



## COMMUNITY ENTERPRISE CASE STUDY

### GROUP NAME:

Creggan Enterprises Limited (CEL)  
Ráth Mór Business & Community Enterprise Centre  
Bligh's Lane  
Creggan  
Derry BT48 0LZ  
Northern Ireland

### LOCATION

Creggan has been identified and recognised as an area of multiple deprivation and disadvantage by both the Townsend Index of Material Deprivation produced by the Centre for Urban Policy Studies (1994) and by the Noble Report – Measures of Deprivation in Northern Ireland (2001). The two studies found that Creggan's three main wards (St Peter's, Creggan Central and Creggan South) suffer most when measured for the extent of deprivation. Entitlement to free school meals serves also as a key indicator of poverty with both unemployed and low-waged families eligible. The figures for Creggan demonstrate entitlement up to 87%. Within the Derry context, these Wards ranked 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> as areas with the worst levels of multiple deprivation out of the city's 30 wards. Long-term male unemployment figures for the area are currently between 40% and 47%.

ESTABLISHED: 1991

### STRUCTURE:

Social Economy Initiative incorporated as a company limited by guarantee.

TURNOVER: £300,000 per annum.

**VOLUNTARY DIRECTORS:** 7

**EMPLOYEES:** 24

### DESCRIPTION:

Creggan Enterprises Limited in partnership with the International Fund for Ireland (IFI) and the Department of the Environment (DoE) has developed the £3.2m Ráth Mór Centre, £340,000 Community Service Units and an £800,000 Enterprise Park providing employment for the Social Economy Enterprise itself while also creating opportunities for employment in retail, manufacturing, IT and community services for the area. CEL also helped secure a further £3m to develop a new sheltered housing scheme in partnership with North and West Housing, another successful local Social Economy Enterprise.

### BACKGROUND

Following research carried out in the area by the Social Economy Agency (SEA), the Derry Unemployed Workers' Group and Naiscoil na Rinne in 1990, local people came together and formed Creggan Community Initiative. They produced a development plan for the area, which was submitted, to IFI and DoE under the



Creggan Co-operative Society. However, this legal structure was not acceptable at the time to the funding agencies. A Social Economy structure (CEL) was then established with the assistance of SEA to bring forward the original plans and it secured funding in 1994 to build the Ráth Mór Centre.

### **IMPACTS:**

#### **(a) In people**

- CEL directly employs 24 people in full-time contracts with proper terms and conditions of employment at rates of pay well above the average for the sector. Its wage bill is over £270,000 per annum.
- 165 new jobs have been created as a result of the various enterprises and projects now located at Ráth Mór with an estimated £900,000 per annum in wages being earned, spent and circulated with the local area.
- There were also around 100 temporary jobs created during the construction phases of the main building, the housing complex, the community service units and the enterprise park.
- In excess of three million people have now used the services provided by CEL at the Ráth Mór Centre.

#### **(b) In the Community**

CEL also secured funding for the development of Creggan Neighbourhood Partnership (CNP) to facilitate and support local community activity. CEL has also distributed in the region of £75,000 (surplus profit) to assist community-based initiatives within the area.

#### **(c) In Local Services**

*Retail/community service space:* The Centre is presently fully occupied and CEL has negotiated a 15 year lease with its Anchor Tenant (Costcutter).

*Office space for community organisations:* Conference and training facilities for private and community hire.

*Community Service Units:* 8 new units were constructed during 1998 costing £340,000.

*Banking Facility:* CEL negotiated with First Trust Bank to open an ATM service – the first such banking facility in the history of both Creggan and Bogside areas.

*Enterprise Park:* Following the closure of the United Technologies Automotive (UTA) factory in 1997 with the loss of 600 jobs, CEL purchased part of the site to establish a community-owned enterprise park. This opened in 2001 and over the next year further developments have been planned on the former UTA site now in community ownership.

*Post Office:* CEL also secured community ownership of the local Post Office in March 2002.

CEL now provides a total of 80,000 sq ft of retail, business and community service space.



**(d) In Policies**

CEL, with SEA's assistance, introduced a new clause in its Memorandum and Articles of Association giving the company powers to distribute its profits to other social and charitable organisations. This was a *first* for a community-based company and has since been sued frequently by other Social Economy initiatives and funding bodies. The Ráth Mór project is a model of best practice with the Social Economy and has been instrumental in helping shape local strategies for urban renewal and revival within marginalised and disadvantaged communities.