ADDING VALUE DELIVERING CHANGE

The Role of Social Enterprise in National Recovery

Report of the Social Enterprise Task Force

An Initiative of Clann Credo and Dublin Employment Pact

THE SOCIAL INVESTMENT FUND

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www.clanncredo.ie

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Foreword

Social enterprise has a strong and growing presence in Ireland, building on deep roots of community organisation, self-help and a native enthusiasm for enterprise. This spirit has created formidable and unique organisations such as the GAA, the credit union movement, the Irish Countrywomen's Association (ICA), Muintir na Tíre, the agricultural co-ops, local development and enterprise organisations, along with a wide range of voluntary and charitable groups, from Rehab to local community-owned initiatives.

Despite this, the sector remains relatively under-developed in Ireland and has not grown to anything like the levels enjoyed by EU and global counterparts. We estimate that growth here has only kept pace with inflation over the last 14 years.

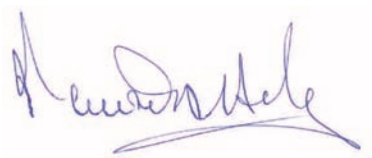
Social Enterprise needs to grow and put down deeper roots. The social enterprise sector needs to act as one and state its case publicly, in order to create a more favourable public and policy environment that will ensure that it realises its true potential.

For these reasons, Clann Credo – the Social Investment Fund and Dublin Employment Pact, took the initiative last year to bring people together to focus specifically on how to promote the concept and the common interests of the sector. The result was the Social Enterprise Task Force (SETF) which set itself the mission of developing a Manifesto that would identify the practical ways in which national and local policy could create a more supportive and receptive framework for social enterprise.

Social enterprise can play a very significant role in national recovery. This role has many aspects: economic, social and the generation of a 'can do' community spirit that would help drive that recovery. The potential of the sector is simply staggering, and its consistent underestimation represents the neglect of a great opportunity.

We wish to record our appreciation to all members of the Taskforce for their time, dedication and serious contribution over the last months and particularly, Ann Clarke who did most of the work of consolidating opinions. Paul O'Sullivan and Philip O'Connor of Clann Credo and the Dublin Employment Pact are also thanked for providing the critical back-up to our work

We now present this Manifesto with its key recommendations and commend it to all who see the huge potential of the sector and want to help unleash it.



Maurice Healy
Chairperson
Social Enterprise Task Force

Executive Summary

1. Social enterprises **engage in commercial activity for social and/or environmental purposes;** they are committed to social justice. Social enterprise has three key components: Innovation, Enterprise and Finance.

2. Social enterprise can contribute significantly to achieving the **economic growth and employment** objectives set out in *Jobs and Growth 2010*[1] as well as the green economy agenda set out in *Developing the Green Economy in Ireland*[2], if supported in the right manner. Social enterprise can also contribute to meeting the European Commission's *Integrated Guidelines*, particularly in respect to innovation and the social economy[3].

3. Countries that recognise and value social enterprise as **part of the 'real' economy** have achieved significant growth in employment and output in the sector while addressing genuine social and environmental needs.

4. Social enterprise in Ireland has the potential to grow significantly to represent **5% of GDP and to generate at least 65,000 jobs.**

5. But the sector is **underdeveloped** - representing only 3% of GDP - and **in need of appropriate support**, both from within and from the wider policy and support infrastructure. It needs to be **'mainstreamed'** into the greater economy. Government needs to recognise that social enterprise can **contribute to helping Ireland work its way out of the current crisis**. The sector itself needs to realise that it must **work together** if meaningful progress is to be achieved.

Main Recommendations

The measures proposed by the Social Enterprise Task Force to drive the growth and development of social enterprise envisage:

- The development of an enabling policy framework, which would see the social enterprise agenda adopted and driven by the department with responsibility for enterprise;
- Incorporating social enterprise into the economic, planning and development strategies of local authorities;
- Including a social enterprise remit within existing enterprise funding mechanisms;
- Enhancing the existing support structures for the business sector so that they are accessible and capable of also providing support to social enterprise[4]. The key agency for providing support to social enterprise at local level should be the County & City Enterprise Boards (CEBs);
- Developing the use of social clauses in public and local authority procurement policy and supporting social enterprises to build consortia and to tender for public contracts; and
- Developing a range of flexible finance options including equity-type instruments.

Contents

Introduction

Social enterprises are businesses that are set up to tackle social, economic or environmental issues. They are committed to social justice. They engage in activities of a commercial nature in order to produce social and community gain. Social enterprise does and can play an important role in Irish society. It often provides services that would not otherwise be delivered (i.e. it addresses market failures), to support disadvantaged groups and communities, to meet environmental challenges, to regenerate urban and rural areas and to support labour market activation.

The social enterprise sector has the potential to develop to the level and scale that has been achieved in other countries: representing at least 5% of GDP and over 65,000 jobs and contributing hugely to achieving the job creation goals set out by the Innovation Taskforce[5].

To realise this, the sector needs an appropriate national policy framework (i.e. policy development located in the department with responsibility for enterprise), access to relevant support structures (i.e. SME support structures such as County Enterprise Boards, Enterprise Ireland, Business Innovation Centres, etc) and access to capital.

However, the sector is seriously underdeveloped and its growth is hindered by a number of factors: a lack of policy focus and direction at national level; over-reliance on grant aid and limited access to other sources of finance; limited support structure and problems accessing the supports available to SMEs.

Social enterprise deserves to be more widely recognised and accepted as a successful business model that trades in order to meet social need. This could result in a thriving enterprise sector, driven by a commitment to social justice.

A number of reports researched the scale, benefits and challenges faced by the social enterprise sector[6]. This paper sets out what social enterprise is, how important it is to Ireland and what supports it needs in order to grow and develop further.

There are three key components to social enterprise: Innovation, Enterprise and Finance.

Speedpak is a successful social enterprise that provides work experience and training to long-term unemployed people in Dublin's Northside. It has two main commercial operations: the first manufactures and supplies rosettes while the other provides a contract packing services to business. Speedpak has helped over 500 people back to employment.

What is Social Innovation?

Social innovation is comprised of new strategies, ideas, concepts and organisations that meet social need. It aims to save or better lives, improve social ills and solve problems. Social innovation is carried out by social entrepreneurs and social enterprises. Social Entrepreneurs Ireland[7] defines 'social entrepreneurs' as individuals involved in the development of new, creative and innovative solutions to address the needs of specific communities or society in general. Social entrepreneurs are risk-takers with the commitment and drive to effect social change.

What is Social Enterprise?

Social enterprises are organisations or businesses that are driven primarily by social and/or environmental motives and engage in trading to pursue these objectives. Ownership of the enterprise is within a community, or amongst people with a shared interest; surpluses generated by the enterprise are reinvested to further their social objectives. Social enterprise has a strong job creation focus to help local people and communities.

"We don't employ people to contract pack or make rosettes. We contract pack and make rosettes to employ people."[8]

This is the philosophy at the heart of social enterprise.

What is Social Finance?

Social finance is a means of providing support to social enterprises by way of repayable investment loans. Credit unions can be classified as social enterprises; however their lending is restricted to individuals and co-operatives. Clann Credo was the first social finance provider in Ireland, established specifically to service the borrowing needs of community and voluntary groups and social enterprises.

The case for a national system of social finance was first made by the Dublin Employment Pact and Clann Credo in their document *In the Common Interest – The Case for Social Finance*[9].

In 2006, then Minister for Finance, Mr Brian Cowen TD established the Social Finance Foundation (SFF) with funding from the Irish banks, to provide accessible and affordable finance.

Since the creation of the SFF, securing development loans is no longer an issue for suitable projects in the social enterprise sector. However, access to appropriate start-up, equity and other capital remains a significant challenge.

Social Enterprise and the Community & Voluntary Sector

A thriving civil society is the hallmark of a developed nation. The well-being of the latter depends hugely on the health of the former. And local community development is a cornerstone of this process, particularly where there is strong engagement and local ownership of the process.

Social enterprise can contribute enormously to strengthening communities, building trust, promoting co-operation for mutual benefit and building that most elusive and valuable of commodities: social capital. Any society or community with a healthy balance of social capital will also be one which exhibits a strong sense of belonging and common purpose, along with a marked decline in civic and social problems[10].

Social enterprises can be operated by community and voluntary organisations (e.g. Community & Family Training Agency - CAFTA), by organisations working with local partnerships (e.g. PARTAS) or by the private sector (e.g. Wikipedia). In all cases, giving back to the community is a key tenet of the enterprise.

Adding Value to Economy and Society

Internationally, social enterprise is considered to be a vital part of a country's economic and social infrastructure[11]. For example, the UK recognises it as a distinct sector and the British Cabinet includes a Minister for Social Enterprise and the Office of the Third Sector. In Italy, legal structures and laws have been introduced over the past eighteen years to support and encourage the development of social enterprise co-operatives. On May 5, 2010, President Obama announced the creation of the Social Innovation Fund in the United States to "identify the most promising, results-oriented non-profit programs and expand their reach throughout the country."

There is a wide diversity of social enterprises in Ireland, ranging in size from small childcare operations to large organisations like Rehab. They are active in virtually all spheres and address a range of unmet needs: environmental services, housing, sport and recreation, heritage and arts, training and education, childcare and transport.

Excluding credit unions, which are considered to be social enterprises, a conservative estimate[12] places the annual revenues generated by the sector at over €240 million and its annual spend in the economy at over €230 million. The sector employs over 9,300 people directly and indirectly supports a further 5,100 jobs[13]. In addition, it is estimated that for every one person employed at least one other person works on a voluntary basis.

A high proportion of the expenditure of social enterprises goes directly into the local economy: both in wages and for supplies of goods and services. They are estimated to be at least 50% more labour intensive than the average enterprise. This has direct and indirect positive spin-offs for the local and national economy.

The credit union movement alone has almost 3 million members, over 500 local organisations, employs some 3,000 people, has combined assets of €15.1 billion and combined savings of €11.9 billion.

Analysis of the social enterprise sector in Ireland demonstrates that such enterprises are highly skilled in securing or leveraging additional finance - on average two to three times their original investment income. This factor should be taken into account when estimating the true value of the sector[14]. In addition, social enterprise education and research is growing all the time, with the Cooperative and Social Enterprise Masters in University College Cork and Social Entrepreneurship programmes and modules in Dublin City University, Trinity College Dublin and University College Dublin.

The Many Benefits of Social Enterprise

1. **Filling 'service gaps' by delivering services provided by neither the private nor public sectors**
   Accessible Community Transport Southside (ACTS) provides door to door, demand responsive, accessible transport for people with disabilities and mobility difficulties across south and west Dublin. It operates seven days a week, 15 hours a day (7am-10pm) and also provides an out-of-hours service. ACTS transports people to work, training centres and day care. In off peak times, the company helps people get to medical or dental appointments, shopping or social events.

2. **Social enterprise is flexible and responsive to local needs**
   Limerick Enterprise Development Partners (LEDP) was established in response to the 1999 closure of the Krups factory in Roxboro, with the aim of retaining employment in the local area. Its activities cover employment regeneration, education, training, supports for community enterprise and micro-enterprise start-ups, social finance provision and community development. LEDP has developed considerable commercial activity to underpin its social agenda. It is self-sufficient and has achieved this through rental of units to commercial enterprises. It reinvests any surpluses it makes in the development of new projects and support for local communities through grant aid, primarily for education and training projects.

3. **Helping people get back to work and get active in their community**
   Speedpak, based in Coolock on Dublin's Northside, was set up to get long-term unemployed people and the socially excluded (e.g. ex-offenders, recovering drug users) back to work. It believes the best way to achieve this is by immersing people in a working environment. It has two main commercial operations: the first manufactures and supplies rosettes, while the other provides a contract packing service to business. Employees receive mentoring support, on-the-job training and assistance with personal development. Over 500 people have worked with and been supported by Speedpak to get back into the world of work. This is much more constructive and cost effective than having people out of work and dependent on social welfare. In 2010, Speedpak received an Arthur Guinness Fund Award for its work. See Appendix A for more details.

4. **Addressing community needs in innovative ways**
   Clondalkin Community Recycling Initiative (CCRI) was set up to address the issue of illegal dumping of electrical goods. It collects and recycles electrical and electronic waste and operates a kerbside collection service. It also goes into the homes of older people to collect waste items. It has developed innovative, new uses for waste drums from washing machines and tumble dryers, even using them as garden plant holders! This has opened up a whole new avenue for the enterprise. It is currently examining the feasibility of restoring some electrical goods for re-use, such as lawn-mowers.

5. **Delivering on the Green agenda**
   Camara takes old PCs and refurbishes them by utilising open source software, before shipping them to schools and colleges across Africa. The Ballybay Wetland Centre engages in environmental education and awareness and eco-tourism. Heat and Energy Action Tallaght (HEAT) specialises in wall and attic insulation and has successfully bid for local authority contracts to carry out this work. Sunflower Recycling was set up to provide employment in Dublin's inner city by collecting and processing recyclable waste from offices and community groups. It also set up Busy Bees to collect, recycle and re-sell used furniture, thereby diverting it from landfill[15].

6. **Delivering State and philanthropic investment, supporting urban and rural regeneration.**
   Lisdoonan is a small village in County Monaghan. Some years ago, a development company was set up to help develop local amenities, such as a community hall, bar and recreational facilities. The venture has grown over the past 15 years, developing social housing for the elderly, affordable housing for young couples, a community shop and improving the general environment of the village. The community has also grown as a result: 15 years ago it had 600 inhabitants, now there are over 1,200.

7. **Sharing ideas and experience**
Richard O'Shea - the 2010 BT Young Scientist of the Year - invented an affordable biomass cooking stove for use in the developing world. And true to the spirit of social enterprise and the concept of Ashoka - sharing your idea for the benefit of others - he is literally giving his invention away. Richard now plans to train people in how to build his stove from local materials, rather than putting it into commercial production.

8. **Building Social Capital and Community Spirit**
With a population of some 5,000, Tipperary Town enjoys a strong social enterprise culture resulting in a wide range of community run organisations providing important local services. These include:

- Moorhaven Garden Centre, set up to provide training, work experience and employment for people with disabilities;
- the Knockenrawley Resource Centre, which has two social enterprises connected to it - the Daisychain Community Crèche and an organic garden centre;
- the Excel Cinema and Arts Centre, which fills a gap in the town's culture and leisure facilities, has a three screen cinema, a coffee shop, a dance centre, meeting rooms and an art gallery;
- Tipperary Technology Park, which was set up to help local people establish technology companies, through provision of work space and enterprise units;
- West Tipperary Enterprise Centre provides more general enterprise units for businesses with a social, craft or services focus.

The town also has a vibrant community based radio station, while the Canon Hayes Sports Complex provides a gym, sports hall, tennis courts and pitches, meeting rooms and a crèche. And refusing to rest on their laurels, the community recently acquired a former workhouse and plans are under way to have it renovated to provide a hostel that will serve the area's busy tourist market and help create local jobs.

Many of these initiatives are repeated across the country, but the level of activity in Tipperary Town indicates that it is something of a microcosm for what a thriving 'social enterprise Ireland' could look like.

Camara is a volunteer-based organisation that uses technology to improve education in Africa. It collects old PCs and refurbishes them, utilising open source software, before shipping them to schools and colleges across Africa.

The Value System of Social Enterprise

Social enterprise is a business model that puts people and community first, ahead of private or personal gain, while operating in a commercially viable and sustainable manner.

Social enterprise is committed to social justice, social inclusion, enhancing people's quality of life, building community spirit and providing affordable and accessible services.

Social enterprise is both driven and characterised by honesty, integrity, openness, prudence, transparency, quality, accessibility, affordability, flexibility and responsiveness.

A Key Component of National Recovery

Across Europe, the social enterprise sector accounts for between 4% and 7% of GDP. It is one of the fastest growing areas of entrepreneurship. Countries or regions where the sector is well-developed see it as an integral and dynamic part of the 'real' economy, while accepting its unique nature and social remit.

They have developed systems to support the sector and build on its strengths. The development of quality systems and brands such as the Fair Trade Mark and the Social Enterprise Mark are indicators of the growing maturity of the sector internationally.

In April 2010, the European Commission produced *Integrated Guidelines*[16] for the economic and employment policies of Member States, with regard to implementation of the Europe 2020 strategy. These guidelines recognise the importance of the social economy and social innovation and urge Member States to promote and support their development.

In Ireland, the sector remains relatively under-developed – we estimate that it has just kept pace with inflation in the last fourteen years[17].

This results from a number of factors, including: the absence of a national strategy or policy focus; limited access to finance other than grant-aid; limited access to support structures similar to those available to the SME sector; limited business expertise and management skills as well as challenges when competing for public procurement contracts[18].

However, the rate of growth of the Social Enterprise Awards[19] and the number of applicants to the Arthur Guinness Fund[20] are just two indicators of the surge in interest in social innovation.

A small investment in the social enterprise sector could potentially generate a huge return. The sector accounts for an estimated 3% of GDP[21]. Setting a target of 5% of GDP (comparable to levels achieved in other EU countries) would result in an output of around €13 billion (including credit unions) and at least 65,000 jobs.

Social enterprises are also the optimal vehicle for implementing Government strategies on the ground, in relation to employment 'activation'. Increasing the capacity of social enterprises in this area would increase the reach and impact of the national employment activation programmes. Employment is the most important single factor in the economic and social empowerment of people and the consequent health of wider society.

In the immediate future, social enterprises can contribute in a significant way to addressing our unemployment crisis and prevent the emergence of a new generation of long-term unemployed.

Given its unique 'social remit' and emphasis on the environment, social enterprise is a business model that holds strong appeal for young people and the next generation of young entrepreneurs.

In short, it offers a win-win opportunity for Irish society:

- Economic growth and employment that supports community development;
- A cost effective means to meet the full range of real social and environmental needs;
- Trading in an ethical and business-like manner;
- Innovative solutions to economic, environmental and social objectives.

Supporting Social Enterprise

Social enterprise is a valuable but hidden aspect of the Irish economy. Few state support systems are open to it. This contrasts with the substantial palette of supports available to private sector, which includes over 28 tax breaks, a government department with a budget of €2 billion and a variety of support agencies ranging from County Enterprise Boards and Enterprise Ireland to specialist agencies such as An Bord Glas.

Recent research[22] in Ballymun found that third sector organisations formed an integral part in improving the micro economic situation. However, it also identified that local and national support services to aid the development of these organisations were fragmented, duplicated and lacked focus.

The social enterprise sector is therefore calling for recognition and support to address the challenges it faces. These include:

- Achieving recognition for the value of the sector and its contribution, both economically and socially;

- Accessing seed capital for new ventures or projects. While loan capital is available through Social Finance providers, a mix of flexible funding options is needed;

- Accessing management expertise and support to start-up, develop, grow and sustain social enterprises;

- Balancing the art of growth and development whilst honouring core values and objectives;

- Competing for public procurement contracts;

- Developing community assets.

Recommendations of the Social Enterprise Task Force

In formulating the following recommendations, the Task Force consciously determined to work within existing structures and budgetary frameworks.

1. An Enabling Policy Framework

- Government must formulate a national policy framework to encourage the full realisation of the sector's potential, with primary responsibility resting within the department charged with supporting enterprise and innovation.
- It should establish a Social Enterprise Unit[23] within that department to ensure that the specific interests of social enterprises and social entrepreneurs are taken into account in the formulation and execution of enterprise policy at national level, and that this aspect is incorporated into all enterprise support programmes.
- This Unit should be given the brief of formulating a long-term policy framework to facilitate growth and innovation, developing links to other departments of immediate relevance, promoting and developing inter-agency and cross-departmental responses to the needs of the social enterprise sector, enabling social enterprises to work with government (national and local) and fostering a culture of social enterprise.
- The policy development function should look to best practice abroad, particularly the legal and regulatory frameworks developed in Italy, Quebec and the UK (particularly Scotland).
- The policy framework could also address the issue of access to finance for social enterprise, reviewing the current legislative framework on corporate failure[24], the development of appropriate legal structures, regulation, legal definitions for Social Enterprises as well as developing appropriate monitoring and evaluation systems.
- Provide social enterprises with the right to access existing support structures that are available to SMEs - County Enterprise Boards, Enterprise Ireland, Business Innovation Centres, etc - which in turn must be enabled and educated to meet the particular needs of this sector.
- Incorporate social enterprise into the economic, planning and development strategies of local authorities.
- Ensure that enterprise support structures account for the support that they provide to social enterprises.

2. A Support Structure:

- Incorporate social enterprise into the brief of County Enterprise Boards, Business Innovation Centres, Enterprise Ireland, Integrated Local Development Companies and Local Authority Community & Enterprise sections.
- The lead agency for providing support to social enterprises should be the County Enterprise Boards.
- Embark on a campaign to educate enterprise officers about social enterprise and the needs of the sector. This could be achieved collaboratively through a Learning Network whereby interested parties could come together to learn and develop.

- Include social clause provisions within the public and local authority procurement framework. This is already a feature in many other countries, for example Italy and the UK. European Union procurement law allows public authorities to insert social clauses in their procurement procedures. Social clauses recognise the social value of work being contracted for and assess applicants on both social and economic merits. For example, by encouraging the employment of long-term unemployed or disadvantaged people and/or by requiring the private sector to work in partnership with social enterprises.

- Development of a procurement support programme to assist social enterprises to build consortia and to tender for public sector contracts.

3. New Funding Structures: [25]

- Incorporate a social enterprise remit within existing enterprise funding mechanisms, e.g. grant aid.

- Provide access to equity-type investment instruments[26] (as distinct from loan finance) in order to provide equity investment or long-term 'patient' capital in social enterprise, including start-ups[27] and those with high growth and/or high impact potential, so that social enterprises have at least the same range of financing options as SMEs.

- Develop a range of flexible finance options. For example, venture philanthropy or social investment funds[28] that provide a range of financing options such as underwriting, loans, equity-type instruments and participation loans[29], as well as advice and financial management capacity building.

- Change the regulatory framework for credit unions to end the anomaly whereby they are permitted to invest in industrial and provident societies (mutual) but are precluded from investing in organisations with charitable status or companies limited by guarantee without share capital.

4. A Coherent Social Enterprise Sector:

- Begin to build a constituency of social enterprises and those interested in the sector. The establishment of this Social Enterprise Task Force as well as SocialEnterprise.ie, are the first steps towards co-ordinated self-help by the sector.

- Develop the self-awareness of the sector. There is no agreed definition of what constitutes a social enterprise and many organisations that have the attributes of a social enterprise do not consider themselves as such. Consequently, the sector does not have a clear identity and focus.

- Identify political champions who recognise and value the sector and understand the hidden contribution it makes to Irish economic and social life and its potential for significant growth and development.

- Develop pride in the ethos of the sector, which continues to thrive worldwide at a time of unprecedented crisis which has seen the corporate and financial worlds lose public standing and moral credibility.

APPENDIX A: Speedpak Ltd Case Study

According to the most recent figures from the Irish Prison Service[30], the average annual cost for a staffed prison space is €92,717. Actual costs would be higher if teachers' salary costs were also included.

Speedpak, a social enterprise operating in North Dublin, provides work experience and training opportunities in a real commercial environment to long-term unemployed people living in disadvantaged communities or who experience social exclusion. People have the opportunity to build up a recent work history, accredited training and a reference to help them to return to the work place.

Speedpak supports ex-offenders. Some are awaiting trail or sentencing for crimes, which are often drug related. In many cases, the person will also have a history of drug or alcohol misuse. Engagement in the programme provides stability and support in readjusting to life after prison; it can contribute to preventing re-offending and from receiving a custodial sentence.

This real case study is of a single male living at home[31]:

In 2009, Kevin was referred to Speedpak through the Local Employment Service (LES). He had a prior conviction, from 1990, for being drunk and disorderly. He started work at Speedpak in June. In July, Kevin asked for a letter from Speedpak for the courts, confirming his employment. It transpired that he had other convictions for which he had been given a suspended sentence and had been arrested during this time. He believed that being in employment would help in avoiding a custodial sentence, which it did. Speedpak also provided a letter of support to the courts. Kevin continues to work and train in Speedpak. He is therefore contributing to the company's commercial sales of circa €350k. He is working on achieving a major FETAC Level 4 Award (or Leaving Cert equivalent), and he is living locally, supporting his young child and to the best of Speedpak's knowledge, has not re-offended.

Description	**Annual Cost to Exchequer** €	**Annual Cost to Speedpak** €
Community Employment (CE) Training Grant @ €216 p/w	11,232	
CE Materials Allowance	1,040	
CE % Supervisor Cost	1,395	
Additional Work Experience, Training & Support Costs		
Totals	**13,667**	**10,645**
Combined Annual Cost	**24,312**	
Average tax returns/employee (PAYE/PRSI/VAT) made by Speedpak to Exchequer	**2,750**	
Net Cost to Exchequer	**10,917**	
Alternative Annual Cost of Prison Space	**92,717**	
For every €1.00 invested in Kevin by the State through Speedpak, €8.50 is made in savings to the Exchequer by keeping him out of prison. In addition, Kevin has gained valuable work experience as well as training that can be included on his CV, thereby increasing his employability once he progresses from Speedpak.		

References

(1) Department of Enterprise, Trade & Employment, 2010, *Jobs & Growth 2010*, http://www.entemp.ie/publications/trade/2010/Jobs and Growth 2010.pdf

(2) Forfás, 2009, *Developing the Green Economy in Ireland*, http://www.forfas.ie/publications/search.jsp?ft=/publications/2009/Title,5065,en.php

(3) European Commission, *Integrated Guidelines for the economic and employment policies of Member States for implementing Europe 2020 Strategy,* http://ec.europa.eu/ec2020/index_en.htm.

(4) For example through training, networking, inclusion of social enterprise into the brief of County Enterprise Boards, Business Innovation Centres, Enterprise Ireland, etc.

(5) Innovation Taskforce, 2010, *Innovation Ireland. Report of the Innovation Taskforce*, Stationery Office: Dublin.

(6) Donoghue, F., Prizeman, G., O'Regan, A., Noel, V., 2006, *The Hidden Landscape – First Forays into Mapping Non Profit Organisations in Ireland*, Trinity College Dublin: Dublin. Everett, J., 2009, *Developing and Supporting Social Enterprises in the Dublin Region. The Basis for a Comprehensive Strategy*, Dublin Employment Pact and Clann Credo: Dublin. Clarke, A., Eustace, A., 2009, *Exploring Social Enterprise in Nine Areas in Ireland*, Dublin Employment Pact, Clann Credo, Ulster Investment Trust and PLANET: Enniscorthy. Doyle, G., 2009, *Social Enterprise – Context and Challenges*. *Social Enterprise – the untapped approach to addressing unemployment and increasing economic activity in urban disadvantaged communities in the Republic of Ireland*, Dublin Employment Pact and Clann Credo: Dublin. Crossan, D., Prizeman, G. and Breslin, E., 2010, *Mapping Social Entrepreneurship in Ireland: Preliminary Findings*, Initiative on Social Entrepreneurship, Centre for Nonprofit Management, Trinity College Dublin, www.tcd.ie/business/cnm

(7) www.socialentrepreneurs.ie

(8) John Murphy, CEO of Speedpak

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(10) Putnam, D., 2000, *Bowling Alone: The Collapse and Revival of American Community*, Touchstone ISBN 0-7432-04-6 (pbk)

(11) Collier, P., 1998, *Social Capital and Poverty*, Centre for the Study of African Economics: Oxford.

(12) Clarke, A., Eustace, A., 2009, *Exploring Social Enterprise in Nine Areas in Ireland*, Dublin Employment Pact, Clann Credo, Ulster Investment Trust and PLANET: Enniscorthy.

(13) The total value of the Not for Profit Sector, which includes social enterprises as well as credit unions and community and voluntary organisations, is estimated to be €4.4b, employing 40,000 full-time and 14,750 part-time with 1.4m volunteers involved (source: Centre for Non Profit Management TCD *Mapping Study 2006*).

(14) Curtin, C., et al, 2007, *Social Audit 1996-2006*, Clann Credo: Dublin.

(15) See for example the Green Party's policy document *A Green New Deal – Getting Ireland Back on Track*, 2009, which sets out the Green Part's strategy for green business and innovation, green procurement, the SMART economy and sustainability.

(16) http://ec.europa.eu/ec2020/index_en.htm

(17) Based on research carried out for Pobal in 1996 (Mallaghan, A., Hart, R., MacFarlane, R., Connolly, E., 1996, *A Study of Community Business within the Social Economy in Ireland*) and for PLANET in 2009 (Clarke and Eustace) together with data on credit unions.

(18) Everett (2009), Clarke and Eustace (2009), Doyle (2009).

(19) SEI made 81 awards in 2007, 127 in 2008 and 203 in 2009.

(20) There were 483 applications to the Arthur Guinness Fund in 2009.

(21) Including credit unions.

(22) Descoteaux, F.L., 2010, *What role can governance supports play in improving the sustainability of third sector organisations in Ballymun?*, MSc dissertation, Faculty of Law, Business and Social Science, The University of Glasgow.

(23) This Unit would not provide assistance to individual enterprises. This should be the role of existing support agencies such as Integrated Local Development Companies, County Enterprise Boards, Business Innovation Centres, Enterprise Ireland, etc.

(24) Unlike the American system our legal system for corporate governance is risk averse and does not accept that innovation can result in failure. Failure that does not arise from recklessness is punished rather than accepted as a necessary part of economic and social development and this needs to be reformed.

(25) The Social Finance Foundation and Clann Credo are going to examine how a range of financial instruments, appropriate for the different stages of development of social enterprises and social entrepreneurs, might be created.

(26) The recommended legal structure for social enterprises (company limited by guarantee) currently cannot accept investment by way of share capital.

(27) Social enterprises fall along a continuum of sustainability. This ranges from those that in addition to the income they earn from traded activity, will always require grant aid, to those that have a mix of sources of funding (e.g. public authority contracts, grant aid, donations) and those that are self-sufficient (i.e. their commercial income covers all of their costs and social remit). In all cases, access to commercial sources of finance is a serious challenge and this impedes growth and development. Social Enterprises always found it difficult to secure bank finance, even when other enterprises did not, and under the present lending environment many now find it impossible.

(28) International examples of these financing organisations include REDF, Venturesome and Big Issue Invest.

(29) Repayment is based on future performance or royalties.

(30) Irish Prison Service, *Annual Report 2008*.

(31) This example does not factor in someone who may be in receipt of Rent Allowance, Medical Card, Child Benefit or Disability Benefit.

Clondalkin Community Recycling Initiative (CCRI) is a community recycling business that specialises in Waste Electrical and Electronic Equipment (WEEE). CCRI is committed to finding innovative new uses for used appliance parts.

APPENDIX B: MEMBERS OF THE TASK FORCE

Maurice Healy is the past president of IBEC (Irish Business Employers Confederation) and continues to be a member of the Board. Maurice is particularly interested in promoting Social Entrepreneurship through Education and Community Work Programmes. He is Chairperson of the Social Enterprise Task Force.

Ann Clarke has nearly thirty years experience as a business consultant and evaluator. She has carried out over 100 pieces of research for the public, statutory, community and voluntary sectors in Ireland in the last fifteen years. Her specialist interests are organisational sustainability, benchmarking, models of good practice and outcomes measurement. She is a director of Eustace Patterson Limited.

Dr. Senan Cooke is a lecturer in the School of Education Studies, Dublin City University. He is Secretary of Dunhill Rural Enterprises Ltd, a voluntary community social enterprise project. Previously he was employed in Waterford Crystal Ltd as a craftsman and manager of Education & Training.

Seán Coughlan is Co-Founder and Chief Executive of Social Entrepreneurs Ireland, an Irish not-for-profit organisation established to encourage and support the development of social entrepreneurship. Seán's previous experience includes; a manager in the IT sector, an entrepreneur, a teacher and a researcher. Seán has also been involved, on a voluntary basis, with a number of not-for-profit organisations over the past 20 years.

Dr. Denise Crossan is the Lecturer in Social Entrepreneurship and Director of the Initiative on Social Entrepreneurship in the School of Business, Trinity College Dublin.

Fiona Descoteaux specialises in Economic Development to support SME's, 3rd sector development and sustainability though research and practice. The experience she gained working within the UK's 3rd Sector has proved invaluable, aiding her in a career transition to the Republic of Ireland. Fiona works as an Economic Development Manager within Ballymun.

Gerry Folan is a Senior Executive Officer with Dublin City Council and currently heads the Office for Integration under the Director of Community Enterprise. He is responsible for leading integration policy development for the immigrant population of the city. He holds a Barrister at Law degree from the Hon. Society of Kings Inns.

Jane Forman has a strong personal interest in the development of Social Enterprise as a means of promoting a strong inclusive economy. Currently working in the philanthropic sector, she previously worked for FÁS with responsibility for the Community Enterprise Programme. She currently serves on the Board of Partas.

Deirdre Fox having worked in France as an Animatrice for a number of years, Deirdre returned to Ireland to work in the field of Community Development under the FÁS Community Enterprise Programme and subsequently the Social Economy Programme. She was a member of the National Social Economy Advisory Group within ADM (Pobal). She has worked as the National Coordinator of the Irish LEADER Network. She is now part of the team working in the new amalgamated structure of The Irish Local Development Network.

Pictured at one of the Task Force meetings: Back: (l to r) Gerry Folan, Philip O'Connor, Paul O'Sullivan, Maurice Healy, Gordon McConnell, Aiden Lloyd. Front: (l to r) Brendan Whelan, Jennifer Hennessy, Fiona Descoteaux, Ann Clarke, Jane Forman, John Murphy

Deirdre Garvey is Chief Executive Officer with The Wheel, a support and representative body for social organisations in the non-profit sector. She is a member of the National Economic and Social Council (NESC) and Steering Group of national Social Partnership. Previously she worked as Director of Development at Barretstown.

Jennifer Hennessy is a Social Finance Executive with Clann Credo - the Social Investment Fund. An Economics graduate, Jennifer has ten years experience in the financial services sector, mainly in commercial lending. She holds a Post Graduate Diploma in Financial Management from ACCA. Since joining Clann Credo, Jennifer has been meeting with social enterprises to discuss their financial requirements and facilitate them through the Clann Credo evaluation process.

John Kearns is Chief Executive of Partas, a social enterprise working to foster entrepreneurship, business training and social economy. He is also Chair of the South Dublin County Enterprise Board.

Aiden Lloyd is national community development & equality coordinator with Pobal, an organisation that manages social inclusion and equality programmes on behalf of the Government and European Union. He has worked at a range of levels in community development and has been active in a variety of national and European settings. He holds a professional qualification in community work and a masters degree in Equality Studies.

Gordon McConnell is Director of Programmes at the DCU Ryan Academy for Entrepreneurship. Gordon teaches Social Entrepreneurship in All Hallows College and Social Enterprise Development in the Ryan Academy, as well as authoring the Ryan Academy Social Entrepreneurship blog.

John P. Murphy is Managing Director of Speedpak Ltd, a social enterprise providing work experience and training to unemployed people in Dublin's Northside. The Company's commercial operation includes the manufacture and supply of rosettes, sashes and badges nationwide and contract packing services to business.

Philip O'Connor has been Director of the Dublin Employment Pact since 1999, developing a wide range of projects and policy actions on labour market, local development, training and social economy issues. He previously worked in the private sector, in public education and in the trade union movement. He is currently Chairman of European Anti-Poverty Network (EAPN) Ireland.

Aileen O'Donoghue is CEO of the CPLN Area Partnership and Chairperson Oakfield Trust, Property Development Company. The Partnership focuses mainly on the following target groups: Travellers, women, people with disabilities, migrant workers, minority ethnic communities, youth and lone parents.

Oakfield Trust provides affordable premises for community & voluntary organisations, primarily in West Dublin.

Paul O'Sullivan is Chief Executive Officer at Clann Credo - the Social Investment Fund. He has previous professional experience in the Public Relations, Communications and Trade Union Sectors in Ireland. He is Chairperson of both the National Traveller MABS and ICTR - a membership organisation of Irish charities and a non-executive director of the Wheel - a support and representative body for social organisations in the non-profit sector.

Kathleen Prendergast has a strong background in community enterprise, social inclusion and the Credit Union movement. She is a member of the Board of the Social Finance Foundation and the Board of European Financial Inclusion Network. She is Community and Enterprise Development Officer with South Tipperary County Council.

Bernie Walsh is manager and one of the founder members of Sunflower recycling. She is an avid believer in community development and effecting change through empowerment of local people.

Brendan Whelan is CEO of the Social Finance Foundation, having worked on its establishment in 2006. A graduate in Commerce from UCD, he has spent much of his career in Bank of Ireland, his last role being Director of Operations. His first employment was in the Post Office. He has been involved with the Special Olympics, as a parent, sponsor and volunteer for many years.

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Dublin Employment Pact

The Dublin Employment Pact (DEP) is a non-profit company funded by the Irish Government under the National Development Plan. Established in 1998 under an EU-supported initiative to tackle employment and development issues in the Dublin region.

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