

The Scottish Social Enterprise Coalition

Introduction

The Scottish Social Enterprise Coalition (SSEC) was loosely formed in July 2002 and became incorporated in December 2005. It acts as a national, collective voice for social enterprise campaigning for a more positive policy environment in Scotland. Its key objectives are to represent the needs and views of social enterprise; promote its values and benefits as widely as possible and develop thinking around social enterprise. SSEC is a non-party political, membership-led organisation. Membership is open to all social enterprises, their networks and intermediaries and their supporters. SSEC is located in central Edinburgh and at the time of the social audit, employed three staff, two of whom were full time and one part time. Additionally, there are eleven voluntary Board Directors.



Social accounting and audit

SSEC was first introduced to social accounting through its host organisation which had two experienced social auditors on the Board. SSEC produced its first set of social accounts in October 2005 and as the process proved very beneficial, it decided to include social accounting and auditing into its Business Plan. SSEC worked closely with the Social Audit Network and a member of staff attended a two day Social Accounting and Audit workshop. Additionally, the 2005 version of the Social Accounting and Audit Manual and CD Rom were used as an ongoing guide. Following a full audit, the second set of accounts was published in December 2007.

Benefits and value of social accounting and audit

SSEC felt the benefits of social accounting and audit were very tangible.

Firstly, as a Coalition and a 'membership led' organisation, SSEC understood the importance of being representative and inclusive. The accounts provided an opportunity for stakeholders to say candidly whether they felt this was the case and how this could be improved in the future.

Secondly, as an organisation involved in the ever changing political arena, SSEC recognised the need to adapt and 'keep up' with current political thinking. Through the social accounting method, MSPs, senior civil servants and other decision makers were consulted directly, their views to be considered in future planning for the Coalition. SSEC reviewed its mission, values, objectives and activities to ensure it is thinking and acting like a coalition and keeping up with policy shifts. Additionally, several other action points were identified through the social accounts which SSEC is keen to act on, for example, increasing the range and scale of its funding; investigating other coalition structures and formulating an environmental policy.

Negatives, problems, snags

SSEC reported that the two main drawbacks of producing the accounts were the financial cost and the additional work for staff. Furthermore, SSEC also had difficulties arranging for an independent, voluntary audit panel to verify the accounts. The panel members ideally needed to be people *"with neither a vested interest...nor too close a connection (and) ...to give their time free"*. This proved a difficult combination.

General thoughts on social accounting and audit

SSEC reported that *"the benefits of social accounting are wide ranging' but (that) most social economy organisations would like to reduce the amount of bureaucracy and just get on with the job. ...the (social accounting) process would only be happily adopted if it replaced other reports that an organisation currently has to produce (progress reports to funders and annual reports for example)"*. SSEC also pointed out the importance of using the accounting process as an *"ongoing tool" rather than a one-off paper exercise"*. In order to minimise the problems of expense and too little time, SSEC felt organisations should consider writing the cost into funding applications and ensuring the work load is firmly embedded in staff job descriptions.

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