What is a social enterprise?

Social enterprises are businesses whose core objective is to achieve a social, societal or environmental impact. See a simple 5-step test below to determine if an organisation is a social enterprise:

The P.A.S.T.A. Test

Purpose
Its objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders.

Asset Lock
If dissolved, its assets go to a similar organisation rather than to the owners or shareholders.

Surplus
It reinvests surpluses into achieving social objectives.

Trading
It pursues its objectives by trading on an ongoing basis through the provision of goods and/or services.

Accountability
It is governed in a fully accountable and transparent manner.

Sector Summary

4,335
Social enterprises operating in Ireland.

84,382
People working in the social enterprise sector.

74,825
People volunteering in the social enterprise sector.

An Roinn Forbartha
Tuaithe agus Pobail
Department of Rural and
Community Development

Social Enterprise
Fact Sheet #2

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

How do I setup a social enterprise?

A social enterprise can be set up in a variety of ways depending on how you'd like to structure the business. Below are some basic guidelines.

First steps to set up

Identify your social purpose
Decide the social, societal or environmental impact issue you wish to address.

Choose a legal structure
Social enterprises can be one of several legal structures, incl. a CLG, co-operative, Company Limited by Shares, and uinincorporated association.

Develop a business plan
To look for funding and other supports, it's useful to write a business plan which describes how to plan to develop your social enterprises.

Who can help me?

DRCD has a very useful table of supports for social enterprises: https://www.gov.ie/en/collection/89e63-social-enterprise-supports-tables/

Sector Summary

4,335
Social enterprises operating in Ireland

84,382
People working in the social enterprise sector.

74,825
People volunteering in the social enterprise sector.

An Roinn Forbartha Tuaithe agus Pobail
Department of Rural and Community Development

Social Enterprise
Fact Sheet #3

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

How are social enterprises funded?

Social enterprises generate funding from a variety of sources. Below are the most common sources of income and some other sources for added context.

Most common sources

Selling goods/services
70% of social enterprises in Ireland generate income from selling products and services.

Government grants
75% of social enterprises in Ireland generate income from goverment grants.

Fundraising from public/members
39% of social enterprises in Ireland generate income from fundraising with the general public or their members.

Other sources

Other sources include service contracts, membership fees, philanthropy, fees and CSR.

Sector Summary

4,335

Social enterprises operating in Ireland

84,382

People working in the social enterprise sector.

74,825

People volunteering in the social enterprise sector.

An Roinn Forbartha
Tuaithe agus Pobail
Department of Rural and
Community Development

Social Enterprise
Fact Sheet #4

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

What do social enterprises do?

Social enterprises operate in every sector of the economy. Below are the most common types of social enterprises as well as some other typical types of social enterprise.

Most common types

Childcare
1,156 social enterprises in Ireland (or 26.7% of the sector) operate in the childcare space.

Community Infrastructure
711 social enterprises in Ireland (or 16.4% of the sector) operate in community infrastructure and local development.

Health, Youth & Social Care
592 social enterprises in Ireland (or 13.7% of the sector) operate in the health, youth services and social care space.

Other types

Other types include festivals, sports and leisure facilities, training and work integration, environmental services, housing and consulting.

Sector Summary

4,335
Social enterprises operating in Ireland

84,382
People working in the social enterprise sector.

74,825
People volunteering in the social enterprise sector.

An Roinn Forbartha
Tuaithe agus Pobail
Department of Rural and
Community Development

Social Enterprise
Fact Sheet #5

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

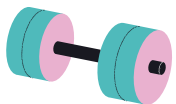# What is the National Social Enterprise Policy for Ireland?

The policy is the first ever national policy for social enterprise in Ireland. Its purpose it to enable social enterprise to grow in scale, support jobs, and make a positive impact on individuals and communities.

Summary

Building Awareness of SEs
Developing and promoting an understanding of social enterprise is a key part of the implementation of this Policy.

Growing and Strengthening SEs
An objective of the policy is to improve the range, quality and consistency of supports available to social enterprises throughout the country.

Achieving Better Policy Alignment
The policy seeks to ensure that the various government policies and supports for social enterprises are aligned.

Where can I find it?

The National Policy for Social Enterprise in Ireland can be found on DRCD's website: https://assets.gov.ie/19332/2fae274a44904593abba864427718a46.pdf

Sector Summary

4,335

Social enterprises operating in Ireland

84,382

People working in the social enterprise sector.

74,825

People volunteering in the social enterprise sector.

An Roinn Forbartha Tuaithe agus Pobail
Department of Rural and Community Development

Social Enterprise
Fact Sheet #6

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

What's the difference between a social enterprise and a private enterprise?

The differences between a social enterprise and private enterprise can be obvious or quite subtle.

Key differences

Purpose
Its objective is to achieve a social, societal or environmental impact, rather than maximising profit for its owners or shareholders.

Asset Lock
If dissolved, its assets go to a similar organisation rather than to the owners or shareholders.

Surplus
It reinvests surpluses into achieving social objectives.

Accountability
It is governed in a fully accountable and transparent manner.

Sector Summary

4,335
Social enterprises operating in Ireland

84,382
People working in the social enterprise sector.

74,825
People volunteering in the social enterprise sector.

An Roinn Forbartha
Tuaithe agus Pobail
Department of Rural and
Community Development

Social Enterprise
Fact Sheet #7

Social Enterprise Republic of Ireland (SERI)
info@socialenterprise.ie
www.socialenterprise.ie
@SERIreland

What's the difference between a social enterprise and a community group?

The differences between a social enterprise and community group can be obvious or quite subtle but the key difference is that one entity trades and the other does not.

Key difference

Trading
A social enterprise pursues its objectives by trading on an ongoing basis through the provision of goods and/or services.

A community group pursues its objectives without trading. It usually generates income through grants, fundraising, philanthropy and CSR.

There are ongoing debates at a national and international level about how much income should come from trading for an organisation to be dfined as a social enterprise.

Sector Summary

4,335

Social enterprises operating in Ireland

84,382

People working in the social enterprise sector.

74,825

People volunteering in the social enterprise sector.