

Housing and Economy Committee

10.00am, Thursday, 21 March 2019

Support for Social Enterprise

Item number	8.5
Executive/routine	
Wards	
Council Commitments	

1. Recommendations

- 1.1 Note the contents of this report as requested in a motion to Council [22 November 2018](#).

Paul Lawrence

Executive Director of Place

Contact: Jim Galloway, Service Manager, Enterprise and Innovation

E-mail: jim.galloway@edinburgh.gov.uk | Tel: 0131 529 3211

Support for Social Enterprise

2. Executive Summary

- 2.1 This report follows a motion to Council by Councillor Lezley Marion Cameron calling for a report within two cycles on the impact of the closure of Comas and Serenity Café and the council's provision for supporting Social Enterprise.

3. Background

- 3.1 The Council accepted a motion [on 22 November 2018](#) from Councillor Lezley Marion Cameron summarised as follows:
- 3.1.1 The Council recognises the important work of Comas;
 - 3.1.2 Officers conduct an impact assessment on the impact of Comas closure and that of the Serenity Café;
 - 3.1.3 Request a report within two cycles setting out cost neutral options to promote and continue the success of existing and establishing of new, social enterprises to increase the contribution of these models to Edinburgh's economy across the public, private and third sectors - and prevent similar closures in the future;
 - 3.1.4 Includes in the report opportunities which could be made available to social enterprises and cooperatives through the Council's and arms length companies' procurement policies; and
 - 3.1.5 Include in the report any mitigating measures identified in relation to Comas service users.
- 3.2 This report discharges the above motion.

4. Main report

COMAS and Serenity Café

- 4.1 Comas was an Edinburgh based charity whose purposes have been the prevention or relief of poverty; the advancement of education; the advancement of health; the advancement of citizenship or community development; the advancement of human

rights, conflict resolution or reconciliation; the promotion of equality and diversity; the relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

4.2 On 1 November 2018 the board of directors of Comas announced the charity had gone into liquidation. A statement was released by the charity's board at that time:

4.2.1 *"Following a recent financial assessment and review by the chief executive and the board unfortunately Comas is going to have to close and wind up, as our liabilities exceed our assets. Over the last couple of weeks', the chief executive and the board have explored all options, but I am sorry to say that the board took a final decision on Thursday 1 November that there was no alternative other than to liquidate the company."*

4.3 Comas operated the Serenity Café which provided a safe drug and alcohol free social space where people could support each other and strengthen their recovery.

4.4 Comas faced a challenge last year as it was required to find new office premises and a new home for the Serenity Café after a 10 year tenancy in 8 Jackson's Entry. A new home was found at 188 The Pleasance in June 2018. Neither of these properties are Council owned.

4.5 Neither Comas nor Serenity Café are listed as clients of Business Gateway. Comas did receive an annual grant of £60,000 from the Edinburgh Alcohol and Drugs Partnership (EADP) which is managed by the Council's Health and Social Care Service. A statement on the impact of the closure is attached as Appendix 1. Committee may also wish to note media statements from the charity board at the time of closure that clients of the café would be referred to alternative specialist services.

Current Support for the Social Enterprise Sector

4.6 The Council supports social enterprise through partnership working and grant funding with Edinburgh Social Enterprise (ESE) and through corporate membership of Social Enterprise Scotland, aligned with Business Gateway.

4.7 The Council is a key strategic partner of ESE and an active participant in the current development of a refreshed Social Enterprise Strategy for the City, participating in the Social Enterprise Strategy Implementation Group (SESIG). SESIG is the strategic steering group with a remit to increase awareness and support in the City for the Social Enterprise model and aligns to Edinburgh Economy Strategy and the Scottish Government Social Enterprise Strategy. The Council recognises that social enterprise plays a key role in creating a vibrant inclusive economy.

4.8 The Council in collaboration with ESE founded 'Buy the Good Stuff', an award-winning marketing campaign with the key objective to raise awareness of the cities wide range of social enterprise businesses. A grant of £10,000 per year provided to ESE supports the continuation of 'Buy the Good Stuff'. The Council is the key sponsor of the annual Social in the (Princes Street) Gardens with a grant

contribution of £5,000 and the Council hosts an annual Social Enterprise Christmas market, with 20 social enterprise stalls selling goods in Waverley Court.

- 4.9 Business Gateway introduced a full time dedicated specialist social enterprise adviser in 2013, partly funded through European Regional Development Fund, who works with individuals and organisations exploring Social Enterprise as a business model. The adviser collaborates with key strategic partners including First Port, Just Enterprise, Skills Development Scotland, Scottish Enterprise and Social Enterprise Scotland to create a city economy where social enterprise can thrive as a sustainable business model.
- 4.10 Business Gateway has supported 561 individuals, charities and community groups exploring social enterprise since 2013. During this period 57 individuals have started a social enterprise and Business Gateway delivers ongoing growth support to 300 existing social enterprises. Since the introduction of this specialist adviser, the service supports 80% more social enterprises than pre 2013.
- 4.11 The Council is represented nationally on Scottish Government Cross Party Working Group for Social Enterprise, and the Social Enterprise Local Authorities Group (SELAG).
- 4.12 The Council supported the Social Enterprise World Forum on its return visit to Edinburgh in 2018, with 900 global delegates in attendance. Business Gateway was a headline sponsor (contributing £5000) with the Lord Provost welcoming the 900 global delegates and hosting a Civic Reception for 150. The Forum showcased the city's social enterprise expertise and vibrant and diverse range of social enterprises.

Procurement Practice

- 4.13 The council's procurement practices are in line with Scottish Government guidance in relation to Small Medium Enterprises (SMEs), third sector organisations and social enterprises so they can compete for opportunities. The council aims to deliver this through:
 - 4.13.1 making sure that third sector is given the opportunity to be involved in the design and delivery of services;
 - 4.13.2 maximising the social benefit by including community benefit requirements in contracts where appropriate;
 - 4.13.3 ensuring that contracts are advertised in such a way that SMEs, third sector organisation and supported businesses are aware of the opportunities by using the Public Contracts Scotland portal; and
 - 4.13.4 supporting, in line with the council's sustainable procurement policy, a range of businesses to participate in the procurement process including: SMEs, voluntary and community groups, social enterprises, charities and cooperatives, black and minority ethnic enterprises, women's businesses and disability-owned businesses.

Cost Neutral Options

- 4.14 Continue as present.
- 4.15 Support further collaboration through partnership arrangements and support ESE in the production of the next version of the Edinburgh Social Enterprise Strategy, ensuring it is as far as possible, aligned with the aims of Economy Strategy.
- 4.16 Support the Chamber of Commerce and Zero Waste Scotland in the delivery of the “[Circular Economy in Edinburgh](#)” initiative, as an area of the economy where social enterprises are active.

5. Next Steps

- 5.1 The committee is asked to note the contents of this report.
- 5.2 A further report will be presented to committee once the new Social Enterprise Strategy has been produced by ESE.

6. Financial impact

- 6.1 Subject to Council budget setting, it is the intention to continue to support ESE with an annual grant of £10,000.
- 6.2 There are no further direct financial implications for the council.

7. Stakeholder/Community Impact

- 7.1 The impact on stakeholders and community following the closure of Comas and Serenity Café are outlined at appendix 1.

8. Background reading/external references

- 8.1 Council Motions [22 November 2018](#).

9. Appendices

- 9.1 Appendix 1: Briefing on the Closure of the Serenity Café.

Appendix 1: Briefing on the Closure of the Serenity Café

Background

Comas, an Edinburgh based charity supporting people affected by poverty and disadvantage was in operation until November 2018. The board of directors of the charity issued a statement on 2 November 2018 confirming that they were going into liquidation.

Comas operated the Serenity Café which provided a safe drug and alcohol free social space where people could support each other and strengthen their recovery from addictions at an established base at 8 Jackson's Entry.

Comas faced a challenge last year as they were required to find new premises for the café and office base at the end of a 10-year tenancy. The charity moved to a nearby location at 188 Pleasance in June 2018 until their closure in November.

Serenity Café Services

The café provided an informal space where people with a range of issues benefitted from peer support; social and leisure groups and training, within a framework of professional support. It was funded partly by the enterprises (income from the café, outside catering and room hire) and grant funding. This included a £60k pa grant from the Edinburgh Alcohol and Drug Partnership (EADP). The charity's annual turnover was c£600,000

The most recent completed report (June 2018) noted that 213 members of the recovery community were in contact with the café - attending in person at least once in the month. Up to 50 individuals attended group sessions organised by staff and community members.

The numbers attending had declined since a peak in the earlier years of operation up to 2016. The venue also hosted meetings of other similar organisations working with individuals recovering from addictions, many of these relocated to other locations.

Impact of the Closure

The most immediate concern for service users and supporters was the lack of adequate notice of closure and the timing of this close to Christmas and New Year. This can be a challenging and difficult period for individuals affected by family breakdown, mental health and wellbeing as a result of addiction. Serenity Café had an established track record of running social events that provided community members with a safe space and social contact over the festive period.

The closure resulted in the immediate redundancy of employed staff but did not have immediate or critical impact on the “community of support”, some of whom continue to communicate via the Facebook Page. There was no requirement on behalf of the charity to transfer care or support arrangements as there would be in a formal contracted service. It is likely that some café visitors will have connections to other support organisations to help them continue with their recovery. However, it has also been noted that the informal opportunity to engage in peer support in a “safe, non-judgemental” space may result in the precipitation into crisis for others who valued the service.

Next Steps

The EADP and Edinburgh Voluntary Organisations Council (EVOC) are undertaking a consultation with the recovery community.

Key issues and questions which are being considered include:

- how to operate a space for individuals recovering from substance misuse;
- does this need to be a dedicated space;
- can the group and community operate as part of a commercially viable social enterprise;
- how important are training and supported work opportunities in the support journey; and
- need to build connections and avoid duplication or overlap with local services

There was an open event on the 19 February 2019 to discuss these and a report is expected by March which will inform future commissioning.

Summary

There is a legacy of goodwill from local charities to support the development of a new resource for the recovery community. There also remains a large body of people in Edinburgh who are in recovery, want to support each other and would welcome a structure to enable this.

The EDAP have identified key high-level outcomes for this group:

- reduced isolation and access to a mutually supportive community of people with a shared experience of addiction and recovery. Any project in this territory must be and be seen to be genuinely led by the community;
- provision of welcoming, open, safe spaces that offer accessible leisure and social opportunities; and
- opportunities for skills development, volunteering and progression towards sustainable economic well-being.