



Fostering Social Entrepreneurship Ecosystems Post-Covid 19

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What is FOSO-POCO?

FOSO-POCO is a project commissioned by the Executive Agency for Small and Medium-sized Enterprises (EASME) and the European Commission Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) to understand and assist in overcoming the challenges facing social enterprises in Europe

FOSO-POCO focuses on creating better understanding of the conditions for social entrepreneurship by directly involving relevant actors and stakeholders in efforts to identify and address existing gaps in the supports for social enterprises.

The project has 3 specific objectives:

1. Creating better understanding of the state-of-play and potential of social entrepreneurship locally, by identifying and directly involving the relevant stakeholders and the use of best practices and expert involvement to address existing gaps in supports available, (Malta Enterprises- Lead Partner);
2. Assisting promising social enterprises to pilot, pitch and internationalise their product or services through the networks of the project partners, (Tartu City Council);
3. Establishing local supports to assist social enterprises in a post-Covid economy which hopefully results in furthering their viability and job creation prospects (Cork City Council).



Overview of Cork and Irish Ecosystem for Social Enterprises



Key facts about Cork

Cork plays a key role in driving the economic, social and cultural fabric of Ireland, in particular the southern region. According to the 2016 census, the population of Cork City is almost 211,000 and the City serves a metropolitan population of over 305,000 people. 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.

Cork is poised to be the fastest growing city in Ireland to 2040. This is clearly articulated in the Government's National Planning Framework and is underpinned by a commitment of continued investment by the Government. Since the publication of the National Planning Framework in 2018, Government has committed €1.7billion to mobility, housing and place making in Cork, with further investment in health and education



Social enterprises in Ireland

Background – Strong tradition of a mixed economy of welfare

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.

- Ireland has a large, active and vibrant third sector that delivers an impressive range of services. Benefacts is the publicly-available and searchable database that lists all civil society organisations in Ireland – all 34,331 of them.
- A total of 10,225 organisations are incorporated as formal companies and thus governed by company law. Some 11,341 are registered charities (that includes both incorporated companies and informal associations) and are also governed according to charity law.
- There are 1,130 nonprofits delivering health services in Ireland, and 636 of those are registered charities. Some 3,965 nonprofits are schools (Irish Times, July 14th, 2021).

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.



Key features of Irish Social Enterprises.

Characteristics	Description
Legal form	Company Limited by Guarantee (CLG) without share capital (most commonly adopted)
Source of income	Mixture of traded revenue, subsidies and grants, donations
Social impact	Job creation, social integration, service provision to disadvantaged communities, environmental services, social capital through volunteerism, improved local governance, tackle social, societal and environmental challenges
Turnover	Average turnover is approximately €1million, but a 2008 study indicated that one third of social enterprises had turnover of less than €100,000
Workers	In 2009, estimated employment of approximately 25,000
Field of activity	Enterprise centres, sports facilities, youth centres, social housing and addiction/counselling centres, food and catering, tourism, arts, culture, music, recycling, transport and distribution

Source: SOCIAL ENTERPRISES AND THEIR ECOSYSTEMS IN EUROPE Country report IRELAND, Dr. Mary O'Shaughnessy, EU Commission, 2020, pp. 36



Types of social enterprises in Cork

Activities undertaken by 8 Cork based organisations working in the field of social enterprise – FOSO –POCO Survey.

Enterprise and Social & Community Enterprise support

Enterprise Support

Social Enterprise, Education, Training, integration

Opportunities for people with intellectual disability

Support of people with an 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

Strenghts

- Tradition of volunteerism and civil society activism
- Strong national policy
- Legal structures in place for social enterprises which facilitate accountability and good governance
- Supportive environment from a range of funders, support organisations and networks
- Strong positive culture for social entrepreneurs
- Participation in policy making by social entrepreneurs/enterprises.
- Access to finance – financial supports are available
- Access to markets – access to markets is in place
- Skills and business development support – supports are in place
- Managing, measuring and reporting impact – data is collected and contributes to policy making
- Access to training and education in place.



Weaknesses

- 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



Opportunities:

- 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



Threats

- 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.



Final thoughts

- **The results of the SWOT analysis provide a very positive benchmark for the future development of policy.**
- **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.**





Thank You



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