



# Transition Group Briefing

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*4<sup>th</sup> July 2022*

# The Schedule of Meetings

- Six meetings between July 4<sup>th</sup> and October 24<sup>th</sup>
- Each meeting may have a different topic/focus
  - Meeting 1 (4<sup>th</sup> July) Introduction to ToR, how we will work together as a group
  - Meeting 2: (29<sup>th</sup> July) Areas specified in ToR
  - Meeting 3: (19<sup>th</sup> August) Areas specified in ToR
  - Meeting 4: (23<sup>rd</sup> September) Areas specified in ToR
  - Meeting 5: (10<sup>th</sup> October) Draft recommendations for discussion/amendment
  - Meeting 6: (24<sup>th</sup> October) Final report and recommendations
- Each meeting will have background papers/information
- Each meeting will be followed-up by a short report
- Meetings will take place in different locations (at least 2 outside central belt)

# Meeting 1: ToR and working together

- Members will get a chance to introduce themselves and identify what they are hoping to achieve;
- To look at the ToR in more detail and make adjustments;
- Identify any evidence/ research required by the Group;
- Agree an initial reading list of introductory material
- Identify consultees they wish to invite to future sessions;
- Identify any need for sub-groups;
- Propose any changes to the timetable.

# Suggested introductory reading

- SES Business Plan
- Scottish Government Social Enterprise Strategy 2016-26
- Social Enterprise Action Plan 2020-23
- Social Enterprise Census 2019 (Social Value Lab)
- The Voluntary Code on Social Enterprise (SENScot)

# ToR issues (1) Membership

- Questions for TG to consider
  - *Who is eligible for membership (does this involve signing up to 'The Code' or is 'self-ID sufficient)?)*
  - *Are there requirements/standards for membership (a Social Enterprise Mark for example, like Investors in People?)*
    - *Who sets and regulates these standards?*
  - *Can intermediaries (TSIs or SENS, SCVO, SURF etc) be members or is membership restricted to individual organisations?*
    - *Will members of intermediaries be 'passport'ed to membership?*

# ToR (1)

- *Will there be different types of membership (with different voting rights)?*
  - *What voting rights will members have (e.g. electing the board, policy decisions by motions at AGM/EGM)?*
- *How might we promote membership?*
- *Will there be an 'associate' membership category for B Corps, Business for good type organisations?*
- *Will there be corporate membership (and corporate sponsorship)?*
- *Will there be differential membership fees?*

The TG might wish to look different membership models – SCVO, SURF, SFHA, SEUK, which deal with similar constituencies.

# ToR issues (2) Governance and establishing a new board structure

- *How is the membership best represented?*
  - *Just by electing a Board each year?*
  - *By consultation and engagement throughout the year?*
- *Should there be separate categories of board membership to give a voice to particular constituencies within the movement e.g. urban and rural SEs, different sizes of SEs, women, BME enterprises?*
- *Should there be a regional structure?*
- *Should there be a role for co-opted members?*

# ToR (2)

- *Should there be a role for advisors to the Board who participate but do not vote?*
- *What should be the term of office for Board members?*
  - *Should there be a mechanism for removing Board members?*
- *What are the skills needed by the new Board (in particular the new Chair)?*
- *What will be the transition process and timetable for a new Board structure?*

The TG might want to look at similar organisations, in particular those who have moved from 'nominated' Board membership to more democratic methods.



# ToR issues (3) Voluntary Code

- *Is the asset lock, as defined by SENScot and SES still fit for purpose?*
  - *Should assets always be passed on to other asset locked organisations?*
  - *Should the current 65/35 split on distributing profits be maintained?*
- *Are there ways of bringing in philanthropic or private investment into social enterprises that are consistent with the principles of the voluntary code and asset lock? Should these be explored by the SEI?*

# ToR (3)

- The TG might want to look at:
- the views of organisations such as SEUK, who have a 'softer' approach to the asset lock and interrogate whether this approach has brought any benefits or caused any problems.
- work done by Co-operative organisations on the issue of finding ways to reward the 'sweat equity' invested by workers in an organisation and how that can be extracted without breaking the principles of the asset lock.
- the views of younger social entrepreneurs on the balance between individual reward and community benefits which the asset lock protects.

# ToR issues (4) Functions and Services

- *What services does SES currently provide? Should all of them continue?*
- *What services did SENScot provide? Should all/any of them be incorporated into the new organisation?*
- *What services do other agencies (SE, HIE, SoSE, SG) provide or fund? Are they distinct or duplicative?*
- *What other organisations (CEiS, Community Enterprise) are providing services? Are they distinctive or duplicative?*
- *Do we have any evidence on the effectiveness of these services?*

# ToR (4)

- *Do we have enough evidence to say what services social enterprises want from the SEI and how they want them delivered?*
- *Should social enterprises have a choice in where they seek services (i.e. competition between providers is OK)?*
- *How do we identify and prioritise those services and functions that must be delivered over the next two years?*
- *In the medium to long-term how do we identify future funding/investment sources to pay for a wider range of functions and services?*
- *Are there new services we should look at developing to generate income and grow the movement?*
- Should the TG use the research being commissioned from Community Enterprise to focus on key issues here rather than a generic survey?

# ToR issues (5) Critical and Strategic Partnerships

- *Who does/doesn't SES (and SENScot) currently have a strategic partnership with? For example, stakeholders such as*
  - *SG*
  - *CoSLA and local authorities*
  - *SCVO and CVS network*
  - *TSIs*
  - *SFHA*
  - *Sport Scotland*
  - *Lottery*
  - *Foundation Scotland*
  - *SURF*
  - *ABCUL*
  - *Chambers of Commerce/FSB/SCDI*

# ToR (5)

- *What is the state of this partnership (good/bad/ugly)?*
- *Should there be a plan to develop/repair these relationships?*
- *What is the state of our relationship with members? What do we need to do about this?*
- *What new partners should we be looking for from the list above (and others)?*
- *Where is an informal relationship OK and where do we need something like a MOU?*
- *How do we understand, develop and strengthen the relationship with the SENs?*
- *Should we be looking for academic partners to strengthen the evidence base?*
- *What about the international dimension (given SG interest in this area)?*
- *Who outside of the SEI can help us develop these relationships ('friends of social enterprise')?*

# Meetings 5/ 6: Reports / Recommendations

- Agree report/ recommendations
- Agree plan for consultation and dissemination
- Agree key audiences
- Agree timetable and success measures

