UNRISD project on ‘Promoting SSE through Public Policies: Guidelines for Local Governments’

The Social and Solidarity Economy in the Liverpool City Region

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Liverpool City Region (LCR)
• Halton, Knowsley, Liverpool, Sefton, St Helens, Wirral
• Pop. ~ 1.6m
• Strong maritime history
• Suffered economically since 1970s
• Currently at the centre of the Covid-19 public health crisis in the UK
The national framework

• No legal form for SSE or social enterprise
• General business legislation (company law) and ethos of deregulation producing a focus on market-ideals for social enterprise
• Community Interest Company (CIC), Co-operatives, Charities
• The Public Services (Social Value) Act 2012
• Devolution
  • Four nations
  • City Region governance
The SSE in Liverpool City Region

• The history of the SSE in LCR
  • Philanthropy, charitable trusts, co-operativism, mutualism, trade unionism
  • Latter part of 20C – community development, housing cooperatives
  • EU Objective I funding supports a developing social enterprise sector
  • Post 2010 – austerity driven response from the SSE, some return to radical politics with a distinct entrepreneurial flavour

• 2016
  • 1400 trading organisations in the LCR SSE
  • 45000 employees, £3bn revenue, £4bn asset base
  • Persistent poverty – response from the SSE
The SSE in Liverpool City Region

• We see the concentration of SSE organisations – those that trade – in areas that suffer the greatest scores in the governments indices of deprivation

• Why? Market failure, retreat of the state, privatisation, historic positioning of SSE

• How do we change this?
Developing the SSE in Liverpool City Region

To put it simply!

• Use national policy where we can
• Exploit the devolution of governance
• Ensure policy meets needs of SSE (and not needs of providers)
• Build on the history, content and dynamic of what we have
• Shape the local economy to make it more social

But how?

• This is about what the SSE can do for the city region
Developing the SSE in Liverpool City Region

Initiatives need to connect and be co-owned by SSE, public and private sectors

• National legislation can be used to shape markets
  • Can we increase aggregate demand by using anchor institutions via the Social Value Act and shape markets for local SSE and small business
  • Where and how can we expand on this? (Through employment rights, in the private sector and beyond the city region)

• Use devolved governance to establish a stronger SSE voice
  • The LCR SSE Reference Panel
  • Local industrial strategy with the SSE taking prominent position
Developing the SSE in Liverpool City Region

• Organise the SSE
  • Stronger support agencies
  • Greater levels of democracy and accountability within the sector
  • Greater levels of diversity (BAME communities, young people...)

• Shape supply into the SSE
  • Better forms of finance – social investment
  • Greater chances to work and set up in the sector (education, training...)

• Co-production
  • Knowledge
  • Policy
  • Raise awareness of the SSE
Dealing with the crisis

• The role of the SSE in the city region
• An early reaction to the crisis in March 2020
• SSE mobilised to support communities (poverty and place link)
• Financial difficulties
  • Community funds were initiated and support for social enterprise provided
• Current phase of crisis
  • Demonstrates weakness of devolution arrangements
  • Threatens achievements of SSE in recent years
• ‘Build Back Better’ will need resources, planning and co-production