

Other key features of the social economy of Navarre are:

- ✓ Significant contribution to employment and entrepreneurship
- ✓ Largest part of the turnover is concentrated again in Cooperatives and Labour Companies –more than 95%: Worker-Owned Companies, Agro-food Cooperatives, Insertion Companies, Foundations and associations that carry out a business activity, Solidarity Economy Entities, Special Employment Centres

Underpinning this success is an innovation policy that prioritizes: **specialization; clusters and the development of centres of excellence** and an participatory approach that involves all social economy stakeholders. Shaping this approach is a **Smart Specialisation Strategy** that has as its objective

“Facilitate the transformation of the industrial fabric of Navarre to guide it towards the industry of the future: more competitive, more technological, more innovative, more sustainable and more committed to society and its Surroundings”

A SWOT analysis of the social economy sector in Navarre has found the following:

- ✓ **Strengths:** link to the region, greater adaptation capacity, business coop, sustainability of the projects
- ✓ **Weaknesses:** financing problems, dependence on local markets, lack of model wide spreading
- ✓ **Opportunities:** Potential contribution to sustainable growth, growing interest from Administration, Europe 2020 Strategy
- ✓ **Threats:** rigidity of administrative framework, dispersal of support policies, fraudulent practices

The Region has a Social Economy Plan to further address the challenges ahead. Of key importance are a number of main themes such as: sustainable and quality employment; social innovation; business development, internationalisation and participatory governance.

The focus on these themes have identified clear actions to be taken in the areas of: quality jobs; social inclusion in the labour force; skills and training.

The final element of the presentation dealt with the 5 pillars of the recently published *Opinion on the European Action Plan for Social Economy* by the European Committee of the Regions.

These pillars are:

- Access to finance;
- Access to markets;
- Improving framework conditions;
- Social and technological innovation and new business models
- International dimension

It is clear that the following themes will be central to the success of the social economy model in the EU. These are

- **Improve the competitiveness of Social Economy companies** through the increase of the added value provided, in an interregional cooperation perspective
- Explore the **embedding of the social economy sector in the regions**
- Improve a **better cooperation among the social economy enterprises** in Europe in order to strengthen the social economy sector
- Stimulate **cross-border operations** to enable them to use the full potential of the Internal Market
- Create **European value chains** of social economy enterprises belonging to different regions in Europe and improve the cooperation between them
- Develop **social economy clusters**, developing more holistic and cohesive approaches to S3 by fully embracing the (interregional) 'quadruple helix' approach
- Foster the ability to **attract talent** to sector companies
- Promote the **internationalisation** of the business fabric of the Social Economy with size and capacity for management and responsiveness to the market

5.2 *Presentation by Mr Steven Flint, Manager Cork Deaf Enterprises*

Cork Deaf Enterprises are a dedicated employer of deaf and hard of hearing people since 1988. As a social enterprise, it provides a furniture repair and upholstery service (reuse, recycle, repair) to the general public and training and employment opportunities for its clientele. It derives its income from trading income and grants.

COVID 19 has had major impact on the running of the enterprise. These impacts are:

- Delay to 3 year strategy (2018-2021);
- Affect on financial performance;
- Government supports;
- Restrictions – customers;
- Business Closures;
- Employees health including mental wellbeing community.

The current focus is on:

- Planning to meet the needs of employees;
- Reengagement in the delivery of services to customers;
- Upskilling board of management and succession planning;
- Developing a strategy to cope with increased costs / price margin;
- Planning for 3 year growth and longer;
- Online / digital, branding, website, social media'

Ongoing challenges and opportunities are:

- Dealing with the on-going impact of COVID-19 (e.g. staff welfare);
- Removal of Government supports;
- The green/circular economy
- Inflation/material costs.

5.3 Presentation by Mr. JJ O’Connell, Manager, Cork Urban Enterprises (CUB)

Cork Urban Enterprises is a publicly funded support agency for start up enterprises in Cork. It is currently supporting 9 enterprises, some of whom are operating from a campus (Northside for Business Campus) that is managed by CUB.

One of the objectives of CUB is to create a virtual conducive support and learning environment; build an appropriate infrastructure for clients (including social enterprises) and build a remote learning platform to convene meetings, share data and that’s accessible to all.

Key characteristics of social enterprises that impact on their effectiveness as organisations

Many social enterprises be affected by a range of challenges that are not relevant for traditional enterprises. These include:

- Absence of governance;
- Short term planning and absence of medium to long term planning;
- Concentration of control / influence’ Profile of CEO who may not have sufficient experience for role;
- Absence of “normal accountability’ . Board of management may be composed of well meaning volunteers who not have the skills for governance role;
- Employment / HR issues and uncertain career path;
- Uncertain financial income;
- Inability to demonstrate accountability to stakeholders;
- Funding cycles, financial uncertainty.

Characteristics of for-profit V non-profit entities

For Profit	Non Profit
Mission – sustainable income/environment	Deliver services to key constituencies
Measure - Financial performance	Performance of service balanced with other matters
Leadership – CEO has sole responsibility	CEO reports to non-ex Chairperson/board
Board – Small, limited in scope, resilient	Large stakeholder membership, hard to control, can lack focus, sub-committees – always at work

Members – Qualified, appointed on merit, professional, remunerated.	Diverse profile, stakeholder group reps, frequent t/o, largely non-professional, voluntary
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The hallmarks and best practice principles of social enterprise oversight are:

- Act in the best interest of the enterprise;
- Act with reasonable care and attention in all matters ;
- Ensure the enterprise is carrying out its purpose;
- Manage Assets – (tangible and intangible) ;
- Make appropriate decisions – keep an appropriate record;
- Comply with the governing documents.

The enterprise support sector in Ireland has major plans to expand the range of services available – particularly in the context of COVID -19. These plans include:

1. To be operational by y/e 2021 with a target of 80 Enterprise Centers;
2. Hubs 1 One national entity – A single point to promote enterprise centres/hubs and enable wider promotion and marketing;
3. 2 Mapping - Individual hub classification – remote working choices – from concept in 2020 to a working reality in 2021;
- 4 Booking Platform – for training, networking and 1:1 support 4 Broadband. CSO – focused economic metrics, skills, amenities.

The key objective is to increase the scope and capacity of the networks and transfer 25 years of learning onto a digital platform thereby extending the work and zone of influence of the Campus and the networks it houses to a level that heretofore was simply not possible.

6 Panel discussion (including Padraic Valleley, Rethink Ireland)

Discussion focused on the broad challenges facing social enterprises in the context of establishing local supports to assist in a post-Covid economy, to further their viability and job creation prospects. The following issues were identified:

The ongoing challenge of ensuring effectiveness and efficiency. Social enterprises face the challenge of ensuring that they can meet their social objectives and simultaneously, ensure that enterprise is run in the most efficient manner possible. This challenge has become more intense, as a result of COVID-19;

- It was agreed that networks were a great way of sustaining social enterprises. However, they need resources. It was agreed that the various data sharing platform can be of great benefit;
- It is vital that the work done by social enterprises is highlighted further in Cork. There is a need for greater public awareness of the services and products from social enterprises;
- Many social enterprises find the bureaucracy associated with applications for Government funding challenging. Supports are needed in this area.

7. Feedback from small group discussions

The final session of the Workshop gave an opportunity for participants to discuss the issues raised. Each group was made up participants from Ireland, Malta and Estonia.

There were seven groups that discussed the following questions:

How has Covid-19 affected social enterprises where you are based?

Have sufficient local supports been provided to social enterprises where you are based?

What additional help do you think is needed?

The feedback from each of the small groups raised the following issues

Impact of COVID-19

The following issues were raised:

- Impact on turnover;

- Impact on ability to remain relevant;
- It was accepted that COVID 19 reduced SEs capacity to generate income especially with regard to generic revenue streams;
- COVID-19 was an immediate distraction which drove SE's into a survival mode;
- COVID-19 had a noticeable social impact and raised issues for employee's health and safety.
- SE's were forced to change focus to the new situation and offered a broader range of services to the wider community. (example from Estonia: SE offering support to vulnerable people previously, now rolled this service out to the general public);
- Increased awareness for the need to trade online, lead to opening of Web Shop (Cork example) and demand for 'Trading online voucher' TOV grants from Local Enterprise Office;
- Increased awareness of social enterprises following Covid-19 in Estonia, Digitalization vouchers extended to service companies during covid which helped social enterprises overcome an e-commerce gap;
- In terms of effects of COVID-19 for social enterprises, it was the same as SME sector;
- Many social enterprises rely on physical events to generate revenue or engagement. Had to pivot direction without veering away from why it was set up;
- Inflation of Materials;
- Sales and trading significantly affected by COVID-19, but also a refocus on community activity in Ireland;
- COVID challenges in working with marginalised groups;
- For smaller projects;
 - Replacing staff
 - Suspending projects
 - However opportunity for re-thinking.

Adequacy of local supports

- Continuous financial support from Government agencies during COVID-19 was greatly appreciated;
- The main issue was that in Malta there is no real legislation to back social enterprises;
- Often the people who are involved in social enterprises need to wear many hats and have multiple skills;
- Financial supports for businesses are vital;
- Malta - identification of social enterprises -v voluntary vs. enterprise – sources of financial assistance available to each sector.

Additional assistance required

- Social enterprises would benefit from greater financial assistance and mentoring;

- Need to have an exit strategy for coming off programmes so what's learned continues after support finish;
- Banking system – regular banks too expensive – credit unions not interested in community accounts;
- Increase support and focus on mental health social enterprises, including for children in Estonia;
- Potential of Local Development companies and Local Enterprise Offices needs to be utilized more, with more joined up thinking (Ireland);
- Most importantly is access to mentorship and development design, intangible support.

Conclusion

The Workshop was a very successful forum for the presentation of good practices and discussion of common problems in tackling the problems arising from the COVID-19 Pandemic. The feedback received from many of the participants was that it was a very worthwhile exercise.

The profile of the Irish and Cork eco systems highlighted the country specific features- arising from a unique culture and social policy history-that define and shape its emerging social enterprises. Ireland has had a long history of third sector organisations involved in the delivery of social services. However, the 'social economy' approach is re-shaping the ecosystem fundamentally which is allowing the emergence of new and innovative approaches to tackling social needs.

The case studies that were presented as models of best practice clearly highlight this innovative approach -marrying traditional skills and the opening of opportunities for excluded groups and the targeting of funding to social enterprises that emphasise innovation, entrepreneurship and inclusion.

The case study from Navarre, Spain, sets a benchmark for other regions on what can be achieved by a strong social economy approach that does not differentiate between traditionally understood for profit and social enterprises. In Navarre, the social economy approach has achieved growth, wealth re-distribution and the meeting of social need. It clearly shows that a social economy approach deepens resilience and achieves sustainability – both principles that re now fundamental to the goals of the Green European Agenda.

The day to day reality of the impact of COVID-19 on a successful social enterprise and the additional challenges it can create for social enterprise already grappling with the challenge of meeting social objectives and running as an efficient business. COVID-19 has created

additional challenges (e.g. staff welfare issues, business closures, lack of engagement with customers and client base and impact on turnover). Many social enterprises face challenges in the area of governance – due to their voluntary nature- and these may be exacerbated by COVID-19 (e.g. boards of management not meeting).

Accessing available financial supports is crucial. The reality is that social enterprises could not have continued to operate without these supports. COVID- 19 has given an opportunity for a re-think on the design and delivery of services. Training and peer encouragement is vitally dependent on networks and the advice and supports.

Finally, the message from the Workshop is that social enterprises will continue to have a bright future in Ireland, Estonian and Malta. The forthcoming publication of the Social Economy Action Plan is awaited with great interest and will no doubt provide opportunities for the sharing of ideas and knowledge.

Donal Guerin

August

2021.

Appendix 1 Agenda of Workshop

Fostering Social Entrepreneurship Ecosystems Post-Covid 19

Kuidas saab sotsiaalseid ettevõtteid toetada nende eesmärkide saavutamisel ja COVID-19 väljakutsetega toimetulekul?

21 July 2021

- 9.00a.m.** Introduction: *Donal Guerin*, FOSO-POCO Project Manager, Cork City Council
- 9:05a.m.** Welcome by Workshop Chairman: *Mr. Chris Gordon*, CEO of the Irish Social Enterprise Network
- 9:15 a.m.** Local ecosystem for social enterprises in Ireland and Cork: Presentation by *Donal Guerin*, Project Manager, FOSO-POCO, Cork City Council
- 9:30 a.m.** Local good practice 1: Presentation by *Margaret Leahy*, *Rethink Ireland* who support innovative social enterprises working in communities across Ireland
- 9:40 a.m.** local good practice 2: Presentation by Ms. *Cathy Buchanan*, Manager, *Meitheal Mara*, community boat yard in Cork and training centre
- 9:50 a.m.** Q/A and peer review of Ireland and Cork's ecosystem for social enterprises (open discussion)
- 10:20 a.m.** Break 10'

Thematic workshop: Establishing local supports to assist social enterprises in a post-Covid economy to further their viability and job creation prospects

10:30 a.m. Thematic workshop expert: Presentation by *Mikel Irujo Amezaga*, Minister for Economic and Business Development in the Regional Government of Navarre in Spain and Rapporteur European Committee of the Regions

10:50 a.m. Thematic workshop, practitioner: presentation by *Mr. Steven Flint, Manager, Cork Deaf Enterprises*

11:10 a.m. Thematic workshop local expert: presentation by *Mr JJ O'Connell, Manager Northside for Business, Cork*

11:30 a.m. Break 10'

11: 40 a.m. Panel discussion – thematic discussion 20'

12:00 p.m. Breakout Rooms /Discussion/Networking on Thematic Topic – 20'

12:30 p.m. Closing remarks 15'

12:45 p.m. End