



Scotland's Social Enterprise Strategy 2016-26: Skills and business development support

What?

Scotland's Social Enterprise Strategy 2016-26 places social enterprises at the heart of achieving a fair and inclusive society and economy. Published by the Scottish Local Government and Communities Directorate in December 2016, it sets out how the potential of social enterprises can be realised through long-term and concerted effort around three strategic priorities: (1) stimulating social enterprise activity; (2) developing stronger organisations; and (3) realising market opportunity. The purpose of this Strategy is to ensure that social enterprise becomes a widely accepted norm of a more just, democratic and inclusive way of doing business.

This Strategy is an ambitious framework for social enterprises in Scotland, which covers a whole variety of issues. It is particularly innovative in its propositions related to business development support. This case study will therefore focus only on Scottish business development initiatives.

Why?

There is a long tradition of fostering social economy and social enterprises development in Scotland, which is why business support is one of the focal points under the second objective of the Strategy. Scotland recognises the need for a diverse ecosystem of business support in order to serve the large variety of business models,

While business support for social enterprises has long been fragmented, the Social Enterprise Strategy has helped it become increasingly better coordinated and structured. Currently, Scotland enjoys one of the most far-reaching business support systems for social enterprises at international level. The Strategy emphasises that business support should be tailored to different needs, accessible and delivered in a responsive manner, while remaining flexible enough to respond to changing market needs and opportunities throughout the lifetime of the Strategy.

In addition, with the COVID-19 pandemic, many social enterprises have become more fragile and remain unable to fulfil their potential. There is therefore a need to keep developing tools and initiatives that will allow social enterprises to get the support, knowledge and access to the networks, information sources, funding opportunities and capacity building instruments they need in order to achieve that potential.

Key Activities

Efforts to further support social enterprise development are concentrated on fostering business support services, supporting start-up development, improving access to funding, as well as developing and/or reinforcing business skills. The elements presented below highlight some of the main features of the Strategy related to business development support for social enterprises.

- **Business support services:** The Social Enterprise Strategy empowered the already existing programme **Just Enterprise** to act as **Business Support for Social Enterprise Contract**. It provides support under the following themes: start up, strengthening organisations, growing organisations and leadership. Just Enterprise offers one-to-one business advice sessions to social enterprises and enterprising charities led by specialist advisers, who are themselves working in social enterprises. Workshops are organised to gather groups of social entrepreneurs to share experiences in a supportive learning environment and learn new business skills. Just Enterprise also offers e-learning modules and webinars, as well as access to an online bank of resources. To inspire and motivate social entrepreneurs, Just Enterprise constituted a case studies library to share real-life experiences of how others tackled the challenges they encountered and embraced business opportunities. This builds on the support provided by **Business Gateway**, which is open to all types of businesses, including social enterprises. Support ranges from building skills on how to start a business, run a business, to finding funding, human resources, etc.
- **Start-ups: Firstport**, Scotland's agency for start-up social enterprise provides one-to-one and/or group advice, as well as trainings and workshops to new and emerging social enterprises. It also helps young social enterprises scale up and increase their social impact via the LaunchMe accelerator. Firstport also delivers the government-funded **Social Entrepreneurs Fund** which awards "Start It", "Build It" and "Boost It" grants to individuals who have a business idea (up to GBP 5 000 [equivalent to EUR 5 840.10¹]), individuals who tested their idea and want to make it their full-time job (up to GBP 25 000 [equivalent to EUR 29 200.50]), and to social enterprises up to three years old to strengthen their businesses and make their activity more sustainable.
- **Funding:** In order to support social enterprises in increasing their capacity and resilience, the Scottish government and Social Investment Scotland (SIS) launched the **Scottish Social Growth Fund** in March 2019. This fund is the second phase of the Social Growth Fund, and was announced to make GBP 13 million [equivalent to EUR 15 184 260] of investment available to social enterprises and charities in Scotland. It provides flexible social investment products of GBP 100 000 to GBP 1 million [equivalent to EUR 116 802 to EUR 1 168 020] with repayment periods of up to 15 years and fixed interest rates.
- **Learning and development of skills: Social Investment Scotland's** mission is actually twofold: alongside providing funds, SIS also helps organisations reinforce their skills through a variety of business support programmes. Social enterprises have the opportunity to improve their understanding of social investment specifically and how to access it in order to be able to expand their business further. Another initiative regarding skills development is the **Social Enterprise in Education** programme, delivered in Scottish schools by the **Social Enterprise Academy** which receives funding from the government. The programme's objectives are to develop pupil-led social enterprises in schools to develop employability, leadership and entrepreneurial skills of young people, to provide hands-on experience of setting up and running a social enterprise, to enable learning and development for social enterprises in rural areas and strategically significant sectors, as well as to raise awareness about social enterprises and how to create positive impacts.

¹ As of May 2022, 1 GBP = 1.17 EUR

Impact

These key activities explain why Scotland's ecosystem for social enterprise is recognised to be particularly

supportive. These business development support activities have had positive impact and have proven to be essential to social enterprises development, capacity building and resilience. Below are some concrete figures retrieved and/or received from some of the aforementioned initiatives and organisations with the latest available data presented:

- **Just Enterprise** reports almost 6 700 cases of business support to over 5 000 organisations, and instances of support to almost 10 000 individuals. The beneficiaries are from various sectors and from all 32 Scottish Local Authority Areas. In 2019, the organisation won a contract from the Scottish government of GBP 5 million [equivalent to EUR 5.84 million] for the aforementioned Business Support for Social Enterprise support for over four years, to enable social enterprise to keep accessing free specialist business advice.
- In 2018, 1 135 ideas received advice and/or support across all of Firstport's programmes and applications to their grant funds increased by 20% from the previous year.
- From 2014 to 2019, the **Social Growth Fund** made investment commitments of almost GBP 13 million and supported the growth and social impact scaling of 22 social enterprises in Scotland.
- As of 2021, the **Social Enterprise Academy** had provided support to more than 18 376 adult learners through their 2 234 learning and development programmes in leadership, enterprise, learning and social impact. The Academy has engaged with over 3 000 organisations across the third, private and public sectors.

References

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- Firstport. <https://www.firstport.org.uk> [3]
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Links

[1] <https://communityenterprise.co.uk/assets/uploads/DOCUMENTS/2019/SE-Eco-System-Interactive-Map-Scotland-2019.pdf>

[2] <http://ec.europa.eu/social/BlobServlet?docId=23522&langId=en>

[3] <https://www.firstport.org.uk/business-support/>

[4] <https://justenterprise.org/the-programme/>

[5] <https://www.gov.scot/publications/scotlands-social-enterprise-strategy-2016-2026/>

[6] <https://www.gov.scot/news/business-support-for-social-enterprises/>

[7] <https://www.gov.scot/policies/third-sector/social-enterprises/>

[8] <https://www.socialenterprise.academy/scot/>

[9] <https://www.socialinvestmentscotland.com/wp-content/uploads/2019/05/Scottish-Social-Growth-Fund-QA.pdf>