

Social Economy Network's response to the draft Programme for Government, Budget and Investment Strategy 2008 -2011.

The Social Economy Network (Northern Ireland) Ltd welcomes the opportunity to respond to the draft Programme for Government, Budget and Investment Strategy 2008 - 2011.

The Social economy Network is a membership organisation drawing its members from social enterprise initiatives throughout Northern Ireland. The aims of the network are to

- Develop and strengthen the membership
- Foster, support and encourage exchange of experience, information and knowledge within the sector
- Provide a channel for social economy sector input into policy development
- Represent the views of the sector in engagement with government
- Promote the role of the social economy and its contribution to socio – economic growth and development

Programme for Government

The overarching aim, five key strategic priorities, principles and cross cutting themes set out in the Programme for Government are positive and worthy and one could not take issue with them. The draft Programme for Government document is strong on the use of language in relation to the promotion of equality, tolerance and social inclusion but weak in substance in terms of how these goals will be met.

While it was pointed out that the Programme for Government does not set out in detail all the programmes and policies which departments will pursue over the Programme for Government period, it would have been beneficial to highlight key policies – such as a ‘Shared Future’ and Positive Steps –which are integral to the achievement of some of the strategic aims.

Growing the economy

The network believes that it is appropriate to have growing a dynamic innovative economy as the top priority. It is essential for future prosperity that the economy grows. A thriving economy has the potential to benefit everyone in Northern Ireland but will only do so if policies and strategies are in place to support the economically inactive and disadvantaged. While reference is made to sustainable economic growth providing opportunities and the means to reducing poverty and disadvantage there is little detail about how this will be achieved. Once again reference to key policies/strategies may provide clarification.

It is encouraging that the focus on growing the private sector also includes small and medium indigenous enterprises. There is recognition that enterprise is one of the key drivers of the economy and that the Executive ‘will support business and create the conditions in which enterprise can flourish.’ A sole focus on the growth of the private sector however will not address the economy and social agenda which are interconnected. It is therefore disappointing that there is no recognition of the social economy sector and the role it has had and will continue to have (with the necessary support) in addressing both economic and social issues.

The social economy sector in Northern Ireland has a long and rich tradition of providing quality services to disadvantaged communities and of creating innovative pathways into employment for those excluded or distant from the labour market. From credit unions and housing associations to community enterprises and social firms –from child care and care for the elderly to financial, retail and environmental services a broad range of structures and services make up this vibrant sector of our economy. **The social economy sector is well positioned to assist the Executive to meet many of its social and economic goals. It has a unique contribution to make to the Northern Ireland economy in regenerating disadvantaged communities and areas.**

It is imperative therefore that a focus to grow and develop the social economy sector is contained in the Programme for Government. **A range of effective supports in the form of rolling business and development training programmes (similar to those for the private business sector) should be available from Invest N.I. for social enterprises.**

The first government strategy on the social economy –‘Developing a Successful Social Economy’ 2004 -2007 has come to an end and we are awaiting the development and publication of the next strategy. While many of the actions from the first strategy have been achieved there is still a lot to do to ensure the existence of an enabling environment for social enterprises to flourish with equal access to business and financial development support. It would have been opportune and encouraging to have made reference to the forthcoming strategy in the Programme for Government. Northern Ireland was the first region in the United Kingdom to have published a strategy on the social economy. The social economy strategies in England and Wales are ambitious and innovative with a focus on growing the sector and recognising it as having a role in the delivery of public services. An example of good practice in this field is the Sunderland Home Care Associates, a social enterprise delivering social care services across a number of Local Authorities in the north of England. It is fully employee owned, with staff receiving above market pay and conditions with all profits reinvested back into the company. The opportunity exists for Northern Ireland to be equally ambitious and innovative in the development of a new strategy for the social economy. To provide a focus and demonstrate the Executives recognition of and commitment to the social economy, the Social Economy Network **recommends that a specific goal of “Growing the social economy by up to 30% by 2011” should be included in the Programme for Government.**

Procurement

The Social Economy Network is in favour of the inclusion and consideration of social clauses into public procurement procedures. While it is important to consider costs and benefits in monetary values other non-monetary impacts such as environmental, social or health effects should also be taken into account (with appropriate weighting) in the consideration of tenders for public services. Recognition and account of the added value brought by service delivery through social enterprises would go some way to creating a more level playing field for the social economy sector. As this has been on the government agenda for some time it was anticipated that a definite time scale would be outlined for the issue of guidance to public bodies and the adoption of the practice. **It is recommended that explicit timescales, specific targets and outcomes be outlined in relation to public procurement.**

Deliver modern high quality and efficient public services

The commitment to world class public services which meet the needs of the economy and wider society is to be welcomed. The emphasis however on the means of achieving this goal would appear to be on efficiency savings and reducing costs. While there is undoubtedly a need for a reduction in bureaucracy and costs in the public sector this of itself will not lead to high quality services. It would be beneficial to have a number of goals related to specific quality improvements in public services.

Investment strategy and budget

There is an obvious need for investment in the infrastructure of Northern Ireland and the priorities set out in the Investment Strategy are to be welcomed. It is undoubtedly, as stated, the most ambitious programme of strategic investment which has ever been put in place in Northern Ireland. However, it is worrying that the Executive's level of ambition is "greater than the capital funding envelope they have available in the draft budget". Why then have the documents been issued for consultation in advance of the Capital Realisations taskforce reporting to the Executive with recommendations by mid December? It would appear that the money needed is due to come from sale of assets and public sector efficiency savings. How realistic this is remains to be seen. A number of Government Ministers have already indicated that their proposed budgets are inadequate to meet the targets set.

Social and affordable housing

The target in relation to housing is for 10,000 new housing units to be built within the next ten years. With regards to the Social Housing Development Programme the current budget for capital work is facing a serious short-fall (c. 63%). It is estimated that 70% of the 08/09 budget will be used for finishing off the schemes being started in 07/08 leaving a totally inadequate amount for starting new projects. The NIHE has indicated that the Co-ownership Housing initiative may also be threatened – last year over 800 households were assisted by Co-ownership. The development programme and Co-ownership Housing needs support from an adequate budget for 08/09 and 09/10 to enable a smooth transition to the other sources of funding proposed.

**The Social Economy Network endorses NIFHA's proposals for:
A planning requirement for private developers to provide (at low or no cost to the public purse) social housing as a condition of planning permission; and**

The sale of public surplus land to help fund the building of homes.

Education

There is no reference to the abolition of the 11 plus and future plans for transfer to secondary education in the Programme for Government. Announcements by the Minister for Education on this issue came after the Programme for Government was issued for consultation. Why was such a significant initiative which will have budgetary implications not included in the draft Programme for Government? What will be given priority in the future - Ministerial announcements on proposed initiatives or the planned initiatives set out in the Programme for Government?