

Cross-Party Group on Social Enterprise

Tuesday 24th of September 2024, 18:00 –
20:00, The Scottish Parliament, Edinburgh

MSPs

Ariane Burgess MSP
Emma Roddick MSP
Tom Arthur MSP
Maggie Chapman MSP

Non-MSP Group Members

Booked Delegates:

Alison Chiwara, Human Focused Ltd
Andy Paterson, Social Enterprise Scotland
Anisha Yaseen, Thrive East Lothian CIC
Bayile Adeoti, Dechomai Ltd
Bhawna Sarin, Northumbria University
Catherine Eadie, MHSCOT Workplace Wellbeing CIC
Chariss Scott, Wellbeing Economy Alliance Scotland
Chuks Ododo, Datakirk
Darah Zarim, Co-operative Development Scotland – Scottish Enterprise
Dean Fisher, SBSEC CIC
Duncan Thorp, Social Enterprise Scotland
Elizabeth Docherty, Scottish Community Alliance
Eloho Efemuai, The Adelphi Community
Euan Leitch, SURF
Fash Fasoro, Datakirk
Flora Brown, Community Land Scotland
Jennifer Robertson, GSEN
Jill Keegan, Scottish Community Alliance
John Halliday, Community Renewal Trust
John Reid, Project Manager
Karen Maclean-Yullie, Impact Hub Inverness
Laura Worku, Development Trusts Association Scotland
Lynn Westwood, Create
Malcolm McArdle, Govan Community Project
Margaret McSparran, Highlands and Islands Enterprise
Margaret Simpson, SBSEC CIC
Mia South, Member of the Public
Natalie McQuade, ABCUL
Pauline Hinchion, Development Trusts Association Scotland
Professor Madam Ibrironke Shonekan-Odekeye, Elshaddai Global Ltd
Sam Blakeborough, Employee Ownership Association
Sarah Cameron, Community Enterprise
Steve Lawrence, Edinburgh Social Enterprise Network

Susan McGhee, Flexible Childcare Services Scotland
Tia Manavis, TSI Scotland Network
Toni Walker, Scottish Parliament
Tracy Thomson, Royal Bank of Scotland
Viana Maya, P-Respect
Vitalli Diakov, Bring Together Ltd
Yaser Al Madhagi, Together Reaching Higher CIC

Apologies

n/a

Agenda

Duncan Thorp, Social Enterprise Scotland:

As all of you I'm sure will know, John Swinney MSP was our convener before with Ariana Burgess as our vice convener. So we're now proposing Co-convenorship with Ariane Burgess and Emma Roddick.

So what we'll do is we'll just take each person in turn in terms of a very simple vote it's just basically people in the room and a couple of people online. I think there's a few, there's a few online now.

So we'll give Andy a minute to count the hands online as well. So I'd like to propose Ariane Burgess as one of our Co conveners. Does somebody want to 2nd that, Tracy? Thank you. Hands up for Ariane Burgess is one of our Co conveners. Ok, Andy online is that okay?

Andy Paterson, Social Enterprise Scotland:

The online votes are just coming through.

Duncan Thorp, Social Enterprise Scotland:

I'll give you a second. Don't worry. I assume they can all hear me OK Online as well. Yeah, good. Sorry. OK, perfect. So yes, that's brilliant.

Are there any nos for Ariana Burgess? I know this is always the awkward bit, to be fair.

Any abstentions, any activity online? No, brilliant. That's fine. We're happy with that. We gave them enough time.

So congratulations, Ariane, that's one of our new Co conveners and the same process for Emma Roddick.

I'd like to propose Emma Roddick as our other Co convener. Would somebody like to 2nd that?

I'll note 10 million hands went up.

So just to say yes and all the yeses, hands up please. Excellent, and online as well. Is that OK?

Cool any noes? Awkward bit again, any activity online? You're quiet and any abstentions? No perfect.

We have a successful vote there. So, congratulations to Emma Roddick as well. Welcome to our 2 new co-conveners.

And the final vote is a vote on Social Enterprise Scotland as the secretariat of the group, which is basically me and Andy doing all the work for everybody. Just to clarify. So if somebody would like to propose that we'll can have someone different, we'll have Maggie, Maggie not gone before we'll have someone different, right? I Propose that we're doing all the work. That's fine.

Anybody like to 2nd that as well? Maggie? Great. And hands up for yes, please online.

Andy Paterson, Social Enterprise Scotland:

Online all vote yes as well.

Duncan Thorp, Social Enterprise Scotland:

See they're more eager with this one because it's about the, you know, doing all the admin and he knows that means you're volunteering if you vote no as well, by the way.

Right, no, noes. Any abstentions? Great.

We're continuing to do all the work Andy, that's great. So that's just the, yeah, just the obviously quite important admin to start the session. I will now hand over to Ariana Burgess just to chair the rest of the meeting.

Ariane Burgess, MSP:

Thank you thank you for the warm welcome to Emma and myself to Co-convene this. And the way that we've agreed to do it is it will take turnabout. So I'm in the chair this meeting and then the next time you come, Emma will be in the chair. So what we're moving over to for the first part of the evening is reflections on the content and implementation of the new Inclusive and Democratic Business Model report. So developing Scotland's economy, increasing the role of inclusive and democratic business models. I have to say that twice because I just love that expression. And whenever, whenever I hear it, I hear Neil McInroy from our previous meeting, his voice saying that in his wonderful, in his wonderful way. So we're going to have reflections from Pauline Smith, who's from Development Trust Association of Scotland, DTAS, Sam Blakeborough, who's joining us online, who's from the Employee Ownership Association and Caris Chutek, who's from the Wellbeing Economy Alliance Scotland. So thanks all for joining us this evening and I'm going to pass to Pauline first.

Pauline Smith, DTAS:

Can everyone hear me? All right? All right. So, we've just been given a short time scale just to give a perspective from DTAS and all of us on what inclusive democratic business models means. So means to us. And I think from a DTAS perspective, I said that in various forums, this was part of the advisory group with Neil and and lots of others on what this looks like. So from a DTAS perspective, we're absolutely really pleased about this report that it recognises community enterprise development trust

cooperatives on the same playing field and how important they are to our economy. So, so yeah, so very supportive of it. I think it wouldn't come as any surprise from a membership of DTAS. So development trusts are locally elected 2 tier Democratic sort of structures and we also have through our Democratic finance team working with community shares cooperatives, community benefits societies. So it's really good to see these actually elevated through this. For this proposal.

I think the report highlights the strengths of IDBMS. So I'm going IDBMS instead of the whole inclusive democratic business models, but IDBMS. So clearly for the last 20 years, I think it is that the development trusts have been acting like community organisations, anchors within their communities and many other community enterprises and social enterprises have been doing the same.

So they're often complex businesses. I say, do you know, like, so I think sometimes volunteer community organisations can, have been thought about in the past about being all that social sort of side of things, you know, but they are actually really complex businesses these days. Hydro schemes, pubs, housing, tourism, community hubs, you know, like they're complex business. They're not just a little community lunch club or anything like that. Do you know, like which they used to be thought about as being. And I think the IDBM paper again elevates that to actually about the economy, community, wealth building and actually what the impact is they have in Scotland as a as a whole.

So, so yes, I say a bit complex, but I do want to touch on the public services that are also doing as well. So I don't think that can also be forgotten about. They are about enterprising, generating income, but they are also picking up a lot of public services now in communities, which wasn't the case a long time ago. There used to be local authority led, there used to be, yes, local authority or NHS services that were delivered. These IDBMS and the ones that we talk about and play space community organisations are now picking up a lot of these services. So again, we need to elevate them of that economy, the environmental, the cultural, the social well-being that they are, the impact that they're having across Scotland. So again, I hope that this report is, is taken seriously and it's progressed in that manner to help those organisations that are currently existing, but also obviously the growth of them across the country. It seems to me a bit of a no brainer that this is the way we go because I think there's a proven, proven experience, there's evidence out there of what they're achieving, how they're doing it financially, they're financially valuable. They're doing it sometimes at a lower cost sometimes.

But that's not to say, and I keep saying it every everywhere I go, I say lower cost, but not for free.

And that's why again, I think this report, again, taking it to the next level and and talking about it within economy, I think is again a really good thing because nothing operates for free. Communities can't operate these things for free and shouldn't have to operate them for free. That said, they have all the passion that why does it work is because they have the passion, they have the drive to be able to do that. And that's why inclusive democratic business models do and development trust cooperatives get the results that they get. They get. But yeah, so I think that that's great. And I hope that this, this report really takes it to takes it seriously. And I want to see the growth, but I also want to see the sustainability of these organisations that currently exist out there.

My personal experience, I suppose, of why they work and where the passion comes from. I've worked in a development trust for 17 years. I've got hundreds of development trusts through our membership and DTAS. We've got hundreds more that are working through democratic finance and community shares programmes as board members, as volunteers, as family, you know, as participants within these organisations. That's what makes them work but not taken for granted. I think that they see tangible results. So you have a personal stake in, in a business, in a community or a community enterprise Oregon, a development trust, you have that personal stake, so you want it to work.

So that could be, as I say, a board member, a volunteer, a participant, or even having a stake in a share of that business absolutely makes you want to have that drive and that to make it succeeds and I think that's that that can never be underestimated and I don't think you get that in private. I'm not saying you don't ever get it in private businesses, but what makes these different is that you have that personal tangibles that you see your family member getting, your community improving, the place, the physical infrastructure changing within those communities that, that, that you're living in, which I think, yeah, is, is, is hugely impressive across the board. So, yeah, so from DTAS, we welcome the report, but we've been asked about what the next steps are and what we, what we want to see happen.

How do we, how do we take this to the next level? So it's not just a recommendation, it's about how do we take, how do we make it happen and support, as I say, the existing ones as well as the, the new IDBMS that are, are, are proposed to this an economic transformation. I think it can happen through this, but the recommendations need to be taken seriously, I think, and also a cross party thing.

So my first recommendation or my first hope is, is this is a true cross party sort of paper and recommendations that get taken forward. So that's my first, my first hope and my first ask.

The second one, obviously there is recommendations. I think there's about 19 recommendations in the paper. So I'm not obviously going to go through every single one of them, but I would like all of them to happen. But my top ones would be about the economic and what's it called the economic democracy group. I think that definitely should be a priority of setting up because it's obviously got a lot of developments within there that are going to happen, actions that are going to happen. Because of that I would encourage support from the CPG and the local for, for the local governance review, which I know most people in each, each forum I go to. I do say about how important this the local governance review is. New local democratic structures, I think assist with a lot of what's happening within community wealth building, providing new local structures that allow local decision making, finance, planning and growth to happen and I think strong local governance structures are key to improving our current systems and addressing issues that we face at local level and allow community wealth building and leadership to be progressed.

My next ask would be, as we're influencing the role and direction of SNIB, I think that's a really powerful sort of recommendation that's win with the within the papers

and the creation of a community shares booster programme and support for democratic finance, which will provide greater emphasis and growth within the cooperative field and increase the number of citizens investors that we have in community enterprises and across Scotland. And lastly, we'd strongly encourage the recognition of IDBMS at the centre of economic strategies and not, which is often thought as an afterthought. So hopefully that didn't take up too much of the time. That's gives an understanding of where DTAS comes. But we definitely really welcome this report and are looking forward to working on it going forward.

Ariane Burgess, MSP:

Thanks very much for that, Pauline, and that's really helpful. I like that you've put a big highlighter through some of the recommendations to make sure that you'll get all my team.

Andy Paterson, Social Enterprise Scotland:

Ariana, do you mind popping on your mic?

Ariane Burgess, MSP:

Thank you. Yes, thanks. Let's see if I can not be reminded again. Thank you very much, Andy. Just before I bring Sam in, I just what did I want to say now? I forgot what I want to say.

Oh yes. What I wanted to say is that we're joined in the room by another MSP, which is Maggie Chapman, MSP for the North East of Scotland. So thanks for joining us. And Maggie, I think you're on the well-being economy CPG, is that right?

Yeah, great, thanks and then the other thing I wanted to say to folks in the room is that if you get gather up your questions, we'll have AQ and A after we've heard from all the speakers and the minister. So save your questions. We will have some Q&A time.

Sam, do you want to come on in now?

Sam Blakeborough, Employee Ownership Association:

Yeah, thank you very much. Can everyone hear me? Oh, I can hear myself. That's disconcerting. Yeah. So, a few of us have the Employee Ownership Association and a few of our members, I think were involved in the advisory group around the report. It was really exciting to see the level of ambition being put into the process and what it could mean for the employee owned sector and other IDBMS.

On a personal level. It was also great to be involved in a process that felt like authentic co-production to an extent, rather than rather than co-production being a bit of a buzzword. So that was quite nice change of pace. So before talking about the measures, I think it's worth considering some of the context around the report and actually the development of it through the advisory group. So yeah, overall really strong exercise of partnership and particularly governance in partnership. I think the success of that is kind of reflected in the actual concepts of IDBMS, if you'll bear with me on that.

So social enterprises, employer owned businesses, cooperatives, etcetera can often be a bit of a mind field of jargon I think with yeah, overlapping terms kind of apply

quite flimsily to group them together, whether it's alternative business, purposeful business or social business or something like that. In a way, the IDBM is kind of a bit more jargon on top of it, but I think it's also quite an apartment one. It's appropriate, it's practical inclusivity and democracy both kind of summarise the things the principles that kind of unite these business models and the difference they can make for their stakeholders and wider economy, basically why they matter.

So that driver, that clear sense of what we have in common is exactly what I thought was reflected as we work together to develop a report, a shared understanding of principles of desired impacts, feeding into a practical review of both unique and shared challenges, and then in turn, feeding into policy proposals to address those challenges and take advantage of the opportunities. So, there's a reason I've been waffling about that, which I'll circle back to.

But to actually start addressing some of the key recommendation options in there, the target three out of every fifty businesses, I believe it was to be IDBMS by 2034, is extremely ambitious, but appropriately ambitious if we take the proven impacts of IDBM seriously, which I hope we all do because I'm not going to talk about the evidence base.

So yeah, that target is backed by something vital, which is this recommendation for there to be a clear golden thread, potentially backed by a statutory duty, which I think would be important, linking the entire Scottish economic strategy and involve bodies to a position of promoting IDBMS and embedding them into economic strategy. That's the kind of exact kind of broad and holistic approach that I think is needed a common consideration of away from ministerial postings to local authorities or focused agencies like Scottish Enterprise or the National Investment Bank.

So anyway, after looking at the target in the golden thread, there's quite a few measures proposed on more specific areas which don't want to wax lyrical on. But I think it's, I will say that they cover the key areas that we as EOA recognise as being important for growing IDBMS. The most important, they build on existing interventions and assets, capitalising on what's strong while addressing what's wrong.

So for example, looking at the existing business support ecosystem available such as the support provided by CDS in the early phase of transitioning to EO, which in England we are green, green with envy over, looking at the success coming out of that, but also recognising the clear need for greater resourcing to go to that.

Other important recommendations covered finance funding and awareness raising. I was particularly pleased that something on a procurement got reflected in which I think is a massively under leveraged opportunities to promote strategically advantageous businesses even if progress is being made on that. But one measure I want to home in on is circling back to the point I was making before on context is that while all these recommendations are important in their own way, they are mostly steps. They still generally relate to quite broad areas and don't yet have the detail to really bring action to life in a lot of ways.

So I'm particularly infused about the recommendation for an economic democracy group. Full disclosure, kind of hate the name, but I think the actual concepts of it, going back to what I was saying before this process of developing the report, this Economic Democracy group is a key way going forward that you can continue to join up the both the voices of inclusive and democratic businesses across the board, putting forward their priorities and most important, actually overseeing the implementation of other recommendations, turning ambition into real action and that to me probably the key measure for that reason.

Ariane Burgess:

Thanks very much for that, Sam. So we've got 2 strong voices for this recommendation around the Economic Democracy group. So, that's great to hear and now we're going to bring in Karis from the Well-being Economy Alliance Scotland.

Charis Scott:

Thank you. So yeah, well-being Economy Alliance Scotland, we warmly welcome the IDBM report. As report recognises inclusive and democratic business models are foundational to building a well-being economy. They have a role in other key pieces of legislation as well, like is identified in the report, like community wealth building, well-being and sustainable development and land reform.

So for those of you who haven't heard of a well-being economy before, I'm just going to start by kind of going over a bit about what that is and how IDBMS fit within a well-being economy as well. If it leaves you wanting to know more about a well-being economy as well, we regularly run a well-being Economy 101 webinar that you'd be more than welcome to sign up for. Our next one will be towards the end of October and then you can keep an eye out online for us promoting that.

So we know that our current economic model isn't working for people or planet. It's an outdated model that relentlessly prioritises maximising economic growth or GDP at all costs. The drive for growth has not and is not delivering fair or sustainable outcomes. So GDP, for example, often values things that we don't. So things like cleaning up an oil spill can create a boost in in GDP, whereas unpaid care, which is foundational to what we need in order to live a good life, doesn't count towards GDP. We know that we have rising poverty, growing inequality, and we're already crossing safe environmental thresholds.

So we need to pause and ask ourselves what are we growing and at what cost? If we want to address the crises and challenges of our time, we need to redesign our economy so that it's aligned with the values and things that we want to achieve. That's what we mean when we talk about a well-being economy in a nutshell. In a nutshell, a well-being economy delivers social justice on a healthy planet.

At WeAll Scotland we have worked with our partners around the world to summarise the things that we need to create a well-being economy in under 5 headings.

So first of all, we have dignity, so that's everyone has enough to live in comfort, safety and happiness. Then nature, where we have a restored and safe natural world for all life. Third, we have fairness, where income, wealth and power is distributed fairly, Purpose, where institutions serve the common good and are aligned with social values, and an economy that values contributions to social and ecological well-being. Then fifthly, participation, where everybody has a say in the decisions that affect them. I think you can see it's clear that inclusive and democratic business models are very well aligned with this model of an economy.

But the big question really is how do we get there? How can we achieve the systemic transformation to an economy that serves these needs and that will need contributions from all of us?

We don't have all the answers, but we do have some ideas of how we can start thinking about it captured in these 4 principles, which conveniently all start with P, so hopefully that makes them easier to remember.

So first up, we have Purpose. So that's we need to put the goal of social justice on a healthy planet at the heart of economic policy. In order to do that, we need to know what that looks like. For our social enterprises have shown how to run businesses in a way that isn't just focused on profits and short term returns for shareholders. They are strong examples of running a business that is grounded in values and vision for living well together.

Then we have Prevention. We need to design the solutions to our problems, such as poverty and climate change, into the rules of our economy rather than treating them with sticking plasters. This requires taking an approach that thinks long term and considers the value of the well-being of future generations just as much as our own. We were really disappointed to see that the well-being and Sustainable Development Bill was missing from the latest programme for Government. While the bill is targeted at public sector bodies, it's an important piece in the wider cultural change that we need to create to ensure that the contributions from IDBMS are properly recognised and rewarded.

The bill would help create a step, would help create a well-being framework that sets out the goals for Scotland with broad social ownership, and such a framework would make it easier for IDBMS to demonstrate their superior contributions to society compared to more conventional business models.

But hope isn't lost and we are strongly encouraging the Scottish Government to back Sarah Boyack's Members Bill on well-being and sustainable development.

We actually have an open letter that we are circulating at the moment encouraging the First Minister to fully support that piece of legislation. So if you would like to add your name, there's still a couple of days to get your signature on there and please do just talk to me afterwards.

The third P is Participation. So, we need to extend democratic principles into our economic sphere, including into businesses. A well-being economy cannot be designed from the top down. It needs to be built on meaningful participation and that's important part of Sarah Boyack's bill as well. It would require the government

to build the national outcomes and our well-being framework using engagement processes that have much more depth and breadth than the current review process.

Finally, Pre-distribution. So, this is about how we pre distribute power, wealth, time and income, for example, by supporting and embracing more IDBMS such as social enterprises, cooperatives and businesses owned by our workers. Really, I would struggle to imagine a more predistributive economy that isn't based on IDBMS and community wealth building also plays a key role here as communities are empowered to create the wealth they need in a way that is sustainable, fair and democratic.

We were pleased to see the announcement of the Community Wealth Building Bill in the Programme for Government as well. The IDBM report says any perception that well-being and greater levels of fairness can be achieved without a consideration of and growth of democratic ownership is limited and limiting. We agree with this.

We agree with the ambition that support for IDBM should run like a golden thread through all of the Scottish Government's business policy. But clearly this isn't the case at the moment and it's worrying that the report wasn't mentioned in the Programme for Government as well. It's essential that action is taken and we encourage the Scottish Government to take up the recommendations in the report and to set ambitious targets to increase IDBMS. They are central to building a well-being economy in Scotland.

Ariane Burgess:

Thank you very much for that and it was good to get the reminder of the overview of the well-being economy as well now. Very good. So, I think now we can move over to hear from Tom Arthur, who's going to talk to us about the community wealth building, Community wealth building in general.

But also we're quite excited about the fact that we've got a community wealth building bill that was announced in the Programme for Government, and it looks like it's already gotten a slot on the legislation schedule. So it'd be good to hear from you about your thoughts on community wealth building in general, but I think it is absolutely connected with what's been discussed already.

Tom Arthur:

Thank you very much and it's a pleasure to be back here. I was Once Upon a time convener of this cross party group in the last session of Parliament. So, it's a, it's a particular honour to have an opportunity to return in the ministerial capacity and particularly as the minister who's been leading on community wealth building, the Scottish Government for the past 3 1/2 years nearly. We'll have responsibility for the legislation that we have committed to introduce. I think a few of us around the table have met previously and some of you have been subjected on multiple occasions to my spiel on community wealth building.

Before I launch into it, maybe just a show of hands, is there anyone round the table who is either completely unfamiliar with the term community wealth building or unfamiliar with what it actually entails in the principles underpinning it?

OK, OK,

Ariane Burgess:

And maybe on and maybe online as well. If you can put your hand up online, that's fine.

Tom Arthur:

It's just so I can tailor my remarks in such a way that I'm, I'm not providing information, which everyone is, is, is, is completely familiar with, but it's essentially what community wealth building is, is exactly what it says on the tin. It is about the to do with the creation and the ownership of wealth. W0 can think about wealth really in the sort of most fundamental terms as factors of production of land and capital. We obviously have a a rich history in Scotland with regards to the story of land ownership or lack of ownership, which has been informed by centuries of campaigning, political extra parliamentary as well.

Indeed, in some of the first legislation we saw in this parliament around land reform. So, that is well understood on capital, on the actual ownership of the means of production of factories and shops and machines and equipment, etcetera. A prevailing model has been more or less consistent with the broad orthodoxy that's characterised most Western economies over the last 30 or 40 years, which is effectively centred on private ownership and also practises which can be characterised as extractive i.e. wealth being generated in a particular area, but repatriated to sometimes distant private or institutional owners.

That is the nature of a globalised economy, Globalised economies of what it thought is many advantages they have. They've done tremendous things. You know, we enjoy our smartphones and all the technological innovations have come from that, but we also know that it has led to quite significant regional inequalities both within Scotland and across the UK.

We know of the fragility of some of our populations in our in our rural communities. But we also know there's a challenge around, for example, depopulation in the West of Scotland, places like Inverclyde and North Ayrshire. And I don't think it's any coincidence that North Ayrshire has been at the forefront of embracing and leading on the community wealth building model in Scotland.

So as I say, community wealth building is essentially that concerned with that question around ownership of assets and the creation and generation and accumulation of those particular assets. As a model, it's spiritual home isn't probably fair to say in Cleveland in the United States, but it grew all of the employee ownership movement that was born of the deindustrialisation that began in the late 70s and into the 1980s and particularly around steelworks. What that model developed into is we understand it's community well building probably was crystallised by the Democracy Collaborative, an American think tank founded by Ted Howard was one of the co-founders of it and Neil McInroy, who we've heard from, who was the lead on the work in the IDBM report as a, as a, as a key active member of and essentially what community wealth building became.

I suppose this incarnation was in Cleveland was you had a situation where you had Cleveland, which was at one point one of the richest cities in the United States and then through a period in the post war era. Saw a significant decrease in population and a flight of capital and wealth. It got to a point famously the river in Ohio went on fire. So, it suffered from all of the challenges of deindustrialisation, wealth moving out of the area and the consequent social ills of high levels of poverty, of crime, of poor health and educational outcome.

And so the question was what to do?

Well, there have been lots of institutions and companies that had left Cleveland. There were certain ones that couldn't. The university and the hospital, what became known as anchor institutions, large bodies, often public sector but not exclusively, which are rooted in a particular area. They can't move and because of their size they can have a particular influence in shaping the local economy through their recruitment practises and through their spend, including their procurement as well.

So, what happened was taking a systems approach whereby as part of this development of community wealth building and tying it up with the employee ownership movement is co-ops were created, the Evergreen co-ops. One example is that of the laundry prior to the creation of that Co-op, the university had been having its laundry contract. So, its contract for laundry was with a business which was, I think, I don't know, maybe 100 miles away. I think it was even across state line.

So, the hospital is spending this money and it's going 100 miles away, its money going in Cleveland, going out of Cleveland. So, what happened is the creation of the Co-op, the Evergreen Co-op, the laundry that was based in Cleveland and that's what the use for the laundry.

So the money goes, stays within Cleveland and because it is a Co-op, it is employee owned, the wealth is retained, it's recirculated.

It also empowers workers because workers themselves are getting to decide about how best to run their business. They have to be competitive. It's not based upon grant funding or charity. They have to offer a viable service, but that is what they're able to do and as such they have been able to sustain themselves and they have been able to grow. I had the privilege of visiting the co-ops over in Cleveland last October and to see first hand the impact that was having is transformational and it is many people from some of the most marginalised communities, including returning citizens as we described in the United States.

People who have been through the criminal justice system are having that opportunity and not only they have the opportunity to gain work, but should they so wish and be so inclined, they can progress and take on more senior positions as well. So, very simply what that model is doing is it is retaining and it is recirculating wealth used upon this anchor institution.

So, community wealth building landed in the shores of the UK in Preston. It was not about 10 years ago it was known as the Preston model. Preston had been embarking upon a big conventional town centre redevelopment. The idea was this is about 2006/7 with a big anchor institution, big flagship store, John Lewis. We all know what happened in 2007/8 plus 25 years of deregulation and neoliberal

orthodoxy led to the cataclysmic financial crash and of course the sums no longer added up.

So you had a situation in Preston. That's what do we do next?

Well they decided to start embracing the community wealth building model and through the Centre for Local Economic Strategies, CLES UK based think tank, they worked. Neil MacInroy was involved in that work as well. You'll hear Neil's name come up a lot in the community wealth building journey.

He was an advisor to the Scottish Government and community wealth building too for a number of years. They started to embrace that particular model, which again, it was about looking how can we do something different rather than the conventional attract large inward investment that comes in but can leave just as quickly. Because if you've done a situation where your ownership is not local, what can be logical on a balance sheet is not necessarily what seems logical and reasonable for a community.

Take an example, a vacant or derelict building in your community. Now that might be an asset that is appreciated in price and makes perfect sense to be retained by a company, but it makes absolutely no sense for the community when it becomes an eyesore, a blight. Particularly as well, if there's a culture or heritage aspect to it as well, it can be quite distressing for the community to see, you know, a building such as that fall into disrepair. So, this question about local ownership and control becomes extremely important.

So that is in terms of some of the background and what was informed this was happening in Preston and now in Scotland.

North Ayrshire was a trailblazer. North Ayrshire developed a community wealth building model into a regional approach, bringing in East Ayrshire, South Ayrshire, the Health Board, the College, TSI, working with some national agencies as well, and they have developed a community, a regional wide, region wide approach to community wealth building. Looking at things, for example, exploring approaches to, for example, community lead energy regeneration.

To take one example. We've seen examples in procurement where in East Ayrshire they sourced their milk for the local skill from Mossgiel Farm. Again as an example of using that power of public sector support. What we have effectively learned that in Scotland is a a model of community wealth building building on the learning from Cleveland and from Preston and from Ayr is a five pillar approach to community wealth building. The five pillars of community wealth building are all areas that we understand well and are actually quite mature and well developed in Scotland.

So we have, for example, Fair Work now in Scotland. We can't mandate Fair Work in the way that, you know, the UK government can through employment law, but we have sought to use our convening power as a government and our influence as a giver of grants through conditionality to promote Fair Work. But every organisation, public, private, can have an impact upon the workforce where they recruit from. But all sort of employer practises, are they consistent with Fair Work around the real living wage, around effective voice, flexible working, investing in the workforce.

So we already have a strong story about Fair Work, but that is a key pillar of community where we're building as well as we've touched on with inclusive and democratic business models, plural ownership, that's key because of course, as I touched on earlier, the roots of community wealth building come out of employee ownership. So that again is if they're wanting to increase and that increase the number of inclusive business models, not just as an absolute, but as a share of the economy as well. That is something that the IDBM report contributes towards. The government will, as you would expect, give careful consideration to and in responding due course.

There is also the question of land and assets property. How do we use our property in a way where we can have more effective ownership and control?

So we had again, we're quite a mature developed approach in Scotland through community right to buy through community asset transfers. It's not to say it's not without its problems and then out with its challenges. But again, there is an established, you know, means and frameworks whereby communities can take into ownership land and property in their area. That is the question of course of finance, the finance pillar of community we have bought.

How do we look for more inclusive forms of finance?

Now of course, public sector investment can be one aspect of that. Community shares and community bonds can be another, as can of course, the role of the Scottish National Investment Bank. Then there's the opportunities afforded by particularly in renewables around, you know, community equity and stake and renewables, which of course as well, again, touches is an ownership and also touches on finance too and procurement being the other pillar which have turned on.

We've got a strong story in Scotland over the last 20 years of reform to our procurement agenda with the legislation we passed in 2014 embedding sustainable procurement. That's not to say we've not got more work and more learning to do, but we have quite a mature developed approach. It's interesting to know that recent procurement reform in both England and Wales has actually been playing catch up to an extent with what's happened in Scotland. But it's fair to say they have some innovations from which we can now learn from.

So we have that five pillar model. They're all well established areas. What community wealth building brings as a strategic coherence to that? These 5 pillars operating in a mutually reinforcing way. We have seen community wealth building as a bottom up initiative that has been led by communities, by local authorities on the ground. By forward thinking for private sector actors as well and renewables in the construction sector too, and what we are seeking to do with the introduction of legislation is to consolidate these gains, unlock any particular barriers that primary legislation is required to do so. They give a clear signal of intent, not just of governments but of Parliament's commitment to community wealth building. Now you may or may not be able to discern this.

There's an agenda I am quite enthusiastic about, but in Hobbesian terms political life can be brutal and short and at some point someone else is going to be sitting in this chair. What is really important over community wealth building is at this moment we have real cross party buy in. We have real cross sectoral buy in, including growing

interest in the private sector, which is really important as well. What the aim of legislation would be to do is effectively to really cement this agenda.

Because one thing we know that has of course, caused challenges for everyone who operates in the economy, whether that's operating with development trusts or whether it's operating with a multibillion dollar multinational is when governments are inconsistent in their economic policy or approach, there's a recipe for confusion, uncertainty and it can act as a break on investment.

By having something in statute and saying this is for who we are. This is what we're about when it comes to community wealth building in this particular agenda as a practical mean to rewire and reorient how a read local and regional economies operate, where well-being is at the heart of that, where well-being is a natural product of the economic relations of community wealth building fosters as a model. That is something that requires legislation in my view, because what it does is it gives that long term certainty and it recognises that the fruits that we can be gained from community wealth building, which are genuinely transformational and can address some of the fundamental challenges we face today.

Whether it's, you know, the risk of ecological and climate collapse, all the all the precarious social situation we find ourselves in because of because of the prevailing economic model.

Community wealth building can be an antidote to that. It can unlock the real opportunities to realise well-being economy, but it will take time, it will take consistency, it will take perseverance. It will not be done in the tenure of any one minister of any one government of any one Parliament. So by having something in statute, we would be giving that long term commitment.

So I hope that serves and I apologise if it took it a bit a little longer than intended as an overview of our thinking so far in community wealth building, what we're hoping to achieve by with it. So introducing legislation, the commitment is in this parliamentary year, so that is by the end of June at the latest. I'm not saying that's going to be in June.

I don't have a firm update yet.

It was a process to go through. But ahead of that, beyond the conversations that we have this evening, my door's always open for engagement on all matters community wealth building there anything else within My Portfolio for that matter and certainly once the legislation is introduced to Parliament, I'll be looking to build as much support and consensus as possible.

We won't be able to do everything with legislation. We have limits and we certainly things I'll try and engage constructively with the UK government on. But we have a real opportunity to cement the principles of community we're building and legislation and give that long term certainty. So I hope that's I hope that's a useful starter. And apologies to folks who have heard me saying that for about the 15th time, but cheers.

Ariane Burgess:

Thanks very much for that. Tom, yeah, thanks so much for that. That was really helpful and actually perfect timing. We were, we were a little ahead of time. Now we're right on time. But I think it was great that you took the time to go back over the history of where community wealth building came from. I'm sure people have heard it.

I've heard it. I know about the five pillars, but it's great to hear again, I'm going to hear it together. So we're going to move into question and answer time, so I'll take some questions.

Yep. So one there say your name and the organisation from that. I think that would be good.

Tracy Thompson:

Sure. I'm Tracy Thompson with three hats, board member of Development Trust Association Scotland, a loans officer for social and Community capital, a social lender and an employee of Royal Bank of Scotland. So for a queue, I'm going to go for the finance question. So SNIB advertises itself very big on it was set up by Scottish ministers to act upon and deliver within Scotland, but has a mandate to operate totally independently. So what are the levers? I would really be interested to know what leavers are the ministers or Scottish Parliament going to have with one of the big recommendations, which is, you know, they should have been from the very start. They were asked to consider IDBMS from the very start, but took the easy route and went down commercial.

So, what levers do you have in order to make sure that if this is a recommendation that they do something that is active and measurable and supportive and do support that working in partnership with social investors like myself and others that are across the UK and because looking at who they have in place, they're quite typical bankers. Some of them do have Highlands and Islands enterprise experience, which is fantastic, but it's making sure that they're cognizing of how you work with IDBMS. Thank you.

Ariane Burgess:

Thanks very much for that. So I feel like that's kind of directed to you (Tom Arthur) initially, even though even though

Tom Arthur:

it's OK, I thought I was going to get a break there. You all this would be where the way that SNIB set up that is operation minister set the missions of the operation on dependence. I don't think anyone would be expecting whether it was SNIB or one of the enterprise agencies ministers to be sort of seeking to micromanage every single engagement. I'm conscious of the place mission that sits with SNIB and I think that's perhaps something that is aligned with a lot of aspects of community wealth building.

What it says is that these are points in terms of the reflections on the IDBM report and one of the points that I should have made is that one of the things I'm really keen that we achieved through the ID, the IDBM report and the ethos and how we respond to it is this needed.

We have to mainstream these models, social enterprises, co-ops, they are not some fluffy feel good, but on the side we should be as central to economic thinking as you know, should be essential to economic thinking and as much of a default as any of the conventional models that we're all familiar with. That's so that's important. So that cultural shift and that I think is maybe a lengthy some of the points that you make around a defaulting to private commercial approach.

So that's was something in there a bit cultural shift as in government will respond to I think it was, I think it was 17 recommendations, 17 recommendations. So we respond to that report, we've got to go take it away, go through a full process. What I'd say though is, and this is not me passing the buck to my parliamentarians, but nothing stopping Parliament in terms of the committees engaging with the enterprise agencies. One's really good stuff that some of the enterprise agencies do SOSI doing brilliant work around community wealth building and you've got CDS and SE as well and HIE's been all over this stuff for a long time.

There's nothing you know doesn't stop Parliament seeking to go in and engage with and I think the more people who raise their voices and seek to set forward what they expect various public bodies and institutions to be doing, the better they say. I don't want to go ahead of the formal process we as a government have to go through, but I hope what I've said is reflective of my appreciation and support of the ethos behind the behind the report. We just have to go through it.

Ariane Burgess:

Thanks for that. I mean, I just going to add a bit that, that you referred to the place mission of SNIB and I'm also doing quite a lot on house building. I represent the Highlands Islands along with Emma Roddick and another a number of other MSPs and housing is a big problem across rural and isels in Scotland. I mean it's a problem in general. Otherwise we wouldn't be having these housing emergencies. But I met with SNIB on that matter of could they put into housing and I could see that and one of the ways that housing happens in rural and island Scotland is actually from a place making perspective where it's not just housing. There's also other doctors surgeries or a training education space for University of Highlands Islands. All kinds of things come along with that.

So, I see that as a way that like that moves away from the extractive model. You get the houses and wouldn't it be wonderful if SNIB was actually supporting that kind of work?

So I have met with them to to discuss that on that level. But Maggie, I think you indicated you wanted to come in as on the same issue or a different topic. OK, anything else to be said on SNIB? Anybody else got any comments on that?

Maggie Chapman:

OK, thanks very much, Ariane , and thanks to all all the speakers this evening. I'm Maggie Chapman, I'm the Scottish Green MSP for the North East of Scotland region. So familiar with with with some of the the housing, rural housing issues that that

Ariana has highlighted. I want to, I want to ask a question about prevention. Charis, you mentioned it explicitly as one of the pillars within the well-being framework. But all the speakers have addressed it in different ways. I'm struck, I've been thinking quite a lot about prevention. The Christie Commission is 13 years old and, you know, there was a lot, a lot of work went into the Christie Commission in following the financial crash, which Tom you, you referenced and we've seen very little action. We've seen, an awful lot of talk and very little action on actual prevention work.

So I suppose I'm, I'm curious to know how we as MSPs in the room, but also how we collectively as people who care about and are interested in things like IDBMS but, also the sort of democratising our economy more generally. I share, I think it was Sam, Sam said he doesn't like the, the phrase economic democracy unit. I share the sort of cringe with that.

I like democratising our economy, but, but I'm interested in how, how we can actually make sure that models like IDBMS, like community wealth building, like some of these things actually contribute to the prevention priority. Because I, I think that they all run the risk of being the little fluffy bits around the edges, Tom, that, that you talked about, because, because the economy is GDP and that's what matters. I mean, we get challenged as greens in, in the chamber all the time that, you know, why don't we favour economic growth and all parties apart, the greens challenge us or on that.

So, I'm curious in, in how the different panellists think we can actually use these models as a way for generating that shift. So we get the prevention we need because it's, I think we probably all agree, but it's the how and if it were easy, we'd have cracked it by now in 13 years. I get that. But do you have any such maybe Karis come to you first. Sorry, big question, but yeah, big question.

Charis Scott:

Yeah, I think prevention is something is so important, isn't it? And it's something we haven't quite got right yet. I think there's a few reflections I have outside of IDBMS, but also bring it back to that as well. I think first of all we have participation has to be part of prevention and people have to be part of not just ticking a box participation, not just somebody coming along and sharing their lived experience, but actually co-designing things together.

I think that includes policy, but I think that can also be included in business models and in something like community wealth building as well, where communities are part of design and part of creation of businesses or solutions. That is going to be more effective for the community and it is going to be preventative in nature as well.

Yeah, I think we need to think about legislation as well that we need in order to enable IDBMS to flourish and to be to be able to grow and to meet those different recommendations in the report as well.

So I think things that that we've already touched on, things like community wealth building, land reform, well-being and sustainable development, what are the kind of

pillars that we need in place, I guess, to support IDBMS and others might have more to say on the actual business side of it.

Pauline Smith:

I mean, we talk about preventative action constantly. I think you're absolutely right with the Christie report. Do you know, it's been mentioned loads of times recently because we're all like, well, we're in this state because we didn't do this ten years ago. I think it's a really strong message. It needs to come through. I've spoken to Tom previously about some of this is of, you know, it's risky generally, but we, we need to act now.

So we're not in a worse position where we are in the next 10 years. I think there is huge evidence within communities right across the board of how there's helping with health employment training. The problem is and, and IDBMS are not in this paper is not necessarily focused on funding.

However, there is a link to funding when it comes to preventative action of what people, what organisations are doing. That means looking at the NHS that you've talked about, generally at the NHS institutions, how is their money getting spent and where does it get directed into social, social care that communities are actually picking up now that isn't getting done elsewhere.

So there has to be a full shift and I know the Scottish Government are looking at funding regimes at the moment through some of the departments, but it needs to be done again, as a collective all department. Let's look at it collectively as all Scottish Government funding. You know, how do you direct that into communities without having caveats on it? How can communities be using this to the best of their ability to on what they need? So it's not got caveats off. Got to be climate, got to be transport, got to be education, got to be employment. Let's give it to community from my perspective and DTAS, give it to communities, let them decide what they spend it on. That's where you get your better bucks for your money, get your results.

So yeah, so alongside a well-being economy and yeah, local governance funding regimes, I think it's a lot. But let's see where we are. Do you know, like you said, the reports, the research has been done 10 years ago. We shouldn't be in the position we're in just now, but it does because it's risky and there's UK government budgets, three years and five year terms, all these other things. But we need to take the chance.

We need to be not in this position in 10 years time because we've got the answers, we've got the evidence that it works. So yeah, back to Tom.

Ariane Burgess:

Even before we go to Tom, I just want to check because I don't want to step over Sam in case you haven't indicated. So I don't want to put you on the spot, but if you wanted to come in on this as well before we bring in Tom,

Sam Blakeborough:

I think he'd be a bit outside my knowledge.

Ariane Burgess:

OK, super over to you.

Tom Arthur:

Well, do you know, I suppose it's interesting prevention because there's No 4 Ps and immediately brings, you know, Christie to mind. Someone once said there's actually should be 5th P, which is patience because these things take time. But I appreciate maybe people's patience as well.

Then I suppose in terms of prevention, we can, we can all speak, you know, fluently about policy initiatives in the health service and health and prevention, whether that's, you know, privatising primary care, prevention through healthier lives. We can deal with that in terms of community wealth building, you know, prevention.

For me it comes back to and again, maybe it's just a reflection of my own sort of philosophical thinking that something of an economic determines in terms of I think most things to stay from our economic relations.

So you we want to talk about where we are right now and all the challenges we face. What would have been, what would have been the preventative action. Well, probably not the securitization of subprime mortgages, but you know, we can't go back through that chain 25-30 years in the events that led us up to 2007 and 2008 and all of the, not just the economic and because we've stagnating productivity since then and you can draw a line between 2000. Well, I would, I would argue that you could draw a line between 2008 and the not just what we've seen in 2016, but what we've seen subsequent and we are all quite aware of it.

Across some Western democracies to some white sinister forces are mobilising and they're seeking to exploit the sense of economic dislocation, alienation and disenfranchisement that many people feel. So what is a is a remedy to that. Well, there has to be hope.

I think hope is something we need to actually try and recapture and a political discourse across the UK at the moment. I think community wealth building is a, is a model can give us that. We had a commissioned the poverty alliance to do a bit of work in that and it was interesting speaking to people who've lived experience and the initial reaction was OK, what is this?

There's new there's novel. It was, you know, policy speak with jargon-ease. But once there was after to you know, once the concept was broken down and understanding was gained all of it, then they thought wow, this could be this could be game changing.

We don't want a politician to come and tell them it's game changing and that's try the practitioners around this table and online and elsewhere across Scotland, whether that be within IDBMS and local authorities are progressive thinking. But you know,

more businesses of a more conventional structure all have a role to play as advocates and as examples of, you know, community wealth building approaches.

So I think what community wealth building can achieve is fundamentally that can be extremely important in terms of the preventative agenda. Is resilience within local and regional economies, which is sometimes lacking if you're creating good quality, well paid jobs, if you're giving people a sense of economic agency, I don't think you can have democratic agents in society without a sense of economic agency as well. That's where the inclusive ownership models come in and the inclusive structures in terms of control of assets comes into play as well.

I think that can be make a huge contribution towards the broader preventative agenda. But I'm conscious that is something that's over much broader time scales, maybe when we're thinking about specific public services or specific interventions to prevent those more immediate interventions that can be made. But fundamentally what I think community wealth building can do if it's given the time and it's embedded, which I think is a key foundation reason in my view for legislation amongst others, is that it gives it the time for the model to really to work its magic, so to speak.

Which is I think it can build up resilience, it can bring up and it can get a sense of enfranchisement and of economic agency, which I think is solely lacking. We have been on a journey if we think from the paternalistic approach of regeneration. You know what it was men and it was invariably men coming to go and tell communities how they should go and live and what new buildings they should have. With a complete lack of understanding through all the work that's, you know, up to the present day through community LED approaches to regeneration and participated in budgeting and participated approach approaches to local planning, etcetera.

For me, community wealth building is is an outgrowth of that approach. You know, I mentioned the sort of five pillars in terms of bringing them together, but that ethos of that actual sense of, of trusting people of and recognising that people actually should can be trusted to go and manage the Commons, that is, is something that I think community wealth building in terms of the preventative agenda can play a powerful part in and it will do so. We'll never know what success is because then to well have prevented them.

But I don't I would not go and save it as a silver bullet that can remedy everything. It's a bit fundamentally changing how our, you know, economy operates. And I talk about local and regional economies, but that can aggregate up to the national economy over time. And for me, that can affect that change in economic relations, which can allow for a well-being economy to actually be realised.

If you have that there was a well-being which are just inherent in the very model, then we all understand and appreciate how the economic and the social economic determinants of people's well-being and it would fall from that naturally. But I take it that as a as a big agenda, but you'd ask a big question.

Ariane Burgess:

OK, thanks. Thanks for that. Just to say that prevention was a theme that came up in the the committee this morning, local government housing planning committee this morning, we're doing pre budget scrutiny on the local governments finance basically. And prevention came up quite a lengthy part of the session on that. So it certainly is something this feeling that we need to do something about Christie Commission and how do we get out ahead of it. And it's like that thing about councils in this case are firefighting and can't get that prevention agenda going.

But maybe there's, you know, an aspect of this IBDM, the kind of ownership things you were talking about, like ownership of community energy and that kind of thing is an incredible opportunity right now on Scotland's doorstep with the, the unfolding of the renewable, certainly onshore and offshore, and, and how we can improve that kind of community ownership part that could really help us kind of with the community wealth building. Then also the prevention piece.

Tom Arthur:

Just a political observation. We all know one of the challenges with the preventative potential agenda is it means you have to stop doing certain things. Politicians like to start doing things, but stopping is the issue. In terms of aesthetics to trying to think that parallel or concurrent funding, which allows you to operate 2 models simultaneously as a bridge to manage that transition smoothly. It's difficult.

One of the things I think with community wealth building is it is, can take it's, it's developing organically.

The legislation isn't to the top down and see this is how to do it. So we're trying to, as I said earlier, solidify by the gains. So it's an approach which I think has a tremendous, you know, potency as far as the preventative agenda goes. It's one which can develop and grow and doesn't come into conflict with what we already have that can gradually start to displace it in a way that does not lead to discord.

Ariane Burgess:

Just reminding folks online, if you anyone wants to come in, please do put your hand up and we'd love to hear a voice online, but going to go to you at the end of the table. If you want to say your name and the organisation you're from.

Anisha Yasheen:

My name is Anisha, I'm from Thrive E Lothian and we tackle Source kind of that's children and families, but reducing socio economical disadvantages. One of our key elements is operating flexible and affordable childcare and bringing in things like family support that it comes alongside that as opposed to kind of two different things and we act as a hub.

So, lots of our families have a lot of different things going on and actually what they need is just one person from one place to help them out. So that's what we do. But what it's kind of slightly off topic, but we're talking a lot about inclusion and, and things like that, but I'm actually not seeing it very much. I think we need to strip

things back a bit and not from what we have, not the report and things like that, but actually understanding how we do this in an inclusive way that the language, the texts, the way that things are laid out, it's not inclusive and we're talking a lot about inclusivity, but it isn't inclusive and that extends to lots of different things and may it be funding that we have just gone on about.

OK, that's great. But do we actually take into account, OK, does this person really understand what we are trying to get out of this question because, and it's not to do with the fact that they don't necessarily have that knowledge. It's the way that we are interacting and expressing things that is, it's just not there's, there's a lot about it that I just find really frustrating. It is because as somebody who is a woman of colour, I live in East Lothian and developed this in East Lothian, there is not a large community that are Asian or Muslim and it's really difficult because all the surveys and all the things that come back are 1% and actually I'm not 1% and it's not fair, it's not representative, but that community is forgotten about.

So we're talking a lot about things like bringing communities and as well, how are we making sure this is done properly? Because for example, we've just had East Lothian Council admit to being institutionally racist. So how do we as workers and as an organisation, how do we somehow work with them in some way?

Because the solution that we've been given is to go in and educate them on anti discriminatory practise, anti racist practise. Sorry, that's not the solution. It doesn't tackle the issue and this is this is great, but we're not going to reach the minorities. We're not going to reach those that have various different it might be neurodiversity, it might be that they are from, you know, a minority or whatever.

It could be anything, a socio-economical disadvantage, poverty, inequality is everywhere. I especially, specifically, I started this idea from a refuge, and I had no idea how I was going to do it at all because I had no money. I didn't come from money. I didn't know what to do.

If somebody had turned around to me a year ago and said, Oh yeah, we've got this new report, it's great. Have a look. I actually would have just gone. Do you know, I can't, I can't do this.

So it's things like all these reports are great, but can we please have a think about how are we doing this in a way that actually everybody understands and everybody plays an even back because at the moment they're not. Sorry.

Ariane Burgess:

Please don't apologise for that. I think that's really incredible that you flag that up and have to say, when I first heard the term very said very quickly inclusive democratic business models are like, what the heck is that? So absolutely and I was also aware there were a few acronyms that were used this evening and I didn't catch on getting those unpacked. And actually there were one or two that I was like, what? What's that? So let's going forward do better in terms of that kind of thing in this space. I think that would be great. But does anyone else want to pick up on what what's been said?

Charis Scott:

Yeah, I think it's a really, really important point. I think in my, I've sort of worked before, I worked at well-being economy lines, I've worked in the anti poverty sector for about 8 years. I think one of the things that that we often see is the unintended consequences of policy and I think that's why we need that ground up approach. So one of the things that we would advocate for our citizens assemblies.

So that's where you have the general public coming in together and you make sure that that is representative of the general public as well from all different walks, being part of making decisions and that affect us and being part of the designing those policies and I think in terms of inclusivity, I'm right there with you as well. My, I have two children that are both neurodivergent and I've seen first hand how the school system can fail them in that situation as well. The things that we put in place to help aren't the right things that that they need to help as well.

So that's something we need to be aware of and I think it's not something that we have all the answers for either. That's why we need to work together to hear from others and and do that in a way that's not re-traumatizing people as well. So I think that's back to what I was saying earlier, but we it's not about a tick box exercise. That's somebody having to come in and share their lived experience, but actually using their experience or their expertise, paying people as experts as well as because their expertise is so valuable and important and we need to heed it and have it part of the conversation.

Emma Roddick:

Thanks, convener. I just wanted to ask a question because I'm thinking about citizens assemblies and things which I agree can be really useful. If we're identifying a specific group that's not included, then they'd still be a minority in the citizens assembly.

So how do we find out the right way to make what we're saying accessible without putting the work on the people who don't have the time and the energy and the ability?

Anisha Yasheen:

I think I think there's a variety of different methods. I think one, the language that we use, somebody actually did pick up. I think it might have been yourself had actually said it is there's a lot of jargon. No, sorry, it was Sam. There is a lot of jargon. And yeah, OK, it might be necessary and yeah, OK, it might be, you know, really, really handy for people that understand that or have that maybe English. We're not thinking about English not being a first language.

Actually that as much as it might be useful and relevant to all these other people that are people that are sitting there going what, and I, I know because I specifically gave it to a family member. I do this a lot and I feel quite bad because every time they usually turn around, go, I'm done. But every single time I'll sit there and go, right. Can you just read 2 pages? Can you read 2 pages?

Usually they'll get maybe 3 sentences in and they're having to go, what is that? Or what's that word? Or what does that mean? And actually, it's just around going, how can we not make that? Why aren't we making it more accessible? We are currently trying so hard to deal with structural inequality everywhere, but if the smallest things like language and layouts and things like that can't be done, then how are we really going to tackle all the other big issues?

So I think there there is an element of the wee things, so like text and language, and then there's the bigger things about even, you know, the way that layouts are. So if you for example, put on an event that is like this, I know my family would look at that and go, that's not for me and quite often I grew up with my mum telling me the world is not made for people like us and that is, I get it, I understand why she said that and it still isn't.

It still isn't and it's really sad. But again, it's how, how do we make this more inclusive? So for my family, just taking it as an example, the idea that we would sit around a table and speak and probably not understand half of what's said is just, it almost feels humiliating. It's like you have to sit there and make yourself feel vulnerable because you need to look the part and you need to be there so that your face is there and then people might notice you. But really, you're sitting there going.

I actually don't have a clue. Like, I mean, I could walk away from this today and be like, don't have a clue, don't know and there are a lot of things that I'm like I, my head feels burst and I think, and I'm somebody who does like reading stuff. But if something was laid out like, and I'm not saying this has to be like this, but I used to be an equality and human rights officer for Muslim women across Scotland and see his minute you put food on the table. It's things like that. Food brings us together. That is what we do. We are always feeding people all the time. If you walk into my auntie's house, it is filled with food all the time. So that kind of thing brings people in a room and makes it feel less like a tick box as well. Rather than saying, OK, we're going to hold up an event for ethnic minorities, so everybody come into a room and sit down and listen to us while we talk to you about blah, blah, blah. That's not interesting.

That's not. Yeah, I get the sentiment as to be inclusive, but it isn't because you're still going, well, you're essentially putting on something that still targets us and still makes us vulnerable. So yes, small, bigger things like events, how do we make sure other people, how is that attractive to them? Because right now it isn't.

Ariane Burgess:

Yeah, thanks very much for that. I'm going to bring you in. Do you want to say your name and where you're coming from?

Professor Ibrironke Shonekan-Odekeye:

Good evening. My name is Professor Shonekan-Odekeye. I'm the owner of Social Enterprise counselling and after school clothes children's education. So, following on from what this lady asked, my question was how do communities outside the scope of this IDBM and this is first of all, I'm hearing the term how do they access the national policy forum, you know, the CPG?

How do they access it organisations like from the public sector, manufactured outside your the framework of the Coop, the employee ownership, ownership,

businesses, development trust, anyone outside the social enterprise. How do they how do they access this national policy forum? Is it via MPs? MSPS? Are you going to have community liaison offices?

You know, you spoke about community planning. That's my influence from it anyway. How are they going to, how are you going to deliver it within the whole community, the whole spectrum, whatever the demographics of that community, including what this lady's talking about, How are you going to include the whole community?

I know in the past there's been community planning, which we all ascribe to as taxpayers. So how is this community we're building going to include everyone in in, in the community, in society who are not within the scope of social enterprise?

Ariane Burgess:

OK, interesting question there. How are we going to include everybody?

Professor Ibrironke Shonekan-Odekeye:

I've never heard of, sorry. For example, I've read the recommendations but I've never heard of SNIB, Scottish National Investment Bank. It's OK, I've never heard from, but it's, you know, it's, it's interesting. I resonate a lot with what the minister said. But apart from that, I'm very new to, you know, my organisation is global. It's a small and social enterprise, but it's global.

I have lots of international subscribers, but apart from that, I actually don't know much about your scope, your remit, I should say. OK, so this IDBM is very new to me, yes, but as an owner of a social enterprise, I can resonate with it, but I don't know a lot more than which you've outlined here.

Ariane Burgess:

Good. So let's see if we can find some answers for that. But I just want to say, I mean to everyone around the room, in some ways some of these ideas are quite new. Some of them, you know, Tom was talking about how we've got some things established in Scotland and the five pillars of community Wells building. But quite a lot of these ideas are new and this I have to look at the piece of paper even, right, the IDBM, that's kind of a new idea too, right?

It's, I think what Sam talked about is trying to find that overarching term that pulls together all these things. But let's see, I think Pauline, you want to come in on this to see you can get some answers.

Pauline Smith:

Yes. I mean I totally agree with going back to your point and it's, it's linked to your point is about language, isn't it? Do you know, and I think exactly what Ariana's just said is that this is about inclusive democratic business models is trying to encompass your social enterprise.

You, know the social economy, the community development trust, the community enterprises, all of these different structures that currently exist in small, little pockets and communities and across the Scotland. Is there a way of using one phrase that encompasses all? And I remember going to my board with the, the, the inclusive democratic board business models and they just went, oh, another term, another term, you know, we've just had community wealth building.

We all get community wealth building, right? We're on it, right. IDBMS like, what is that? Do you know? So I, I totally understand. I totally get that. How do we get other communities involved? I think if I look from a development trust, where, where development trusts come from, because there's another term, do you know, So what does that look like? So where do they come from?

They come from communities, they come from local people with an issue, with something that they want to send. Your social enterprise will be exactly the same. It's come from something that you care about and I think what we need to do as collective, as in ourselves, as DTAS intermediates us around the table. We need to start spreading the word that takes Scottish Government believing in IDBMS and then to then this term is the one to use and that they believe in the community Enterprises Development Trust, the cooperative models. If they support us to be able to do that as a collective in Scotland, then we push that forward, we push it out into communities to say this is possible.

Here's all these you know, these amazing organisations that are out there doing great work, sometimes by luck, sometimes just by sheer determination, and sometimes by funding and investment. What we're trying to do, hopefully with IDBM and this paper and this report is, is provide investment for all of them.

So the struggle, it's not a struggle. It becomes reality that these are the right models that Scotland should be built upon is from my perspective of how we do that. I, but I do, I do believe that's a collective action. That's communities coming together and saying we want this, we want to do more of this and this is how we work. But then saying to Scottish Government and others that we need your support to do this because we don't just, you know, you know, it's a struggle out there no matter what, but there's results to be gotten, gained from it if we if we do it and if we believe in it. I suppose.

So I'm hoping that answers a little bit of the question.

Anisha Yasheen:

But sorry, I was just going to follow on that because I do have ADHD and I will forget, but the, and I've actually already, it's already gone. It's just went, Oh yeah, right.

We are currently in the current climate, right? We are having to fight for our very existence. That's, that's the current climate that we're living in and it's awful and it's rubbish and we can't be bothered, right. But if that's what we're dealing with on a daily basis, right? I am, what I'm hearing from from everything that everyone's saying today is that everybody needs to work together.

That means organisations, that means local authorities, that means, you know, all these banking investors, all of that currently pretty much all of them are structurally not the, it's institutionally an issue. It's a lot of organisations, the way that society is just built in general at them.

We all know that now. What a lot of places seem to hear, because there's this pressure to be more inclusive and all these different kind of things, these buzzwords that's going on, like trauma informed and all that nonsense that is nonsense for a lot of people because they're not doing that.

Again, if the Scottish Government are going to stand and say, well, this is what we stand for, this is what we need to do. How are we going to be making sure that everybody else like the local authorities, like the, you know, finance departments or if you want to call them that funding? How are we going to then deal with essentially having and then fight again, because you're up against people that understand that have a lot more maybe comprehension than some of the other people.

I just don't see, for example, for us specifically, how are we meant to work together with a council that have told us that institutionally racist. What?

That's luck, by the way, because a lot of local authorities would not admit that, although they've taken it back now they know that we've been telling people, but it's it's something that actually everybody needs to admit. And if they all admitted that, then we'd probably get further. But how exactly are we supposed to, when we're fighting just to exist? How are we supposed to try and convince these people to work with us?

Because at the moment, what we're now up against again, because we've gone. Yeah, you, what you've done is recessed. Yeah, I'm glad you've admitted that, but it's then been a campaign ever since we've had to submit something about victimisation and quote the law.

That is how bad it's got as a result of them saying, yeah, by the way, we were racist. Again, it's like, well, they're scared, they're scared. They're doing that because they're scared for no other reason than they are scared. Everybody at the moment as, because they see racism or inequality in some way, it doesn't have to be race, but you know, for talking sake race.

They see it as you're telling me you're bad, we're bad or we're bad people or a bad organisation. That's not what's being said. But how, how are we supposed to get them to change their systems to make this a reality? Because at the moment this is all just on a bit of paper for us for for me and my other director, who's also a woman of colour, This is just a bit of paper that goes, yeah, this is great for all those other people, but it's not going to work for us.

Professor Ibrironke Shonekan-Odekeye:

Sorry to interrupt you. Governments of are meant to be for all the people. Electorates. Electorates elect governments to govern, whether it's local authorities, whether it's, you know, whether it's local democracy or central government. So I don't understand why the, this lady's expressed what she she's experienced from her council.

Pauline Smith:

My answer to This is why one of my big recommendations here is a local governance review. It needs to change. Do you know, I think we get reports constantly from our membership about the challenges they look for, the hope, the hoops they have to jump through, the, the, the different ways decisions are made. I can't comment obviously on the East Lothian Council, but I think in general, one of my big recommendations is local governance review is very much interlinked to the thing, everything that we're talking about here, community wealth, local democracy, decision making, power, funding, finances, local, local people taking and, and being truly represented within their their area that they live in.

So I can comment on the direct one, but I do think there is there's a local governance review going on that I, I hope continues to make strides in that direction of what communities actually want and I think we should probably share some of the democracy matters sort of conversations and links to that in the paper that's just been published on that.

Anisha Yasheen:

What are you on the account? I've got to they could say, and they probably will because there'll be one woman of colour, probably me, that will turn up. But like them saying Oh well, we invited them because that usually is also another thing that they'll do. Or well we invited them or we didn't say that it had to be these people or had to be those people.

So therefore it's basically their fault that they never came. So all this stuff about this local review, that's great and yeah, that that could work in a, in a number of ways.

But I just don't see like who, who's who are they accountable to then? Because if we're saying, well, that's what needs to happen and that's, that's what's going to make XYZ work and go into practise, then how are we supposed to then go, Well, actually wait a minute, West Lothian Council, Midlothian Council, whoever, who, whoever it is local authority, well, that local authority actually didn't do that.

Or they could have done that better, but now they've made a decision based on what they've got when actually it didn't represent everybody. Like who, who are we supposed to then go to and go, well, no, that's not inclusive and no, I don't agree with that and be listened to.

Ariane Burgess:

I think you're bringing up something really important and I'm the convener of the local government Housing and planning committee. So I think what I could do is take your question away and possibly do a piece of work around that at committee. We've got quite a big schedule of referred material, but I think you're bringing something up that's important and come back to Pauline's point about the local government's review, which probably is jargon for people, but it's a process that has been interrupted.

Proffesor Ibrironke Shonekan-Odekeye:

Isn't this, I received this e-mail from Christopher Rob. Yes, OK. There's a minister for public finance here in Ivan McKee and the COSLA president who are working on this local government review.

So could that include this complaint from this?

Ariane Burgess:

Yes, exactly. That's what I was just saying. Yeah. So I'm going to have to move on because we are.

So I'll take that and get we'll I'll find get your information and can take that forward. But I'm just aware of time and we were committed to end at 8:00pm. And there is one more person with a question.

Bhawna Sarin, Northumbria University:

My name is Bhawna. I'm a doctoral researcher in social finance. I've been here before. I try and do my research from a point of view of the social entrepreneurs and the and the founders and their ability to set up organisations and especially in the space to yourself, Tom talking about community development, social justice and all of this fancy brilliant words. The reality is that there's a perception that the squarish ecosystem for social entrepreneurs is very engaged, but that's a perception.

The reality when I speak to social entrepreneurs and founders is that that perception and reality does not match and I could go on and on. We don't have time. o I'm going to keep my question very, very simple. I have a lot of them, but I'll ask only one.

My biggest challenge I find is that the narrative around the funding, because I research social finance very specifically, the narrative around social funding is constantly around two set of words, preservation of capital and market rate return. Now without going into the jargon, the market rate return could mean pretty much anything depending on what market we are in and preservation of capital pretty much means that the funders do not want their money to be spent, they want to preserve the capital.

Now the challenge it poses for social entrepreneurs and founders is that they do not find funding in the ideation stage of their business. Most of the funders here, I've spoken to Tracy, she's brilliant, thank you and a lot of funders within Scotland, I think I've spoken to all of them and I cannot find a funder other than first Port which will give you money at that stage in their development.

So that's one problem. But keeping my question simple, it's the narrative, it is the wordings that are used, which then make it very difficult for anybody to do differently. When we talk constantly talk about market rate of return, we give the perception that we are looking to compete with commercial funds. Now social funders should not be doing that.

However, there is a cannibalization within the market where everybody talks about it from Better Society Capital as it's called today to impact Institute to Social Investment Scotland and that's because the source of the capital, the wholesaler talks about it and hence everybody downstream does.

Now the question is straightforward. There are three pillars of any social entrepreneurial ecosystem which are very key. The supply side, where your funders sit, the demand side, where are social entrepreneurs sit and regulation, where you sit, the regulation is not strong enough.

Why is that that you continue to let that narrative be used in the in this way which cannibalises the market, which makes the market really challenging for people who are looking for funding. What is the government going to do about it or is there a plan to do anything about it?

Ariane Burgess:

OK, thank you for that question. Quite a big question that a couple of minutes before we're due to close that.

Tom Arthur:

OK, that's maybe a challenge. And then 75 seconds, I suppose like I think we'd be doing some politician cough out thinking about this. I'm not going to go and guilty into the into the weeds of this in the next minute before the this weekend wraps up. So I'm quite happy just to sort of catch you after the formal question and we can try and do a follow up meeting protect the physician area of research should be really interested to cover a bit more time to sit down and have some engagement with fishers as well.

I think there's a, I suppose a point I come back to without getting into all the details of things because I, I want to suspend a bit more time, but there's something I, I tried to touch on with, with the report that was published and it's interesting because it's called this inclusive democratic business model we picked up. It was actually, it was, it was, it was before that. It had even the less sort of, you know, warm title. I think of that in Action 44, there was a economic strategy that was published by the Scottish Government and it had a series of actions, things the Scottish Government said it would do and one of them was the Commission a report that would be independent to go and look at the support that's provided for business models that we would describe as being inclusive, things like social enterprises, co-ops, employee ownerships.

It was out of that looking at all of these different models as a catch all. Once they had a catch all title of this inclusive and democratic business models came up. And I did this right, me as IDBM is only 1 syllable way from ICBM, which is something very different indeed.

So the, the, the point being is that we will go through the 17 recommendations in terms of the the ethos of what that report for me is driving at is around this question of mainstreaming these particular approaches. As I touched on earlier, there is still a school of thought or an approach which suggests that we have orthodox serious approaches to economic development or business or growth. And then we have these other things which are nice, but it's the community cafe is it's small petrol jacks, it's taken on a village hall.

Actually what we're talking about, he just wanted them to be mainstream. You would want any entrepreneur, any start up to be thinking equally about a Co-op model or a social enterprise or an employee owned business. That just to be the norm. And what I'm interested though, is that because there's almost a tension there, because there's a tension there between talking about wanting to mainstream the business models almost this, maybe I've misunderstood, but if we end up mainstreaming the language of finance and not recognising this particular differences and needs of different models with regards to finance, then that can, that may create some challenges, inconsistency, dissonance and confusion.

So the, the finance pillar is, is always been the more challenging one around the community wealth building model. I'm not going to lie, it's interest that some of the specific points you have raised are not points that have been raised with me in particular detail to the level that you're pursuing in, in your line of question. And that's no, that's great. That's what I, I want to hear and that's why I'm going to come in a few minutes if you've got time to go and speak to you about it in more in more detail.

But in terms of what we are seeking to do and what I want to do in terms of how we respond to this report, is this point around mainstreaming. But I take it that

mainstreaming should not be about removing that ecosystem of support that has been built up for these particular models.

I suppose it's parity of esteem and I don't think that exists at the moment, but I think you can have parity of esteem between these different models or recognising that each one will require its own bespoke set of support at different levels, whether that be what happens at Business Gateway, whether that people happen to Scottish Enterprise, whether it's the role of CDs.

Bhawna Sanir:

Sorry, I'm starting to think, could I just ask one very simple thing? Actually, my question was for the audience is very straightforward, is the government when you write these reports, why is your language and the narrative in it not softer?

Tom Arthur:

Wasn't a government report.

Bhawna Sanir:

All right, apologies whoever, but you know much to the jargon that we've talked about.

Why is the narrative not softer and not not fairer return? We talk about maximising the return and the moment you say maximising the return, you've marginalised, marginalised all the social entrepreneurs in this.

Tom Arthur:

Yeah. But do you know, this is an interesting point because when you've been to sort of maximising return, this is one of the the team flexible work in the Fair Work agenda. It's around productivity gains. Productivity gains should not simply be about more output, it should be about reducing input as well. You can still have that net gain.

Bhawna Sanir:

We could sit here all night.

Tom Arthur:

That's, I know, I'm sorry, but I'm just on that. It's that point around maximising return. I take it just sorry, it just, it pops for me mentally. Just as an analogy to the point around what we're talking around in productivity gains as well. The idea if you can get more output per hour, it doesn't necessarily mean you have to go and accumulate all that. You can reduce inputs, you can reduce the amount of time people have to spend. So that point around maximising return, it's that, yeah, it's I, I don't know, you know, it's, it's the way that sort of treatment waves this way into all of your thinking.

Bhawna Sanir:

You know, you try to avoid it towards our Dutch neighbours and our Scandinavian

neighbours and see the the narratives that they use. They use the word fairer return. They don't use market rate return. That changes the tone and the tenor of what social enterprises are supposed to deliver. Thank you.

Tom Arthur:

But you know, of, of all the people, this is going to be the most bizarre sort of person to go and end this particular session with. But it is of all people, Warren Buffett. He said he doesn't want exactly. He said he doesn't want a a fair product at a great price. He wants a great product at a fair price. And you know, there's even within that particular Wizards of Omaha, you know, there's something there. So there you go managed to cover all the bases tonight. OK, but there's there's something in that point. I'll pick up a with you. Thank you.

Ariane Burgess:

Thanks very much for that, Tom, and thanks for all your questions and apologies for going over a little bit of time. I just want to say a couple more things. I mean, I, I think one of the things that's come up for me is maybe something to reflect on is for people kind of coming anew into this kind of setting is something to consider. And, and you mentioned earlier about the fact that you do a well-being economy 101 and maybe there are some things that need to be thought about.

How do we do that kind of 101 for people to kind of learn? I mean, Are you sure? You said the trauma informed things don't make sense to people and I've tried to go through the trauma informed training myself and every time I try to go back to it, I cannot find my way back to the videos.

It's just it's difficult. It's not set out in a way that you can pick it up easily. Yeah, exactly. Yes, it could create add to the trauma. But yeah, so I think that's a really, you know, point well taken and something to reflect on and I think there's also something for the parliament to think about in terms of how we do these spaces.

Unfortunately, this is the way the building's been designed and this is the facilities we have, and we have to use microphones and it does make it feel a bit like this. I will say that in our formal committee sessions, we have a tremendous team called the Participation and Communities team and they do incredible work in terms of we talk a lot about how do we get to the people who don't normally come here And they do incredible work about creating safe spaces for people to feel that they can come and they can speak to parliamentarians.

So there is work, but we just don't have that support in terms of CPGs, they're much more informal kind of organisations that allow us to get together to. Talk about these issues. But I think it's it's a really great point. How do we become inclusive without being inclusive?

Anisha Yasheen:

You can only make do with with what you have. But it doesn't have to be a set. Yeah, this is what we have. But what, what is it apart from a social norm that's telling us we have to sit down in these seats and speak into these microphones?

Ariane Burgess:

Certainly we can we can reflect on that and and see some of it is some of it's to do with time parliamentary in order to get us here, it kind of has to be here. It's very

difficult for us to go elsewhere because we just come from the chamber. So there's a lot of practical things that end up creating a social again.

But maybe you and I could have a conversation about something like I'm aware that you have brought really good points to us this evening, but people are we I need to close the meeting and people want to get on and do other things with their evening. But so thanks so much and thank you to everybody in the room and thank you to everyone who stayed online to the very end. Thanks a lot.