Developing a Social Innovation Region in the West of Ireland

Social Enterprise Strategy 2022

Executive Summary

The WDC region, like other regions in the world, faces complex social challenges, such as employment, ageing, social cohesion and climate change. New challenges require new solutions, so it is necessary to innovate as a society and find viable and sustainable solutions to these great challenges. Technological and business innovation are very valuable and necessary. However, to build a new economic and social model, it is essential to complement them with social innovation processes.

Social Enterprise can help address today's key societal challenges, including poverty, social inclusion and unemployment, and overcoming gaps in general interest service delivery. They promote sustainable development and new ways of doing business, drawing on local assets and supporting job creation while generating revenues and triggering more efficient government spending. As social enterprise generates value that benefits local communities and society, scaling their social impact is important.

The role of The Western Development Commission is to support the Department of Rural and Community Development to implement the National Social Enterprise Strategy in our region. We will support social enterprise and promote social entrepreneurship and innovation as a vehicle to boost the WDC region's ability to compete economically and promote inclusive growth.

> ## Our vision is to develop the West as a social innovation region with global links and recognition.

We will support an ecosystem that addresses societal needs by combining emerging technologies, social innovation, communities, entrepreneurs and investment. This ecosystem will improve the scale and impact of social enterprises.

Executive Summary

35K

The social enterprise sector in Ireland provides approximately 25,000 to 35,000 jobs.

€1.4BN

The social enterprise sector in Ireland generates up to €1.4bn in economic activity.

40M

The social entrepreneurship sector currently employs 40 million people globally.

The social enterprise sector in Ireland provides approximately 25,000 to 35,000 jobs, generating up to €1.4bn in economic activity and addressing many challenges faced by Irish society. Furthermore, according to the European Commission, the social entrepreneurship sector currently employs 40 million people and engages over 200 million volunteers globally, indicating the sector's potential[1].

EU level initiatives launched since 2011 have enabled more social enterprises to access EU support. Continuing the trend of recent years, European policy objectives for the 2021-2027 period include the Social Economy Action Plan, the EU Green Deal, the European Pillar of Social Rights and the Digital Agenda for Europe. These all highlight the role of the social economy[2]

Viewed as a small but growing part of the enterprise base, there is widespread acknowledgement of the increasing contribution of social enterprise to national, regional and local social and economic development[3]. Analysis shows that social enterprise requires further development in Ireland and especially in the West to reach levels of activity seen elsewhere in Europe.

Key elements of the WDC strategic plan include the following actions to support these goals:

- Produce a heatmap to quantify the size and reach of social enterprise across the WDC region.
- Create a regional social innovation hub and develop a regional incubator/accelerator programme to grow and scale social enterprises.
- Work with other agencies to explore alternative forms of finance, including the development of a social investment market and a crowdfunding platform for social enterprises.
- Develop a Flagship Social Enterprise to demonstrate the potential and impact of social enterprise that can be scaled and replicated.

1. **https://socialimpactireland.ie/more-important-than-ever-to-support-our-social-enterprises/**
2. **European Pillar of Social Rights | European Commission (europa.eu)**
3. **https://ec.europa.eu/social/BlobServlet?docId=22456&langId=en**

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Introduction

1.1   The Western Development Commission

The Western Development Commission is a regional development agency serving Clare, Galway, Mayo, Sligo, Donegal, Roscommon and Leitrim. We engage with regional interests to initiate projects that build on the region's strengths and address its weaknesses. We do this by:

- Delivering a robust information base and regional perspective on policy issues that feed into the national policymaking.
- Initiating regional projects with partners that build on the West's resources (renewable energy, creative economy, tourism and Agri-food).
- Promoting the West as an attractive place to live and for enterprises to invest.
- Operating the Western Investment Fund (WIF) as a unique source of seed and risk capital for enterprises and communities.

Supporting communities and social enterprises allows the Western Development Commission to use its sectoral knowledge, investment expertise and capital to stimulate economic activity and create jobs in rural communities across the region. Our European project teams have wide experience collaborating on projects across the creative sector, circular economy, bio-economy and community energy. Working on these projects with partners across Europe has demonstrated the power of social enterprises to benefit communities socially, financially and economically and highlighted the many challenges they face.

1.2   Strategic Plan

A regional focus on social enterprise is important as regions are engines of economic development, and measuring innovation at the regional level has become even more important. **Our vision is to develop the West as a social innovation region with global links and recognition.** We will support an ecosystem that addresses societal needs by combining emerging technologies, social innovation, communities, entrepreneurs, and investment. This ecosystem will improve the scale and impact of social enterprises across the WDC region.

This strategic plan was created to inspire and support social enterprises in the WDC Region. The Western Development Commission seek to support the social economy and promote social entrepreneurship and innovation as a vehicle to boost the ability of the WDC region to compete economically, promote inclusive growth and become a social innovation region. A key goal of the Western Development Commission Strategy[4] is to

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4.   **Our strategy – Western Development Commission**

Social Enterprise Strategy 2022

Introduction

Support the implementation of a National Policy on Social Enterprise and continue to lend to and invest in social enterprise in the Western Region

Research and Innovation continue to be one of the main engines for economic growth across the WDC region. However, technological advances can lead to social instabilities and unbalanced growth. Indeed, rural regions across Ireland face many societal challenges, as identified in the Our Rural Future, Rural Development Policy 2021-2025[5]. Ageing populations, outward migration, unfavourable economic conditions, and strained local authority budgets are pulling many remote regions into a self-perpetuating "circle of decline" that negatively impacts the quality of life for our communities.

Modern economic growth must go together with societal progress to mitigate and prevent this circle of decline. Social innovation and impact are ways to reconcile these two forces, creating opportunities for a cohesive regional development strategy.

Social challenges have a strong mobilising effect[6]. They can allow the unprecedented gathering of competencies and resources beyond institutions, sectors and disciplines boundaries. The National Strategy for Innovation[7] recognises that there are business opportunities and synergies to be exploited by better integrating social challenges with innovation. There is a clear need to adapt business support infrastructures and measures offered by regional or local authorities to the special needs of social enterprises. Social innovation is a process to develop solutions that are sustainable in the longer term. The ConnectedHubs[8] network can help integrate social enterprise into the mainstream nationally.

In the early sections of the document, we focus on the situational analysis of the Irish social enterprise ecosystem. We then identify relevant EU and National policies that influence the development of social enterprises. We examine the resources available to develop social enterprise and social innovation across the WDC region.

The final part of the Strategic Plan builds on the strengths/challenges identified. It sets out our ambition and vision to develop a Social Innovation Region and an action plan to achieve this vision.

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5. https://assets.gov.ie/128716/e7d34436-6e0a-4bb0-a7b1-230165357529.pdf
6. https://www.oecd.org/sti/inno/47861327.pdf
7. https://enterprise.gov.ie/en/Publications/Publication-files/Innovation-2020.pdf
8. https://connectedhubs.ie/

Social Enterprise Strategy 2022

2

Social
Enterprise

2.1 Development of the Social Economy

Ireland's charity, community, voluntary, and social enterprise sector is a great national asset that mobilises over 1 million volunteers every year. It raises €7.9 bn towards the cost of services and employs over 189,000 people. This contribution was matched by €5.9bn in state funding, bringing the sector's total value to €13.8bn (Benefacts report 2019). There are over 9,000 registered charities and 20,000 not for profit organisations in the country. 57% of organisations have income below €250,000, while 30% have income below €50,000. The sector has a significant economic presence and includes many independent hospitals, schools and universities, and commands large headcounts and budgets. Irish charities had revenues of €14.5bn, with 189,000 employees and 300,000 volunteers in 2016, according to research conducted by Indecon International Economic Consultants and published in 2018 by the charities' regulator.[9]

In recent years, successive Irish Governments have increasingly relied on community/voluntary sector organisations to deliver services and outcomes that matter to some of Ireland's most vulnerable individuals and communities. However, the continued capacity of this sector to play a strong and progressive role in service delivery has been severely tested in recent years. Sustained cutbacks in organisational funding have been accompanied by increased demand for assistance from individuals and communities that find themselves under pressure due to the well documented social and economic crisis[10]. This has led to the organic development of social enterprise combining grant aid, fundraising and trading income.

Traditionally, the purpose of social enterprise has been to "repair" social problems (such as homelessness, labour market exclusion and other forms of social exclusion experienced by vulnerable groups). However, social enterprise has great potential to inspire transformation into a more inclusive and sustainable economy and society.

9. Benefacts – 2020 Insights Report
10. CARING AT WHAT COST-. Funding_Community_voluntary_sector_organisations_to_deliver_services.pdf Dr. Chris McInerney and Cian Finn of the Department of Politics and Public Administration at the University of Limerick

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Social Enterprise

The EU has prioritised social enterprises and their potential to contribute to employment, provide vital services, and support the most marginalised in our society through:

- Work Integration – Training and Integration of people with disabilities and unemployed people.
- Personal Social Services – health, wellbeing and medical care, professional training, education, childcare services, and elderly care services.
- Local Development of disadvantaged areas – social enterprises in remote rural areas, neighbourhood development, rehabilitation schemes in urban areas, development aid and development co-operation with third world countries.
- Other – including recycling, environmental protection, sports, arts, culture or historical preservation, science, research and innovation, consumer protection and amateur sports.

The last three models have a strong service focus varying from employment creation, service delivery, economic and community development. In Ireland, the most common types of social enterprise "create employment for marginalised groups" (WISEs). Many of these programmes are funded through the Social Inclusion and Community Activation Programme (SICAP) and Leader Programmes managed by the local community development committees (LCDC). These social enterprise models heavily depend on state and particularly labour market integration and support measures. Examples of fully commercial social enterprises are small but growing.

The table below sets out some of the distinctive characteristics of social enterprises.

Table 1 Distinctive Characteristics of Social Enterprises

Social Enterprises are different from traditional charities in that they:	Social Enterprises are different from the public sector in that they:	Social Enterprises are different from traditional businesses in that they:
· Make most of their money selling products and services (charities and voluntary organisations do not aspire to financial independence through trading). · Do not rely on volunteering, grants or donations for survival.	· Are not part of the government. · Don't have political leadership (like public authorities). · Can operate as businesses in the open marketplace.	· Are driven by a social mission or purpose. · Don't exist to maximise profits for shareholders. · Don't exist to make owners wealthy. · Measure the social impact and the difference they make.

Social Enterprise

Social enterprises are neither charitable organisations nor pure for-profit enterprises; they operate between the two models. They trade in goods and services and use any profits generated to deliver a social impact. The more profitable a social enterprise is, the greater the impact it can have.

The publication of the National Social Enterprise Policy 2019 – 2022 provides a clear definition of a Social Enterprise[11].

Figure 1 A definition of Social Enterprise

A social enterprise is an enterprise whose objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders.

It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services, and by reinvesting surpluses into achieving social objectives.

It is governed in a fully accountable and transparent manner and is independent of the public sector. If dissolved, it should transfer its assets to another organisation with a similar mission.

Source: National Social Enterprise Policy 2019–2022

11. National Social Enterprise Policy 2019 – 2022

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Social Enterprise

The table below sets out some examples of social enterprises operating across Ireland.

Table 2 Examples of Social Enterprises

An Mheitheal Rothar is a not for profit co-operative based in Galway City. Their award-winning Recycle Your Cycle initiative takes bikes sent for scrap to Galway City Council Civic Amenities Centre. It repairs them, at the same time teaching valuable cycle mechanic skills to our trainees. This saves carbon emissions and reduces pollution from transporting, smelting down and recasting scrap metal. At the same time, it provides skilled jobs, training opportunities and an affordable, fossil-fuel-free means of transport
www.bikeworkshops.ie

Grow Remote connects remote workers, companies, and local communities so that people can choose to work where they want to live and not vice versa. Remote work can create greater job opportunities across Ireland and help reverse the decline of rural communities. The biggest challenge for those who want to work remotely is isolation and not knowing where to find the work. By building and promoting a community for remote workers, Grow Remote addresses these issues and encourages the creation and sustainability of vibrant rural communities.
www.growremote.ie

Meals4Health provides fresh, delicious ready meals for older people in their own homes, giving them independence and dignity in choosing their own meals. The meals are created per best practice in clinical nutrition that addresses individual needs and supports people recovering from illness, promotes health and wellbeing and reduces social isolation. Local communities are supported in looking after their older people, helping them age well at home. Through the community partnership model, they are creating employment opportunities in rural regions
www.meals4health.ie

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Social Enterprise

Food Cloud is an Irish social enterprise that exists first and foremost to reduce the environmental, social and economic impact of food waste by redistributing surplus food to our network of Charity and Community Group partners. FoodCloud is an app that connects businesses with too much food with charities working in communities with too little. A business can upload details of any surplus food it has, and a text goes out to charities that need it. It's mostly fresh produce like fruit, veg and bakery. Every kilogramme of food waste we retrieve is equivalent to 2.2 meals. Since 2013 they have delivered 100 million meals across Ireland and the UK to over 9,500 charity partners. **https://food.cloud/**

Sensational Kids is an award-winning social enterprise, that has already changed the lives of over 6,800 children by providing subsidised speech and language therapy, occupational therapy and play therapy. Sensational Kids bridges the gap between public and private services by providing affordable and accessible early intervention services for children with additional needs who cannot access or afford vital early intervention to help them reach their potential. The service is provided at four locations across the country and has saved families over €1.5 million in therapy fees **www.sensationalkids.ie**

Spraoi agus Sport is an award-winning social enterprise based in Carndonagh, Inishowen, Co. Donegal, providing excellent social, recreational, and educational activities that focus on family development, social and recreational activities, and economic benefits for the area. Their purpose is to provide quality after-school, weekend, and holiday time activities for children with a disability, morning and afternoon parent and toddler groups, preschool classes, and evening classes for teenagers and adults. **www.spraoiagussport.ie**

Social Enterprise

The Social Enterprise Business Model

Two elements characterise social Enterprises (1) they address societal needs, and (2) they are organised differently when compared to mainstream organisations. The social enterprise business model is unique in four ways:

- Social enterprise operates at a local level and is well placed to respond to issues in their area.
- Social enterprise trade on an ongoing basis to achieve a social, societal or environmental impact. They often depend on the contributions of a mixture of paid staff and volunteers.
- Social enterprises reinvest all of their profits back into their mission.
- Social enterprise implements sustainable practices respectful of the primacy of human needs and the environment.

Social enterprises expand the potential for collective social innovation by collaborating with local stakeholders. They experiment with new and co-operative ways of developing place-based solutions, building on collective goals and the complementary assets of different actors.

Social enterprise ecosystem

The social economy encompasses a variety of businesses, organisations and legal forms. They share the objective of systematically putting people first and positively impacting local communities . No social enterprise operates in a vacuum. There are many interdependent systems, institutions and networks that enable social enterprises to flourish:

- Beneficiaries and customers that use the services provide crucial feedback and help shape how social enterprises refine their aims.
- Governments play a key role in setting collective priorities to address social needs and provide funding and other support for innovations and initiatives to meet those needs. They also provide direction and regulation.
- Funding sources enable social enterprises to start and scale their innovations, and the availability, flexibility and conditions of funding determine how organisations grow and develop.
- Enabling organisations – Higher Education Institutes, Research organisations support social enterprise through innovation, business models and impact measurements.
- Peer Organisations – while social enterprises might compete for funding with one another, they can also share information, best practices, collaborate and support each other.
- Access to new and innovative technology helps extend the reach of social enterprises to impact more people.

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12. https://ec.europa.eu/social/main.jsp?catId=1537&langId=en

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Social Enterprise

Ireland is shaped by various actors that have contributed to developing national support policies and measures supporting the emergence of social enterprises. The table below sets out some of the key actors in the ecosystem.

Table 3 Social Enterprise Eco-System in Ireland

Type of Institution/ Organisation	National Actors	Regional/Local Actors
Governments	· Local Authorities – Local Government · Local Enterprise Offices · Local Development Companies · Social Enterprise Task Force · Dept of Community and Rural Development · Údarás Na Gaeltachta · POBAL – Government Supporting Communities	· 8 Local County and City Councils – Clare, Galway, Mayo, Sligo, Roscommon, Donegal, Leitrim · 12 Local Development Companies – Clare, Galway, Mayo, Sligo, Roscommon, Donegal, Leitrim · Údarás Na Gaeltachta
Enabling Organisations	· University College Cork · Dublin City University · Trinity College Dublin · University of Limerick · University College Dublin · National University of Ireland (NUIG) · Technological University Dublin · Cork Institute of Technology · Maynooth University	· National University of Ireland (NUIG) · Atlantic Technological University (ATU), Formerly GMIT, LYIT & Sligo IT
Peer Organisations	· Irish Social Enterprise Network · Irish Local Development Network · The Wheel · Social Entrepreneurs Ireland · Rethink Ireland · Networks running entrepreneurial activities and social enterprise incubators – SEDCO, PARTAS	· Inishowen Social Enterprise Network · ILDN Network
Financial Intermediaries	· Traditional Banks · Social Finance Ireland · Community Finance Ireland · Clann Credo · Credit Unions	· Western Development Commission · Local Credit Unions

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2.2 Social Innovation

Innovation in the 21st century differs from the model embraced in the last century, characterised as profit-oriented and nationally targeted. The underlying motive of innovation has been to generate economic value. However, looking ahead to society in the future, it is crucial to construct a new system that enables us to address social challenges through innovation by collaborating and acting globally. Thus, there is a need to find ways to foster innovation that generates social and public value.

From climate change to unemployment and poverty, today's global challenges are both economic and social. The recent economic crisis reminds us of the importance of mobilising science, technology and innovation (STI) not solely for generating economic benefits but also for anticipating and responding to social problems.

Social innovation is the process of applying novel market solutions to global social and environmental problems by creating or improving products, services, processes, business models and markets to more effectively and efficiently respond to unmet societal needs. The value created accrues primarily to society rather than private individuals and focuses on actions that have the potential for systemic transformation.

Social innovation is generally intended as a collaborative process where organisations (from different sectors) and individuals (including service users and providers) address new social issues or improve the way of addressing old ones, thereby creating public value. If innovations are successful, these can scale either by being mainstreamed within the public sector, being replicated, or being rolled out in the market. In time, the adoption of these innovations brings about systemic change. This process is often visualised in existing literature via the so-called spiral of social innovation, as shown in the figure below.

Social Enterprise

Figure 2 The Spiral of Social Innovation

Source: Caulier-Grice, Mulgan, & Murray, 2010[13]

Innovation is important to the advancement of society as it solves these kinds of social problems and enhances society's capacity to act. Social innovation embodies a mindset driven by purpose, openness, partnership, innovation and accountability to develop solutions that allow excluded people to participate in the economy while conserving and replenishing natural capital.

There has never been a better time to look at developing new working solutions to address the modern social issues we now face. Worker co-operatives have been highly successful in several countries across the EU. This model has proven to be an effective tool for creating and maintaining sustainable meaningful jobs, helping vulnerable workers learn new skills, generating wealth in communities most directly affected by inequality and promoting community and local economic development.

13. **Essay 8: "The Process of Social Innovation" (Geoff Mulgan) | Me & 3D: Creations and Fun (wordpress.com)**

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Social Enterprise

Ireland has historically been quite successful in developing co-operative models with Agriculture and Credit Unions, and the model is well understood.

Some of the most impactful social innovations occur when a social injustice coincides with rapid technological advances. The habitual exclusion of the working classes from higher education and the growing capabilities of communications technologies enabled the Open University to invent a successful model for distance learning. Twenty thousand students registered for courses in the OU's first intake in 1971. From its fabled late-night BBC broadcasts, through home video to e-learning, it has adapted to survive and continues to grow.

It isn't easy to consider when the concept of ethical and fair supply was not considered relevant to the market. The movement to help producers in developing countries receive a fair price for their products began to take hold in the UK in 1965. Fair-Trade renewables offered agricultural workers a reliable income and customer ethically sourced essential products. Fair Trade extends across hundreds of products and helps 1.66m fair trade farmers worldwide.

Supportive policies, adequate governance, innovative finance, various capacity building and recognition tools such as incubators, hubs, forums, prizes and research in methodologies, benchmarking, and impact measurement are the main components that create the 'natural environment' for social innovation to flourish. While the movement and creative energy in the ecosystem come from the actors and their connections, the administrative, economic, and legal environment must be supportive.

Social Enterprise

Social Innovation Unit (Navarra, Spain)

Social innovation can give a region a competitive edge and be a source of specialisation. The Region of Navarra has been one of the pioneers of promoting social innovation in recent years. The social economy plays an important role in the region with 1 254 social economy businesses employing at least 20,430 people, representing nearly 9% of the working population in the private sector in 2019. Following the region's Social Economy Plan 2017-2020, a new plan for the 2021-2023 period is focused on building an optimal ecosystem for social innovation. The region has put a number of initiatives in place. The Social Innovation Unit was created in 2017 as an important action under the Government of Navarra's Integral Plan for Social Economy 2017-2020, which was prepared by the General Directorate of Economic and Business and Labour Policy in collaboration with the Spanish Business Confederation of Social Economy (CEPES) in Navarra. It is a pioneering action, which entails the creation, for the first time in the region, of a reference entity to promote economic initiatives that generate a positive social impact. The unit's first output was a dedicated ecosystem for social innovation with a customised methodology at local level. At the time of writing of this report there were 39 social innovation projects being implemented, including initiatives to improve the quality of food in schools and improve access to health via online services in rural areas, to cite just a few examples.

Source: Government of Navarra **https://economiasocialnavarra.com/**

This section looked at how social enterprises evolve at a local level and examined their business model. We have identified examples of social enterprises within our region and highlighted examples of social innovation activity's far-reaching potential. Finally, we have examined the eco system and identified the key actors needed to allow social enterprise to flourish and develop across the region

3

Social Enterprise Policy Framework

Social Enterprise Policy Framework

One of the key actions from the National Social Enterprise Policy 2019–2022 is to achieve "better policy alignment" for social enterprises. In this section, we look at some of the Global, European and National policies which will influence the future development of the social economy across the WDC region.

The UN Sustainable Development Goals[14] (SDG) recognise the need for strategies that lead to sustained, sustainable and inclusive economic growth and address various social needs while tackling climate change and environmental protection. The SDGs consist of 17 different goals, 169 targets and 232 indicators, addressing the major global challenges. The SDGs give social entrepreneurs a possibility to contribute to something bigger in a very concrete way, but it also gives social entrepreneurs a possibility to feel and experience. They are part of a community across sectors and countries, working on the same agenda.

These 17 Sustainable Development Goals (SDG) inform European, National and Local Policies.

Figure 4 United Nations Sustainable Development Goals

14. https://sdgs.un.org/goals https://sdgs.un.org/goals

3.1 EU Policy

Social enterprises are seen as an almost perfect example of what the EU's vision of smart, inclusive and sustainable growth could look like in real life. At the member state level, social enterprises are seen as new and promising actors that can support the public sector in addressing social challenges while at the same time creating jobs and growth.

Given its potential to address societal challenges and contribute to sustainable and inclusive economic growth, the EU has launched many actions to support social enterprises and the social economy under the 2011 Social Business Initiative (SBI) and the 2016 Start-up and Scale-up initiative.

Social enterprise also contributes to the implementation of the European Pillar of Social Rights. Likewise, upcoming EU initiatives will create new opportunities for the social economy, including in terms of access to finance, as well as business and job creation. Against this backdrop, the Commission announced in its Communication on "A Strong Social Europe for Just Transitions" an action plan for the social economy to enhance social investment and social innovation and boost the potential of social enterprises to create jobs, including for those furthest from the labour market.

Social innovation in Europe has been supported by the Employment and Social Innovation Programme (EASI), the Horizon 2020 Programme, the European Social Fund, the European Regional Development Fund, the Erasmus Plus programme and the Collective Awareness Platform for Sustainability and Social Innovation (CAPS), among others.

More recently, several Commission initiatives have called on the potential of social economy in general as well as more specifically concerning achieving a fair recovery: the Circular Economy Action Plan, the SME Strategy, the Renovation Wave, the Recovery Plan – Next Generation EU, the Africa Strategy, the Youth Employment Support Initiative, the Action Plan on Integration and Inclusion and the European Skills Agenda.

EU level initiatives launched since 2011 have enabled more social enterprises to access EU support. Continuing the trend of recent years, European policy objectives for the 2021-2027 period include the EU Green Deal, the European Pillar of Social Rights and the Digital Agenda for Europe. These all highlight the important role of the social economy.

On December 9th 2021, the European Commission adopted the Social Economy Action Plan. The Action Plan puts forward concrete measures to help mobilise the full potential of the sector, building on the results of the 2011 Social Business Initiative and the 2016 Start-up and Scale-up Initiative. It also aims to enhance social investment, support social economy actors and social enterprises to start-up, scale-up, innovate and create jobs through some key actions and a series of initiatives in the following three areas:

- Creating the right framework conditions for the social economy to thrive.
- Opening up opportunities and support to capacity building.
- Enhancing recognition of the social economy and its potential.

On December 4th 2020, Ireland signed up to the Toledo Declaration with 19 other EU member states. The Declaration is a recognition and a commitment to strengthening the decisive role that Social Enterprises can play as the EU emerges from the health, economic, and social crisis caused by the COVID-19 pandemic.

3.2 Policy in Ireland

This section highlights key documents and identifies the key themes or pillars of government policy so that our strategy is consistent with and develops existing policy aims. We start by introducing the main documents. We then identify key themes that will inform how we will realise our strategy. The policy landscape is illustrated in the figure below.

Figure 5 National Policy Framework

Social Enterprise Strategy 2022

3.2.1 The National Planning Framework

Project Ireland 2040 comprises (a) the National Planning Framework (NPF), which sets out a spatial strategy for Ireland to accommodate in a sustainable and balanced way an anticipated growth of one million in our population by 2040, with an additional 600,000 people at work; and (b) the National Development Plan (NDP), which will provide infrastructural investment to support the NPF. The plans contain ten strategic outcomes, which include strengthened rural economies and communities (NSO3), a strong economy supported by Enterprise, Innovation and Skills (NSO5) and the transition to a low-carbon, climate-resilient society (NSO8).

A key commitment under the SDG National Implementation Plan involves mainstreaming the SDGs across national policies. When relevant sectoral policies are developed or reviewed, Ireland's commitments under the SDGs will be considered.

3.2.2 Future Jobs Ireland

In 2019, the action plan for jobs was replaced by Future Jobs Ireland. Future Jobs Ireland 2019 is a *whole of government* framework to prepare Ireland for the challenges and opportunities ahead in terms of the transition to a digital and low carbon economy. The document defines the five pillars essential for the country's future development and long-term success, innovation, productivity, skills and talent, participation and transitioning to a low carbon economy. Development of the social economy is in line with the "ambitions" and "deliverables" set out in Pillars 2 (Improving SME Productivity), 3 (enhancing skills and developing and attracting talent), 4 (increasing participation in the labour force), 5 (transitioning to a low carbon economy).

A key priority of Future Jobs Ireland is to diversify our enterprise base to ensure the Irish economy is more resilient. Future Jobs Ireland also seeks to strengthen links between SMEs, multinationals and institutes of technology to create regional innovation clusters. It also highlights the commercial opportunities and environmental benefits of developing low carbon, bio and circular economies.

3.2.3 Our Rural Future – Rural Development Policy 2021 – 2025

One of the ten Strategic Outcomes which Project Ireland 2040 aims to achieve is Strengthened Rural Economies and Communities. Our Rural Future[15] complements other Government policies and initiatives such as Project Ireland 2040, the National Economic Recovery Plan, the Climate Action Plan, and the National Broadband Plan. At the EU level, Our Rural Future supports the realisation of the European Green Deal and the European Pillar on Social Rights.

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15. gov.ie – Our Rural Future: Rural Development Policy 2021-2025 (www.gov.ie)

Our Rural Future will be underpinned by investment across Government in areas such as the roll-out of high-speed broadband, remote working facilities, job creation, town centre regeneration, community development, improvements in regional and local roads, new cycling and walking infrastructure, expanded rural transport services, funding for tourism, culture and heritage projects, and a just transition to a climate-neutral society. The policy's objectives will be achieved by delivering 150 commitments, to be implemented progressively over the next five years across a range of Government Departments and agencies. The policies will support and accelerate the development of social enterprises and social innovations.

3.2.4 National Social Enterprise Policy

As stated above, the publication of the National Social Enterprise Policy 2019-2022 fulfils a commitment outlined in the Action Plan for Rural Development and Future Jobs Ireland. It represents a key milestone for social enterprises in Ireland. The Policy implementation will open new opportunities for social enterprises to address social and environmental challenges, contribute to revitalising local communities throughout the country, and support many of those most vulnerable in society. As stated in the introduction, the strategy sets out three key actions:

- Build awareness of social enterprises by identifying best practice models and supporting social entrepreneurship as a viable business model.
- Grow and strengthen social enterprise through capacity building measures and access to funding and supports.
- Better policy alignment – by gathering reliable data on the sector and measuring impact.

The National Social Enterprise Policy for Ireland is part of a suite of policy initiatives from the Department of Rural and Community Development to support those who work with communities and disadvantaged groups. Other initiatives include Sustainable, Inclusive and Empowered Communities 2019 – 2024 and a new National Volunteering Strategy 2021–2025.

The Rural Development Strategy 2021 – 2023 sets out a commitment under priority 4 to support social enterprise and social innovation development as key components of an inclusive and sustainable recovery. The action plan for Jobs 2017 states that it will "*support 160 social enterprises operating in disadvantaged communities in 2017 to provide services to those communities and link people from SICAP target groups with employment opportunities within the sector.*" The Regional Enterprise Plans to 2024[16] also contain actions to support and grow social enterprise activity at a local level, further reinforcing the sector's importance.

16. gov.ie – Mid-West Regional Enterprise Plan to 2024 (www.gov.ie)

Social Enterprise Policy Framework

Generally, the social economy is not as well developed in Ireland as elsewhere in Europe. The government provides specific support to Social Enterprise through a range of programmes and schemes, including the Community Services Programme (POBAL), Community Employment Schemes, the Wage Subsidy Scheme for the employment of people with disabilities, public sector contracts, training and mentoring programmes and funding through Rethink Ireland, Leader and the ARISE programme.

3.2.5 Western Development Commission Act 1998

The Western Development Commission was established under this Act to promote economic and social development in Clare, Donegal, Galway, Leitrim, Mayo, Roscommon and Sligo. Under Section 8 (1) of the Act, the Western Development Commission is mandated to provide assistance to business and social enterprises and to foster and encourage the establishment, maintenance and expansion of such enterprises and projects. The role of the WDC is to promote the social enterprise model across the region and within communities and contribute to the development of support measures.

> The Government's vision is for a thriving rural Ireland is which is integral to our national economic, social, cultural and environmental wellbeing and development, which is built on the interdependence of urban and rural areas, and which recognises the centrality of people, the importance of vibrant and lived-in rural places, and the potential to create quality jobs and sustain our shared environment Our Rural Future – Rural Development Policy 2021–2025

4

Situational Analysis

Situational Analysis

This situational analysis aims to examine the internal and external factors of the WDC region. We use the situational analysis to examine the WDC region's capabilities, existing and potential markets and the wider business environment. This analysis enables the strategic plan to build on existing policy and identify objectives to accelerate social innovation in the region. A PESTEL analysis assists the strategic plan to consider the ecosystem environment. A SWOT analysis then allows the strategic plan to encompass the examination of the external and internal factors that enable capitalisation on regional strengths, take advantage of opportunities and defend against threats and weaknesses.

## 4.1 Regional Performance of Social Enterprise

The lack of data on social enterprises across the WDC region makes it difficult to measure the scale and impact of the sector. Using data from Rethink Ireland and the Social Enterprise Development Fund provides a snapshot of activity within the sector and helps identify trends. The table below shows the location and number of social innovations supported by Rethink Ireland. Of the 246 social innovations supported, 28 were spread across five counties in the WDC region, with no innovations being supported in Mayo and Sligo.

Figure 6 Social Innovation supported by Rethink Ireland

Where are the social innovations we support based?

The social innovations we support have nationwide impact. Here is where they are based across the country:

- 🟡 1–10
- 🟠 11–50
- 🔴 51–160
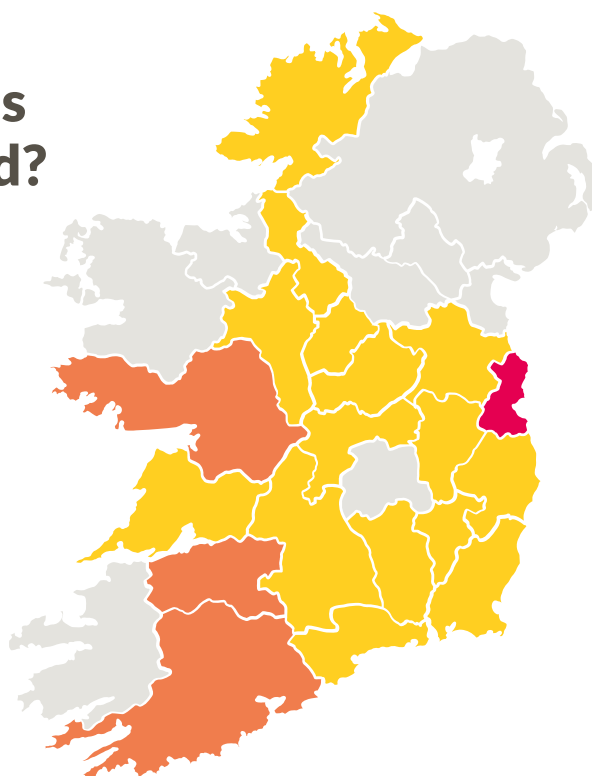
Carlow	1
Clare	5
Cork	18
Donegal	4
Dublin	151
Galway	17
Kildare	3
Kilkenny	1
Leitrim	1
Limerick	13
Longford	1
Louth	1
Meath	3
Monaghan	1
Offaly	3
Roscommon	1
Tipperary	6
Waterford	8
Westmeath	4
Wexford	3
Wicklow	1
Total	**246**

Social Enterprise Strategy 2022

Rethink Ireland created the Social Enterprise Development Fund in 2018 in partnership with Local Authorities Ireland. It is funded by IPB Insurance and the Department of Rural and Community Development through the Dormant Accounts Fund. Since the Fund's foundation in 2018, the Fund has supported 40 social enterprises with cash grants and business supports and a further 38 through their Genesis & Accelerator Programmes. It has enabled social enterprises to support 681 people to access employment (most of whom are from minority groups) and mobilise 2,430 volunteers. Looking at the data, the number of social enterprises is increasing every year, with the largest concentration in the east of the country.

Figure 7 Distribution of funding from Social Enterprise Development Fund

Social Enterprise Development Fund
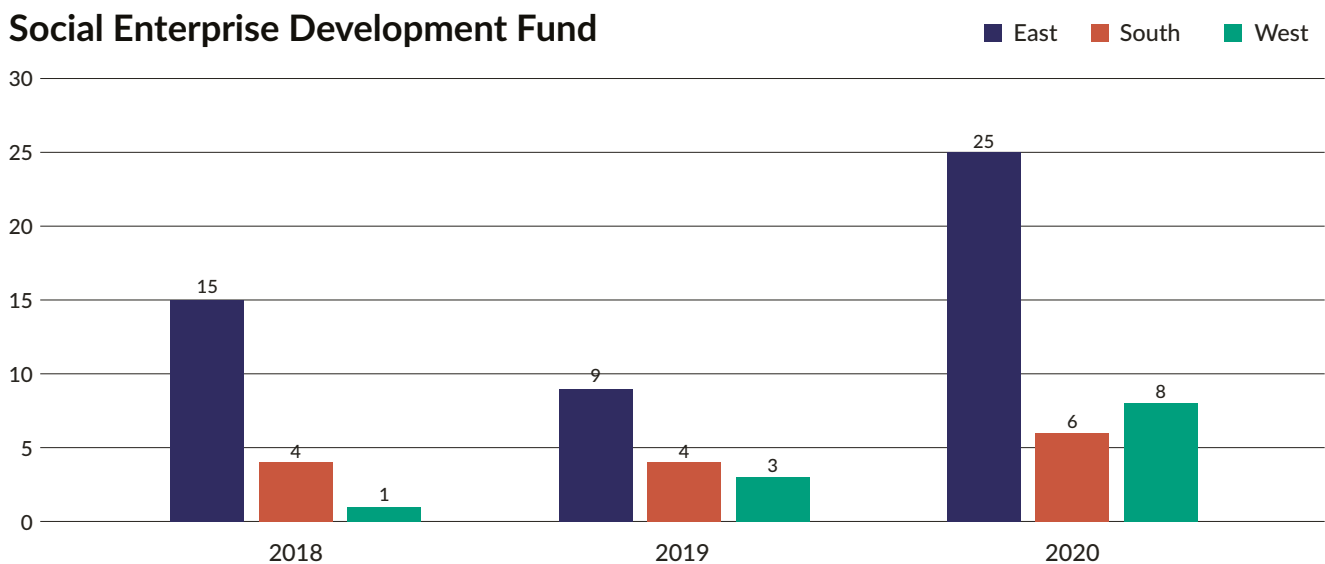
Source: **Rethink-Ireland-2020-Annual-Report.pdf (rethinkireland.ie)**

Situational Analysis

The **Eastern** region has the highest concentration of funded social enterprises in the country from Rethink Ireland. This region has many supports, organisations, and networks to help grow and develop social enterprise. There are well-developed communities for social entrepreneurs providing accommodation, networking events, incubators, accelerators and other supports. Social enterprises across this region have access to a large market to sell their products/ services, and this provides income to help them promote awareness of their cause and improve impact. The success enjoyed by social enterprises in this region creates a virtuous circle that encourages yet more social enterprises. Award winners in the region include Cybersafe, My Mind, Sensational Kids, GIY Grow box and Speedpak.

The **Southern** region has a strong social enterprise ecosystem that developed organically to serve the needs of the local rural community. Key drivers of this growth were the local development companies, Ballyhoura and IRD Dunhallow. The success enjoyed by the growing number of social enterprises in the region has helped attract the BNest Social Impact Accelerator into the region. The Nexus Innovation Centre, Kemmy Business School, followed by Clare Local Development Company, South and East Cork Area Development (SECAD), North & East Kerry Development Company (NEWKD) and Ludgate Hub, came together BNest to create the ISBC consortium. This consortium is a regional, collaborative, and practical support structure to help create and grow businesses for social impact. ISBC is supported by Enterprise Ireland's Regional Enterprise Development Fund. Award winners in the region include Jump A Grade, Food Share, Sailing into Wellness and Learn from Leaders.

While the number of social enterprises in the **Western** region is growing, the ecosystem to support them is weak and fragmented. Donegal has the highest concentration of social enterprises in the region and the Inishowen Social Enterprise Network (ISEN) is very active in supporting and promoting social enterprise in the area. While the local development companies provide resources to help and support social enterprises in their area, the lack of a regional cluster or support network has impacted their growth across the region. Despite these challenges, award winners in our region include Bounce back Recycling, Grow Remote, Meals for Health and Spraoi agus Sport.

The WDC region has a dispersed rural settlement with vibrant communities, natural assets, industry clusters and higher education institutes, dealing with the challenges of an ageing population and high levels of youth unemployment. All of this makes the WDC region very attractive as a testbed for social innovation when compared to other regions.

4.2 The External Environment

A PESTEL analysis is a framework to analyse the macro-environmental factors that can impact performance. PESTEL focuses on political, economic, social, technological, legal and environmental factors that may affect an organisation or region. The figure below provides a PESTEL analysis of the region.

Figure 8 PESTEL Analysis of Region

POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGICAL	ENVIRONMENTAL	LEGAL
Project Ireland 2040	Ireland GDP Growth 4.6% in 2022	Project Ireland 2040 forecasts population growth of 20%	Technology is making it easier to collect analyse and measure impact	Abundance of untapped Natural Resources	Implementation of National Social Enterprise Strategy gives formal recognition and structures for social enterprises
Our Rural Future 2021 – 2025	North and Western Region is in Transition	60% of population live in rural areas	Industry 4.0 and IOT present opportunities and require new skills	Opportunities for wind and wave energy	
EU Green Deal EU Pillar of Social Rights	High Unemployment, low levels of disposable income	Ireland faces big social challenges	Technology for social good	Large areas of agricultural land, forestry and bogs	
Digital Agenda	Region impacted by Brexit and Covid 19	Affordable housing			
Social Economy Action Plans		Aging rural Populations			

The new programme for government places sustainability and environmental issues at the heart of government policy. It supports the EU Policy Objectives for 2021 – 2027, including the EU Green Deal, Digital Agenda for Europe and the European Pillar of Social Rights. The Northern and Western Regional Assembly (NWRA) region has been designated as a region in transition with higher than average levels of unemployment and lower disposable incomes. This designation will allow this region to access more funding through EU schemes. Over 60% of our population lives in rural areas with many social challenges, including housing and ageing. There is an extensive coastline with abundant untapped natural resources and large quantities of wind and wave energy to be exploited. Industry 4.0 and IOT present new opportunities for retraining for new digital skills.

The WDC region presents many opportunities for social innovation, and the conditions are now right to develop and build capacity for our social enterprises to grow and scale their impact.

Social Enterprise Strategy 2022

4.3 Regional SWOT Analysis

A regional SWOT analysis examines those internal and external factors and identifies strengths to capitalise on, opportunities to take advantage of and strategies to overcome threats and weaknesses.

Table 4 SWOT Analysis

Strengths	Weakness
· Diversified sectoral base with a mix of traditional and new sectors · Strong third levels institutions and research performing organisations · High levels of educational attainment and skills · Internationally recognised industry clusters (MedTech and ICT) · The strong and growing creative sector · Vibrant start-up environment with best in class innovation district (Galway City Innovation District) · An abundance of natural resources for renewable energy production · Strong Agri-food and forestry sectors	· High dependence on FDI and MNC's · Poorly developed infrastructure and poor public transport · The rising cost of living across the country · Significant levels of long-term unemployment and high levels of youth unemployment · Low levels of volunteerism · Weak Links between HEI, Private and Public Sector · Pockets of disadvantage across the region and declining town centre · Links across different sectors need to strengthen to ensure that meaningful collaboration and innovative projects are undertaken
Opportunities	**Threats**
· Climate change and transition to a low carbon economy · National and European Funding Initiatives for social enterprise and European Green Deal · EU Social Economy Action Plan · High Quality of HEI's and Research organisations in the region · Marine Renewable Energy Generation · Convergence of new technologies and impact on traditional sectors · Consumer desire for sustainable environmentally friendly products · Expanding Industry Clusters · A platform for citizen engagement to support the quadruple helix model · Development of Worker Co-Operatives to train apprentices · The Just Transition Fund · Digital growth hubs to revitalise rural regions	· Industry 4.0 and digitisation of new jobs · Burden of compliance/ regulation and bureaucracy make sector unattractive to work in · Regional Depopulation may lead to unbalanced growth and reduced demand · Funding Cuts to employment support schemes for community groups/ social enterprises · Private capital doesn't see it as an attractive investment

Situational Analysis

Analysing the region's strengths, challenges, opportunities, and threats allows us to blend key value propositions and develop a social enterprise framework. Critical takeaway points include:

- There is a tradition of an entrepreneurial culture within the indigenous industry across the WDC region.
- The WDC region has vibrant communities with extensive activities across community, economic, cultural and social services.
- The WDC region contains high-quality outreach facilities, including Higher Education Institutions (HEI's) and Research Performing Organisations (RPO's).
- The WDC region has existing internationally recognised clusters in Medical Devices and ICT and is home to a world-class innovation district.
- Internationally there is a perception of the West of Ireland as being an environmentally friendly, sustainable region.

The WDC region has been weak at converting investment in Research and Development in the Research Centres into job creation in the local economy.

It is increasingly difficult for regions to position themselves internationally. Each region needs to offer something special to differentiate it from others and create its unique selling point. A key output from this strategy would enable the WDC region to succeed in stimulating new social and business innovations and building a vibrant social enterprise ecosystem with global links and recognition. Specifically, we have identified the following objectives:

- Increase collaboration between Public Institutions and Private Sector Organisations to embrace and accelerate social enterprise development across the region.
- Promote social enterprise across the region and work with others to build capacity and strengthen the ecosystem.
- Leverage the Connected Hubs Network to enable social enterprises play a bigger role in economic and social activity. Support companies to identify services and skills and support innovation projects that deliver a real social Impact.
- Explore new working solutions to address modern social issues, such as the worker co-operative model.
- Capitalise on the natural resources, communities and skills to position the WDC region as a testbed for new social innovation.
- Establish the WDC region as a Social Innovation Region to attract new investment and create jobs.

We now have a great opportunity to develop a regional competitive advantage by embracing social innovation and social enterprise.

4.4 Challenges for the Growth of the Social Enterprise Sector in Ireland

The social economy is a proven pioneer in identifying and implementing social innovation and alternative ways of organising economic activity. Social Enterprises have demonstrated a capacity to fix and repair problems, address market failures, inspire and transform, develop new business models, and unlock new sectors of economic activity, e.g. circular economy and energy communities[17]. In doing so, they can help revitalise regions.

It is generally recognised that social enterprise is not as well developed in Ireland as elsewhere in the EU. An EU Study, Social Enterprises and their Ecosystems: A European Mapping Report, identified some challenges for the future growth of the social enterprise sector in Ireland. These are detailed in the table below:

Table 5 Challenges for future growth of social enterprises – KPMG Future Analytics

Challenges for the future growth of the social enterprise sector in Ireland
Promotion of clear definitional boundaries, e.g. clarity on terminology such as social enterprise, social business, traded income, government grants and service level contracts
Development and adoption of a government policy on social enterprise – e.g. adopt the proposed definition, establish institutional oversight and co-ordination mechanisms, measure the sector and evaluate the impact
Capacity building in the sector – e.g. develop business support and mentoring models, ensure investment readiness and support social enterprise education in mainstream academic business courses, integrate social enterprises in existing work placement programmes
Improve capacity for public procurement – e.g. encourage collaboration with commercial enterprises and capacity building within the social enterprise sector to engage in competitive tendering processes
Further development of a supportive financial infrastructure – e.g. expand the remit of credit unions, research and develop new finance options (impact investment, venture philanthropy, social impact bonds) and utilise applicable EU funds to support the development of social enterprise
Development and implementation of appropriate systems of social impact and performance measurement
Development of leaders and harnessing of community support – e.g. build management capacity in social enterprises
Development of competency in government – e.g. ensure that the tax and benefit system does not create disincentives, promote the co-operative model in certain sectors, governance training

17. https://www.oecd.org/coronavirus/policy-responses/social-economy-and-the-covid-19-crisis-current-and-future-roles-

Situational Analysis

Taking the challenges above and looking at them from a regional perspective, we can see many factors that have contributed to the slow development of social enterprise across the region and these include:

- A lack of awareness and promotion of social enterprise and social enterprise activity.
- Despite the presence of several Higher Education Institutes (HEIs) and Business Accelerators/ Incubators, there is no regional cluster/support network for social enterprises to share knowledge and support each other.
- Social Enterprises have the same needs as for-profit companies in business development, access to finance, governance, employment, and marketing. Still, they are overlooked when it comes to enterprise support. They have dual goals impact and profit.
- Given their limited financial and operational track record, early-stage social enterprises struggle to seek funding from banks/investors to scale and are heavily reliant on grants, donations and volunteer support.
- A lack of data about the scale and impact of social enterprise across the region has made it difficult for social enterprises to access supports and resources to measure and improve their impact.

Despite the evidence demonstrating the positive impact of social enterprises, social entrepreneurs continue to be overlooked as drivers of economic opportunity and wealth creation. Social enterprises lack infrastructure and support in the market. The gap is wide compared with the support available to for-profit start-ups (networks, finance, incubators, and accelerators). Developing a regional capability in social enterprise will attract more social entrepreneurs into the region and attract investment/ funding for projects. It will also help to invigorate rural communities, increase demand for services from social enterprise, and create a social innovation region.

5

Vision and Objectives

5.1   Our Vision and Objectives

Regions are important engines of economic development, and measuring innovation performance at the regional level has become ever more important. This strategy aims to develop the WDC region as a Centre of Excellence for Social Innovation and build a competitive advantage. It is necessary to put in place the infrastructure and capacity building measures to develop a social innovation region to achieve this strategy.

The growth of social innovation in Europe is hampered by insufficient knowledge of the sector, limited support of grassroots and social entrepreneurship activities, poor diffusion and scaling-up of good practices, and poor impact evaluation methods. While deeper and keener knowledge is addressed by research from various angles, mapping the ground covered by the sector is a prerequisite for developing capacity building tools like incubators, networks, and skills.

This plan aims to **support the social economy and promote social innovation** to boost the regions' ability to compete economically and promote inclusive growth. **Our vision is to develop the West as a social innovation region with global links and recognition.** The strategy to achieve this vision is set out below and involves two key strategic objectives:

- Accelerate the growth of Social Enterprise base across the region.
- Develop a centre of excellence for social innovation and place-based social enterprise.

5.2   Accelerate the growth of social enterprise across the region

While there is a well-developed ecosystem for social enterprises nationally, the growth of social enterprise activity in the WDC region has not kept pace with the rest of the country. This strategy proposes several actions to grow the social enterprise base across the region and includes measures to increase awareness and promote the model of social enterprise across communities.

5.2.1 Heatmap of Social Enterprise across the WDC Region

A key theme emerging from the research is the need to gather data on social enterprises and understand their economic and social impact. While some mapping studies have been done in the south and east, limited information is available for our region. The development of the heatmap will help:

- Establish the size, reach and impact of social enterprise in the region.
- Better explain and communicate the work that social enterprises do.
- Inform the design of supports and programmes to help social enterprises in the region.
- Inform policy development in the years ahead.

5.2.2 Access to Finance Funding

Grant funding, crowdfunding, and other early-stage capital can help prove the business fundamentals like market demand, business model, and revenue model. Still, at a certain point, social enterprises need funding to scale.

There is a well-developed social investment market in the UK, and the market for impact investing is growing. Research by Nesta has shown a wide range of financial and non-financial benefits from matched crowdfunding, including leveraging additional funds, increased success rates, bringing in new supporters, boosting volunteering and enhancing the skills of the participating organisation. Matched crowdfunding gets communities to put their money where their mouth is.

Some new funding streams will be announced from the EU as part of the 2021 – 2027 budget. Two such programmes are the EU Green Deal and Horizon Europe, which will provide social innovation and sustainable business funding. Other funding programmes include the SIA (Social Impact Accelerator) and the EFSI Equity Instrument.

A key part of this strategy will be to:

- Grow our lending to Social Enterprises and develop new funding products to support/invest in social enterprises.
- Explore new funding mechanisms to leverage additional finance to provide to social enterprises.
- Work with other agencies to develop a social investment market and establish a crowdfunding platform for social enterprise.
- Develop a capability to write applications and secure EU Funding (EU Green Deal and Horizon Europe) to support social enterprises and social innovation across the region.

5.2.3 Social Enterprise Incubator/Accelerator

Like the private sector, a vibrant social enterprise sector requires a range of support to help it flourish. Well-targeted supports can make a difference to the number, quality and sustainability of the social enterprises that develop. Evidence suggests that business incubators and business accelerators can effectively support new and growing social enterprises and help increase survival rates, create more jobs, and generate more revenue.

This strategy proposes working with others to create a regional scaling hub to provide best in class incubator/accelerator programme focused on the needs of emerging and scaling social enterprises. This programme will include:

- Structured training programmes.
- Networks of practice.
- Access to Space.
- Events.
- Mentoring.
- Access to finance and other business supports.
- Toolkit for social enterprise and social innovation.
- Governance.

5.2.4 Call for Social Good

A social challenge prize can inspire communities to develop imaginative, effective solutions to big social problems. These calls help unlock the energy, enthusiasm and vast potential for innovation among communities, local groups and the people working on the frontline of our public services.

The objective of the call is to help people/ communities to understand the complex societal challenges and bring forward ideas and solutions to address these needs. We may offer a modest prize to the winners comprising cash and business support. Areas of focus could include youth unemployment, homelessness, healthcare, circular economy, technology, and social innovation.

This challenge could also become an annual event and provide a forum to share knowledge and the latest social enterprise/ innovation thinking. The event would be akin to a summer school and could be run over several days and showcase social enterprises. Examples of challenges would include – AI for Social Good, Blockchain for Social Good or the Nesta Big Challenge.

5.3   A Centre of Excellence for Social Innovation

The interaction between Higher Education Institutes, students, for-profit business, social enterprises and communities are such that they can provide a vibrant breeding ground for stimulating ideas, innovation and IP. This strategy will support the development of a regional scaling hub with innovation labs and co-working spaces that provide an environment for experimentation and collaboration between communities and enterprises.

5.3.1 Social Innovation Hub/ Cluster

There are many examples of successful clusters in the business world, and we have one of the biggest med-tech clusters in Galway. Social enterprises often have to start without access to equipment or a network of like-minded people and common places to meet and tackle social problems. This strategy would see the development of a social innovation hub/ cluster in our region that would:

- Bring together a diverse set of stakeholders – local development companies, local authorities, communities, citizens, social enterprises, third sector organisations, higher education institutes, research institutes, regional and national networks.
- Develop a regional innovation laboratory providing outreach across Connected Hub Network.
- Enable service users to participate in product development, service design and usability testing.
- HEI and Research Institutes in the region work together to help communities/ social enterprises with innovation.
- Build a repository of technology that could be licensed for social good.
- Develop a leadership capacity in social innovation and enhance the competitiveness of the region to attract new social enterprises in.
- Help integrate social enterprise into the mainstream.

5.3.2 Sustainable Development Goals

The UN SDGs give social entrepreneurs the possibility to contribute to something bigger in a very concrete way. However, they also give social entrepreneurs a possibility to feel and experience they are part of a community across sectors and countries, working on the same agenda. Furthermore, the SDGs can help communicate and share the value of the work that social entrepreneurs create through their action.

The WDC has deep experience working across the Circular Economic and Energy Communities and supporting social enterprises to achieve the SDG Goals. A key part of our strategy will be to:

- Build on our expertise and help more social enterprises to tackle SDG Goals.
- A social challenge prize to inspire communities to develop imaginative, effective solutions to tackle the SDG goals.
- A Hackathon for Post Primary Schools to develop innovative ideas around SDG goals and provide money to the winning idea to conduct a feasibility study.

5.3.3 Flagship Project

Social innovation is the process of applying novel market solutions to global social and environmental problems by creating or improving products, services, processes, business models and markets to more effectively and efficiently respond to unmet societal needs. The value created accrues primarily to society rather than private individuals and focuses on actions that have the potential for systemic transformation.

The accelerating rate of social change brought about by the Green & Digital Transitions calls for a new form of flexible response at the grassroots level. Social enterprises, in the form of 'Digital Growth Hubs', can help future-proof communities across rural Ireland. These social enterprises can enable traditional and innovation-driven businesses to thrive locally, helping create local, sustainable jobs that will never be automated or replaced.

A key part of this strategy will be to deliver a Flagship Project as a model for social innovation. A key theme from this project will look to develop new working solutions to address modern social challenges faced in our region. One such concept is a community hotel run by migrants and accompanied by experienced staff. The idea was that a community hotel could easily become an engaging and motivating project that could bring people together with very different cultural, professional and social backgrounds and showcase best practices.

Our region is heavily reliant on tourism and attracts millions of tourists each year. This innovative form of social tourism brings together the disadvantaged in need of training, the marginalised in need of accommodation and tourists looking for a good value place to stay.

MAGDAS HOTEL

As a social business, Magdas tries to solve both economic and social problems using entrepreneurial tools. The focus is not the maximisation of profit but societal benefits, solidarity and openness. By focusing on refugees' skills, talents, and motivation rather than seeing them as a burden upon their hosting country or municipality Magdas has invested in the future. With this unique initiative, refugees are recognised by the population as people involved in the community's activities and not as people relying on public aid.

Public money is saved in the short term since the refugees no longer rely on benefits, and in the long term, these refugees will contribute to the Austrian economy in the years to come. In this regard, by cooperating with training institutions and the tourism industry, the Magdas Social Business can provide refugees with training that will serve them throughout their life

5.4 A Social Innovation Region

Every region needs to offer something special to distinguish it from others and create its unique selling proposition. Education is an important factor in developing a competitive region that can attract investment and skilled labour. A competitive region can attract and maintain successful firms and maintain or increase living standards for the region's inhabitants.

A key output from this strategy would enable the region to stimulate new social and business innovations and build a vibrant social enterprise community across the region with global links and recognition. **Our vision is to develop the West as a social innovation region with global links and recognition.** To achieve this, we need to:

- Build a regional alliance to pursue financial goals alongside social ones driving real impact based on (1) generating social value, (2) addressing market failures, and (3) that is measured and benchmarked.
- Bring together – Public institutions and finance, 3rd sector, culture, incubators/ accelerators, profits/ not for profits.
- Develop an inclusive regeneration project in a regional town to stimulate social innovation and social enterprise as a best practice model.
- Leverage the Connected Hubs Network to connect social enterprises nationally and integrate social enterprises into the mainstream.
- Develop an ecosystem to address societal needs by combining emerging technologies, new financial tools, entrepreneurship and innovation.
- Develop new working solutions to help address modern social issues.
- Support innovative projects to pursue social impact activities.
- Develop a testbed for new social innovations.
- Promote and enhance the region's visibility to position itself as a social innovation region, attract investment and entrepreneurs, and create jobs.

This strategy will promote and accelerate the development of social enterprises and social innovation across the WDC region. The success of this strategy will be measured through the increased activity levels across the sector. It will include new enterprise and job creation, training and education, new services delivered, innovations developed and technologies licensed for social good. The ultimate success will be to create a sustainable community across the WDC region that is economically competitive, socially inclusive and environmentally friendly.

WESTERN
DEVELOPMENT
COMMISSION

Supporting communities to grow,
investing in businesses to scale and
planning for the future of the Western Region.

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