

23 May 2022

~ Open Letter from 'Flaxroots - Social Enterprise Enablers of Aotearoa' ~

Minister for the Community and Voluntary Sector, the Honourable Priyanca Radhakrishnan

Minister for Economic and Regional Development, the Honourable Stuart Nash

Tēnā koutou katoa

We, the undersigned, write to you highlighting our concerns with the [Social Enterprise Development Programme](#) briefing paper dated 15 December 2021 and the lack of action generally following the completion of the programme.

While there has been progress made within the area of social procurement, recommendation 4.3 in particular to “Support a national network of social enterprise enablers and communities of practice to share experience and accelerate solutions collaboratively” has not been addressed. The Impact Initiative recommendations were delivered 12 months ago, the briefing to Ministers took another eight months to be produced (with no input from The Impact Initiative team). It took another four months to get the briefing released and notified, losing precious momentum after working so well together prior to that.

As representatives of social enterprise, impact enterprise and kaupapa-driven enterprise enablers, Flaxroots want to be part of a thriving Aotearoa with nourished and connected people and places, who collaborate for social and environmental sustainability. In this Covid environment we are all looking for better ways to create a flourishing society, environment and economy. While there have been many challenges to overcome, we also learnt a great deal from the Covid crisis and believe these innovative business models provide a way forward.

One of the lessons of the recent past is that we can change systems quickly. New Zealand is admired on the world stage for its direct Covid response, due in part to community-led enterprises. It is our ability to pull together, voluntarily for the most part, to help those who were and continue to be most greatly affected. While we are continuing that work today, we are also struggling to sustain ourselves. This network was waiting for the Government's response to The Impact Initiative recommendations - to relieve the pressure and address the gaps in the system. However, in the absence of long-term solutions and sustained commitment from the Government, we are concerned that our work in communities will remain uncertain at best.

It is time to work together and share resources in new ways to encourage for-purpose organisations to grow and be resilient. While some philanthropic funds have been providing resources, the social enterprise enabler hubs do not have sufficient access to charitable funds nor business-focused funds as they, and their clients, fall through the gaps and priorities that each traditionally-focused sector offers. It is critical now to fix this gap by following through on the Impact Initiative recommendations.

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In the week before Budget 2022, Flaxroots makes this call-to-action on behalf of its network and those it serves. We ask Government to:

1. Match the previous investment of \$5.5m over four years and support the development of the network of enablers who assist for-purpose enterprises to grow.
2. Identify a lead inside Government to work with the network to define the living-standards aligned metrics that we can collectively report on the value of this approach.
3. Provide a champion to coordinate action across the public service so the work of the sector delivering wellbeing results alongside sustaining profit is recognised, integrated and sustained.

We are ready now to partner with the Government, the philanthropic sector, the enterprise sector and those doing the hard mahi to build wellbeing through doing business differently. Please look at the Impact Initiative recommendations again and address the gaps so we can play our part in building resilient communities.

Flaxroots - Social Enterprise Enablers Network of Aotearoa
Simon Cayley, Anja O'Connor

On behalf of the following signatories (signing is ongoing, updates will be released)

Nicola Patrick for Thrive Whanganui
Anja O'Connor for Social Enterprise Southern Lakes (SESL)
Simon Cayley for Bishops Action Foundation
Jo Allum for Venture Centre Tauranga
Matt Walters for Social Impact Nelson Tasman (SINT)
Suzie Clark for Capability Builders Northland
Cliff Colquhoun for CBEC
David Hanna for Wesley Community Action
Tili Leilua for Urban Hope Weavers
Matthew Luxon for Localised
Katherine Blaney for Startup Taranaki
Shay Wright for Te Whare Hukahuka
Gareth Cartwright for Community Energy Network
Dorte Wray for Community Enterprise Network (NZ) Trust
Dan Thurston Crow for Sustainable Taranaki
Georgina Morrison for Environment Hubs Aotearoa