

Social Enterprise Coalition CIC Forum – Notes and Key Points from Event

Monday 5th July 2010

10:25 – 10:30 Coffee and Registration

10:25 – 10:30 Welcome

Peter Holbrook, CEO, Social Enterprise Coalition

Welcome from Peter to the delegates of the CIC Forum.

10:30 – 11:15 Political landscape impact and opportunities for CICs

Ceri Jones, Head of Policy, Social Enterprise Coalition

Outline of the political landscape with overview of social enterprise supporters within the Coalition Government.

Over the last year, SEC has made significant progress in raising the profile of social enterprise models, including CICs, with parliamentarians.

Key successes and achievements:

- Before the General Election 131 parliamentary candidates signed up to the Social Enterprise Charter campaign. This included David Cameron MP, Nick Clegg MP and Vince Cable MP.
- The Social Enterprise Coalition's manifesto was received well by all political parties and social enterprise was mentioned in all three leading political party manifestos in the build up to the General Election.
- The Queen's Speech - announcing key legislation areas for the new Coalition Government - for the first time mentioned 'social enterprise.'
- SEC will continue to champion social enterprise to parliamentarians through the All Party Parliamentary Group for Social Enterprise which has reformed with a new membership and Secretariat.

11:15 – 12:15 Question time *Caroline Mason, Investing for Good CIC (CHAIR) Sara Burgess, CIC Regulator Abbie Rumbold, Bates Wells & Braithwaite, Chris Southworth, Better Regulation Executive, BIS, John Mulkerrin, CIC Association*

Key points from the panel session:

- An increasing capacity for European legislation and British Government 'gold plating' to impact on CICs and other businesses.
- Cabinet Office currently training commissioners.
- Current Government has an aggressive attitude to deregulation.
- CICs seen as a part of the business community.

- New investment opportunities for CICs are developing as evidenced by the recent Hackney Community Transport bond.
- Public procurement still a huge market despite cuts – over £100 billion.
- Need to raise awareness from local Government and businesses on the advantages of sourcing from CICs.

12:15 – 13:00 Lunch

13:00 – 13:45 *John Mulkerrin, CIC Association*

Presentation on the future development of the CIC Association.

PowerPoint and further information available from the CIC Association website.

<http://www.cicassociation.org.uk/>

13:45 – 14:30 Discussion groups

Group 1 Finance and banking for CICs *Caroline Mason, Investing for Good CIC*

Group 2 CIC Q&A *Sara Burgess, CIC Regulator*

14:30 – 14:30 Feedback from workshops

Key points from Group 1:

Introduction to Investing for Good and Charity Bank which provides finance, raising capital from investors to the social economy, working with high net worth individuals and banks, not a CSR proposal. Investing for Good builds a portfolio, Charity Bank is a bank with deposits, running savings accounts and lending money to social enterprises. Both are mission-driven.

Return on investment can be financial, social or environmental and there is a balance between them. Investing for Good looks at risk, reward and impact, which are highly correlated.

Discussion on what, as an investee, one looks for when getting an investment deal:

- Long-term partnership
- Relationship-based investment
- Tax advantage
- Engagement with the process – part of the solution is the ability for intermediaries to provide business support, business planning, marketing etc.
- A return that is market led
- Template impact reporting
- Balance across portfolio

Suggestions on what makes a good deal:

- Business and mission
- Investment readiness
- Governance and management
- Risk
- Impact

The suggestion was raised that the sector needs to negotiate better and take on board a new mindset.

Key Points from Group 2:

Sara Burgess, the CIC Regulator took questions on the role on how the regulator operates.

- Vince Cable MP, Secretary of State for Business, will be receiving an annual report from the CIC Regulator.
- Opportunity costs of becoming a CIC were discussed.
- Main areas of growth for CICs: Education, Music, Dance, Arts.
- Collaboration within the sector would perhaps help.
- Acquisition and merger also a strategy being discussed.
- Discussion on the USP of CICs in being for community and society needs to be better marketed through both the CIC brand and social enterprise brand.

15:00 – 15:40 Closing remarks

Peter Holbrook closed the session, commenting:

- Hoping that groups and stakeholders in the CIC arena will continue to come together to discuss issues and develop plans for collaboration.
- Important to not lose sight of what brought us into the social business sector in the first instance.
- SEC will continue to advocate for the CIC model and raise greater awareness from the Government and also the private and public sector.