

Divergence of the British and Scottish approaches

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1



<https://www.freeworldmaps.net/europe/united-kingdom/>

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2

History of Scotland's Devolution

- September 1997: Referendum in Scotland in which people voted for devolution.
- The UK Parliament then passed the Scotland Act 1998 which established the Scottish Parliament, which opened in 1999, and transferred some of the powers previously held at Westminster.
- Devolution has not stood still since 1999, with a number of changes and additions to the Scottish Parliament's powers. These have included:
 - The Scotland Act 2016, which devolved further powers to Scotland including significant areas of income tax and welfare.
 - The Scotland Act 2012, which provided the largest transfer of financial powers from Westminster since the creation of the UK.

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3

Post Devolution

- Independent policies targeted at growing and developing the social enterprise sectors were created by the Scottish Executive and the Labour government in England
- Divergence between Scotland and England increased with changes in government in Scotland and Westminster.
- Divergence altered social enterprise ecosystems in each country

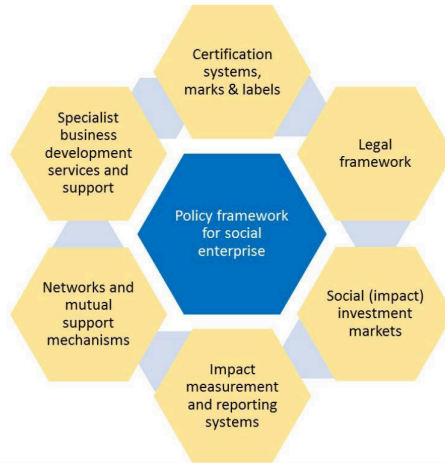
Hazenberg et al., 2016, p. 209

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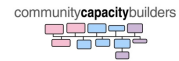
4

Social Enterprise Ecosystem



European Commission, 2015, p. xiv

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5

British Approach

- Reduction in State support and move towards a marketized model
- Social enterprises seek finance from investors
- Investment readiness support provided by NGOs
- Social enterprise spinouts created

Hazenberg et al., 2016, p. 209
Armitage, 2017

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6

Scottish Approach

- Support has remained with the State
- Continued to take a community enterprise approach that is not aligned with the market
- Does not support the idea of funders making money from funding social or community enterprises
- Ecosystem is more practitioner led
- Places greater importance on values

Roy et al., 2015
Hazenberget al., 2016
Mazzei and Roy, 2017

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7

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8