

Health and Social Care Committee

Meeting Venue:
Committee Room 4 – Ty Hywel

Meeting date:
1 July 2013

Meeting time:
14:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



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Agenda

- 1 Motion to elect temporary Chair (14.00 – 14.05)**
- 2 Introductions, apologies and substitutions (14.05)**
- 3 Papers to note (14.05 – 14.10)**

Social Services and Well-being (Wales) Bill: Letter from the Deputy Minister to the Chair dated 11 June 2013 (Pages 1 – 3)
HSC(4)-22-13(p1)

Social Services and Well-being (Wales) Bill: Letter from the Deputy Minister to the Chair dated 17 June 2013 (Pages 4 – 97)
HSC(4)-22-13(p2)

- 4 Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business: (14.10)**
Item 4 and all of the meeting on 4 July

Private meeting

- 5 Social Services and Well-being (Wales) Bill: Consideration of the draft report (14.15 – 17.00)** (Pages 98 – 256)
HSC(4)-22-13(p1)

Agenda Item 3a

Gwenda Thomas AC / AM
Y Dirprwy Weinidog Gwasanaethau Cymdeithasol
Deputy Minister for Social Services



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref LF/GT/0534/13

Vaughan Gething AM
Chair,
Health and Social Care Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

// June 2013

Dear Vaughan,

Thank you for your letter dated 7 June where you ask for responses to three issues discussed during my evidence session with your Committee on 6 June. I set them out in turn below:

In response to concerns raised around section 31(4) and (5), which specifically forbids local authorities from meeting care and support needs by 'providing or arranging for the provision of nursing care by a registered nurse', you made reference to a Law Commission Report which outlines problems that can arise from allowing local authorities to meet care and support needs in this way. The Committee would welcome further clarification on the report and the problems being referred.

It is important to understand that creating a distinction in law between the kinds of services which Local Health Boards, or other health bodies, provide and the kinds of service which local authorities provide in the exercise of their Social Services functions, is entirely different to the issue of how those two bodies should work together at an operational level to ensure that services for individuals are well planned and coordinated. It is clearly important that there is a clear delineation in law between the services which the citizen can expect to receive from the health service and those which they expect to receive from social services. Failure to do this would create confusion. The Law Commission in its 51st recommendation, said that the existing prohibition in relation to nursing be maintained alongside the prohibitions in relation to other services which are required to be provided under the NHS (Wales) Act 2006. Section 31 provides for that clarity. The issue of how services are coordinated on the ground, and in the care plans for individuals in need, is very important but is a separate matter. The Bill places clear duties on health partners to co-operate with local authorities in discharging their functions to assess and meet the care and support needs of an individual as well as assessing and planning for their population's needs (Sections 145 and Section 5 of the Bill refer).

In questioning the eligibility framework Members sought clarity on the transitional arrangements for those currently in receipt of services and queries whether there was a risk of individuals finding themselves no longer eligible for services under new arrangements. You agreed to provide the Committee with a detailed written response on this matter.

In line with any new law, at the switch over point there is a period of transitional protection owed to an individual (Section 165(2)). For example, this will ensure that for a person who is in receipt of support following an assessment under Section 47 of the NHS and Community Care Act 1990, the local authority duties under those arrangements would continue to apply until the local authority reviews the persons care through a re-assessment to take into account their changing circumstances and needs over time. The current arrangements under *Creating a Unified and Fairer System for Assessing and Managing Care* (in Section 2.54 of that guidance) require the local authority to review an adult's care as follows:

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Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)

“At a minimum, there should be an initial review within three months of services first being provided. Thereafter, reviews should be scheduled at least annually, or more often if individuals' circumstances appear to warrant it or upon request from service users, providers of services and other appropriate individuals or agencies”

On review the local authority will have to consider with the individual how best to meet the need for care and support under the new arrangements. This will require the local authority to consider whether the persons need for care and support can be met through their duties to provide Information, Advice or Assistance (Section 8) or through preventative services (Section 6) that the local authority facilitated by the Local Health Board must provide or arrange for people with care and support needs in its area.

The transitional arrangements will provide for a period of re-adjustment, so that any change in an individual's care is carefully managed. I am committed to ensuring sufficient time and assistance is given to people to enable them to maintain their quality of life and independence. The continuity of care for people over the transition must be a clear priority for local authorities. I am however clear that people have no absolute forever right now to services. There may well be people whose needs change now and who would lose the service now. We cannot give a blanket guarantee to an absolute forever right to a service under the new law any more than we can with existing law.

I have advised the Committee of my plans to make an announcement later this month on the next steps in the ongoing co-production of the core processes of the Bill with local authorities and their partners. Ensuring that there are appropriate transitional arrangements will be a key priority for the ongoing work to implement the Bill.

You also agreed to clarify your rationale on the issue of adult protection and support orders and provide further evidence outlining your views on calls for the power of entry for adults at risk to be extended. If the power of entry is a matter where competence is an issue please can you confirm whether you expect this to be resolved before Stage 2.

During the White Paper consultation on the Bill proposals last Spring, the view was expressed that the Welsh Government did not intend to use the Bill to introduce intervention powers in adult protection. This is because we were not convinced there was a need for further powers in this area. However, the responses to that consultation showed overwhelming support to introduce powers to ensure that practitioners could access adults suspected of being abused or neglected. I have acted on the strong views expressed and the Bill provides for Social Services to apply to the court for an Order granting them access to a person they suspect of being at risk, in the absence of a third party who may obstruct access.

I am aware of calls for this provision to go further and provide for a person experiencing abuse to be removed to a safe place. However, I am clear that in keeping with the general principles of this Bill, the wishes of an adult at risk with capacity must be key to any support given. There are also equally strong arguments in relation to not overriding individuals' human rights. Should it be clear following the use of an Order that an adult is in need of further support, it would be the role of Social Services (and their partners) to persuade and negotiate with the person to accept appropriate assistance and support, even those who are reluctant.

There is agreement, including by the UK Government that the provision providing for new Adult Protection and Support Orders is within the legislative competence of the National Assembly. My officials have however sought to engage with Whitehall Departments, primarily the Ministry of Justice, in relation to the development and implementation of arrangements for these new Orders to be processed. I hope these discussions can be completed quickly.

Yours sincerely



Gwenda Thomas AC / AM

Y Dirprwy Weinidog Gwasanaethau Cymdeithasol
Deputy Minister for Social Services

Agenda Item 3b

Gwenda Thomas AC / AM
Y Dirprwy Weinidog Gwasanaethau Cymdeithasol
Deputy Minister for Social Services



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref : LF/GT/508/13

Vaughan Gething AM
Chair,
Health and Social Care Committee
National Assembly for Wales
Cardiff Bay
CF99 1NA

Dear Vaughan,

17 June 2013

I am very pleased to provide you with further evidence to support your consideration of the Social Services and Well-being (Wales) Bill. The attached evidence and scoping paper, prepared by my officials, provides valuable information about social enterprise and co-operative models of service delivery. It is an important resource in developing a way forward for Wales which will promote social enterprise, co-operatives and user led services as set out in section 7 of the Bill.

This section of the Bill places specific duties on Local Authorities to promote social enterprises, co-operatives, user led services and the third sector. The evidence and scoping paper is an important resource in raising the awareness of all partners in the sector about how new and innovative models can be developed and implemented. The paper is an important resource for both us and our partners in enabling such an approach to go forward.

I want to re-enforce our commitment to social enterprises, co-operatives, user led services and the third sector. I believe the Bill in its entirety embeds in law a Welsh model in which co-production and other forms of partnership and co-operative activity could flourish. This is an under developed approach in the field of social care. It is about promoting user led services, co-operatives and social enterprise. This is critical to developing the new preventative, early intervention approach set out in our policy, and to giving people a stronger voice and real control. There are many exciting opportunities to explore with these models, and many examples of how these have been used to enable people themselves to be fully involved as co-producers in the delivery of services

I have already provided a copy of the paper to Welsh Co-operatives and Mutuals Commission. I hope that you and the Committee members find it helpful.

Yours Sincerely

Gwenda Thomas AC / AM
Y Dirprwy Weinidog Gwasanaethau Cymdeithasol
Deputy Minister for Social Services

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“Social Enterprises in Social Care” – An Evidence and Scoping Paper.

December 2012

“You cannot promote or make social enterprise happen from the side-lines. Government does not make these things happen; it is down to individuals (...). The best the Government can do is to give these things a fair wind”¹

| Section | Title | Page |
|----------------|---|-------------|
| | Executive Summary | |
| | | |
| One | Why social enterprise? | 3 |
| Two | Understanding social enterprise | 5 |
| Three | The growth of the social enterprise model across the UK | 6 |
| Four | Social enterprise in Wales | 8 |
| Five | Welsh Government and social enterprise | 10 |
| Six | Benefits of social enterprise | 11 |
| Seven | Barriers and challenges | 13 |
| Eight | Social care is ripe for the development of social enterprises | 16 |
| Nine | UK Government’s approach to social care and social enterprise | 19 |
| Ten | What is currently happening in Wales? | 21 |
| Eleven | Learning from other countries | 31 |
| Twelve | Experiences of social enterprise models in social care | 42 |
| | | |
| | | |
| Annex 1 | Types of social enterprise | |
| Annex 2 | Chronology of UK government policy | |
| Annex 3 | Social work practice pilots | |
| Annex 4 | Useful website / Reference sites | |
| Annex 5 | Welsh case studies | |
| Annex 6 | Other forms of social engagement | |
| Annex 7 | Case studies from England | |
| Annex 8 | Case studies from Scotland | |

¹ Record of Proceedings paragraph 39, 22 September 2012, Enterprise and Learning Committee “Glas Cymru”

Executive Summary

The challenge

- How can we manage the increasing demands placed upon social services by demographic changes?
- How can we support people to take control of their own health and social care outcomes?
- How can we ensure that people and communities are involved in the design and delivery of services?
- How do we ensure that the citizen's voice is heard?

The Welsh Government has acknowledged the **positive role of social enterprises** in helping to create a strong and inclusive economy.

This paper is a rapid review of the available evidence on social enterprise across the UK. **Building upon one to one interviews and the** available evidence this paper demonstrates where and how social enterprises are contributing to social care services delivery across the UK. The paper also reviews the available evidence for key messages concerning the benefits of delivering social care through a social enterprise model and the barriers to be overcome by the sector.

This research indicates that evaluative evidence demonstrating the impact of the social enterprise sector (especially economic impact) is limited and much of the available documentation consists of case studies.

The conditions are ripe for the emergence of new social enterprise models across a range of public services ranging from primary healthcare, to education, childcare, social care and offender management services. Social enterprises occupy a particular place in the market. They bridge the gap between public and private provision. As organisations, they can have all the entrepreneurial energy and organisational creativity that many people think characterises the private sector. They are responsive to the market place, enabling users and customers to drive service improvements.

At the same time they are firmly in the social economy, having at their core a set of social values and aspirations in common with the public sector. These values – about equality, access, empowerment and quality care – are integral to social enterprise, not bolted on for marketing reasons.

If users and their families are included in the structure, then social enterprises become directly accountable to those in receipt of the service, and have the sensitivity to individual needs, only usually found in direct payment schemes.

The empowerment element of social enterprise offers the potential for critical quality improvements. Many staff work without direct supervision, and the situation often constrains users from being specific about their needs.

Section One: Why social enterprise?

The Welsh Government believes that sustainable social enterprises have a distinct and valuable role to play in helping to create a strong and inclusive economy.

Social enterprises tackle a wide range of social and environmental issues. They compete in the marketplace like any other business, using their business skills to achieve social aims. Social enterprises take many forms, yet each one exemplifies values that are important to Wales. They contribute towards tackling social exclusion and to bringing the economically inactive back into the world of work. They provide a real alternative for those who are not attracted to the profit-making sector. They have a vital part to play in putting the citizen centre stage.

The Welsh Government stated in Sustainable Social Services² that:

“we expect the full engagement of the third sector in the provision of community-based support services, particularly in the context of the development of social enterprises in Wales. Social care is ripe for the development of social enterprises and we expect a much greater range of services to be run by citizens themselves, as service users, as carers, and as people delivering those services.”

When it comes to social ownership in Wales, a tradition of co-operative and mutual provision has historically run alongside state provision. By empowering people and placing community benefit at the heart of decisions we can improve service delivery and outcomes for our citizens. And we can do so whilst pioneering high standards in delivery. In the current economic climate, social enterprise solutions are more not less relevant.

How do social enterprises contribute to society?

Like any other business, social enterprises aim to sustain their business and make profits, it is what they do with these profits that is different. For example social enterprises attempt to:

- Tackle some of society’s most entrenched social and environmental challenges.
- Set new standards for ethical markets, raising the bar for corporate responsibility.
- Improve public services, shaping service design and pioneering new approaches.
- Increase levels of enterprise, attracting new people to business.

² _

<http://wales.gov.uk/topics/health/publications/socialcare/guidance1/services/;jsessionid=0EC301A4038E7057F6C218264C2EBF2A?lang=en>

Establishing a social enterprise out of the public sector creates the chance to innovate, developing dynamic new ways of delivering services and of working with colleagues, residents and businesses to provide a better service.

Social enterprise isn't right for everyone. But the evidence of over 62,000 successful social enterprises in the UK demonstrates that the values of fairness, community investment, local control and a social or environmental mission can make for more efficient services, better user experiences and happier staff.

Section Two: Understanding social enterprise

The development of this strategy and action plan has highlighted the confusion that exists behind the label “social enterprise”. It means many things to different people. Whilst it is important not to be too prescriptive in how social enterprises are defined it is essential to ensure that all parties share a common interest. Social enterprise is a concept not an entity, a business can not be registered as a social enterprise. The company needs to take the most appropriate form for delivering its social enterprise aims.

Social enterprises come in many shapes and sizes from large national and international businesses to small community based enterprises. They all share the following:

- Are businesses that bring in most or all of their income by selling goods and services;
- Have a clear sense of their “social mission” - which means they know what difference it is trying to make, who it aims to help, and how it plans to do it;
- Have clear rules about what it does with its profits, reinvesting these to further the ‘social mission’.

A shared understanding of social enterprise

Typically social enterprises have five key characteristics:

- They have a social, environmental, community or ethical purpose.
- They operate using a commercial business model.
- They have a legal form appropriate to ‘not-for-personal-profit’ status
- They ensure that the people who benefit from the business will have a stake in its ownership and involvement in its governance
- They have a secure ‘asset lock’.

There is no single legal model and a social enterprise could take the form of a company limited by guarantee or a community interest company, amongst others. Social enterprises are created in a range of models such as cooperatives, credit unions, mutuals, development trusts, social firms and community development organisations.

Section Three: The growth of the social enterprise model across the UK³

The pioneers of social enterprise can be traced at least as far back to the 1840s in Rochdale, where a workers' co-operative was set up to provide high quality affordable food in response to factory conditions that were considered to be exploitative. In the UK, a resurgence of social enterprise started in the late 1990s with the coming together of different traditions, including cooperatives, community enterprises, enterprising voluntary organisations and other forms of social business.

Estimates of the size of the sector based on Government data released in 2005⁴ suggested that there were 55,000 social enterprises in the UK that match the Government's definition of social enterprise. They have a combined turnover of £27 billion with a £8 billion contribution to GDP. However their true contribution to business is greater than all these things: by bringing back into the economy people who were previously excluded, or by improving the environment or society, they are enhancing prosperity and social justice together.

A YouGov poll released in 2007 found that over 60% of the British public would prefer their local services to be run by a social enterprise instead of the government, private profit businesses or traditional charity.

Social Enterprise UK's 2011 Fightback Britain report into the state of social enterprise provides a recent picture of how social enterprises are thriving in the current economy.

The report's conclusion were that the social enterprise sector is dynamic, attracting entrepreneurs, working in the UK's most deprived communities to tackle the root causes of deprivation and, as a sector, is both out-pacing and out-innovating comparable SMEs.

The research findings in a snapshot

- 39% of all social enterprises work in the 20% of most deprived communities in the UK compared to 13% of standard businesses
- 58% of social enterprises reported growth in 2010 compared to just 28% of SMEs.
- 57% predicted growth next year compared to 41% of SMEs.
- 14% of all social enterprises are start-ups, less than two years old
- Median annual turnover of social enterprises has grown from £175,000 in the 2009 survey to £240,000 in the 2011 survey
- Social enterprises employ more people relative to turnover than mainstream small businesses.
- Women in social enterprise leadership teams are challenging the glass ceiling, with 86% of leadership teams boasting at least one female director,

³ Robin Miller – University of Birmingham presentation at the National Leadership and Innovation Agency for Healthcare gave a useful presentation on the market size in April 2012 - <http://www.wales.nhs.uk/sitesplus/829/opendoc/189490>

⁴ Annual Small Business Survey.

- 27% of leadership teams have directors from black and minority ethnic communities
- The proportion of social enterprises reinvesting profits back into the communities where they are earned to further their social or environmental goals stands at 82%.
- Social enterprises are accountable to their communities. 74% of social enterprises actively involve their beneficiaries in decisions about their business – a proportion that rises to nine out of 10 social enterprises in the most deprived communities in the UK.
- 88% of social enterprises seek to minimise their environmental impact.

According to a UK government survey in 2005⁵, health and social care services represents the largest category of trading activity for social enterprises, followed by education. Social enterprises are also extremely active in the energy, transport and recycling markets.

⁵ Annual Small Business Survey.

Section Four: Social enterprise in Wales

The social enterprise community in Wales has a long history, with a number of established social enterprises and a strong record of community-led, grassroots development. Social enterprises operate in almost every industry, from health and social care, finance and retail to recycling, employment and even football clubs.

The social enterprises sector in Wales generates revenues of more than £2bn a year according to research undertaken in 2010 by the University of Glamorgan, on behalf of the Wales Co-operative Centre⁶.

In May 2008 the Welsh Assembly Government⁷ commissioned a mapping exercise of social enterprise activity across Wales, including the size, scope, nature, health and role of social enterprises, with the aim of informing how the Government could more effectively support the sector.

Some of the main findings were:

- over 3,000 organisations were identified of which:
 - Two-thirds are established, meaning that they earn at least half their income,
 - About a quarter are self-sustaining with 100 per cent earned income.
- The sector had an estimated turnover of £2.2 billion based on 2007/08 figures (about 2.6 per cent of the turnover of all enterprises in Wales).
- There are a large range of organisations within the sector of which Glas Cymru, the national water company, is the largest (with a turnover of £623 million in 2007/08, or 28 per cent of the total turnover of the sector).
- Many social housing providers are also large organisations and together contribute an estimated 26 per cent of the total turnover of the sector.
- One third of social enterprises are very small, with less than £25,000 of turnover.
- The median average turnover is estimated to be about £50,000.
- Social enterprises account for an estimated 29,000 full-time jobs, 20,000 part-time jobs and 105,000 volunteering opportunities (approximately 3.6 per cent of jobs in Wales).

These figures indicate that the scale of the Welsh mutual and social economy does appear to be localised and fragmented. Other than sewage / water services, social housing and Welsh based building societies, all of whom have

⁶ Read More <http://www.walesonline.co.uk/business-in-wales/business-news/2010/10/20/2-billion-benefit-to-wales-from-social-enterprises-sector-91466-27464104/#ixzz1p17Kbvut>

⁷ Welsh Government – Social Enterprise mapping 2008 - http://www.google.co.uk/url?sa=t&rct=j&q=social%20enterprise%20%20social%20care%20case%20studies%20in%20wales&source=web&cd=20&ved=0CGgQFjAJOAo&url=http%3A%2F%2Fwww.assemblywales.org%2Fbus-home%2Fbus-committees%2Fbus-committees-scrutiny-committees%2Fbus-committees-third-els-home%2Fbus-committees-third-els-agendas.htm%3Fact%3Ddis%26id%3D188364%26ds%3D7%2F2010&ei=RFfDT4bUJMri8APF6q3TCg&usg=AFQjCNH25YxNd6iTa5F3CuxZ_7P-eKpS2Q

degrees of member ownership and control, social purpose driven organisations have yet to penetrate the Welsh economy to any significant depth.

A general absence of depth and scale should not necessarily be viewed as negative. It may reflect issues, which require consideration if the sector is to extend its reach. Typical barriers, which will be explored later include governance, especially a reluctance to pursue and execute growth strategies, partly reflecting attitudes to financial risk; varied experience across management; marshalling the influence of public purchasing decisions in a way that supports the growth of the social economy; an absence of substantial quality patient capital at levels capable of having a transformative impact.

If we are to extend the footprint of the social economy within social care, then consideration needs to be given to challenges beyond its immediate influence.

Section Five: Welsh Government and social enterprise.

The Department for Business, Enterprise, Technology and Science (BETS) has responsibility for social enterprise development within the Welsh Government. A dedicated team has been established within BETS to support the development of the sector.

In 2009, the Welsh Government issued “The Social Enterprise for Wales Action Plan”. This sets out the vision of:

“dynamic and sustainable social enterprises strengthening our an inclusive and growing economy”.

This was supported in the Economic Renewal Programme, published in July 2012⁸

“We recognise the positive contribution vibrant social enterprises make to a strong, diverse and sustainable economy. Social enterprises are becoming more, not less relevant in the modern economy – in providing solutions for new and citizen focused methods of delivering public services; in empowering local people and regenerating communities; and in delivering economic, social and environmental objectives.”

The Welsh Government’s Social Enterprise Action Plan sets out how the Welsh Government will provide an environment that encourages new social enterprises and establishing integrated support that will help create thriving social enterprise in Wales.

The action plan has been developed around three strand and actions are in place to progress each strand:

- To inspire people and organisations with the unique attributes of social enterprise.
- Transform the role that social enterprises play in the Welsh economy by extending the range of job opportunities, creating green business solutions and spreading wealth more fairly
- Liberate fledging and growing social enterprise from a range of barriers and burdens that are currently suppressing their potential.

⁸ Economic Renewal: A New Direction, 5 July 2012 – Welsh Assembly Government

Section Six: Benefits of social enterprises

A social enterprise could come about in a number of ways. A public authority may decide to externalise the provision of a particular service to a newly created not-for-profit body, as has happened with leisure trusts. Alternatively, an existing charity or not-for-profit organisation might sponsor the formation of a body to provide new services. For example, a housing association might sponsor a new nursery, or a group of entrepreneurial and forward-thinking public sector managers might form a new entity which spins out an existing service, as is beginning to happen in the health and social care arena.

The conditions are ripe for the emergence of new social enterprise models across a range of public services ranging from primary healthcare, to education, childcare, social care and offender management services. Social enterprises occupy a particular place in the market. They bridge the gap between public and private provision. As organisations, they can have all the entrepreneurial energy and organisational creativity that many people think characterises the private sector. They are responsive to the market place, enabling users and customers to drive service improvements.

At the same time they are firmly in the social economy, having at their core a set of social values and aspirations in common with the public sector. These values – about equality, access, empowerment and quality care – are integral to social enterprise, not bolted on for marketing reasons.

If users and their families are included in the structure, then social enterprises become directly accountable to those in receipt of the service, and have the sensitivity to individual needs, only usually found in direct payment schemes.

The empowerment element of social enterprise offers the potential for critical quality improvements. Many staff work without direct supervision, and the situation often constrains users from being specific about their needs.

Social enterprises have a built-in capability to empower users and staff.

When they give staff a stake in the ownership of the enterprise, as some models do, they gain the ability to address another issue. Staff participation in management can lead to the introduction of flexible working, improved pay, respect for professional capability and challenges to discrimination – all of which make for a more attractive workplace. Recruitment and retention problems are common in many types of employment in the sector. Social enterprises may be one route towards resolving them.

Social ownership is not a key requirement of all social enterprises, but it is crucial to those in the co-operative tradition where democratic member control is one of the co-operative principles. Social enterprises may be owned by their customers, employees, trustees, public bodies, the wider community or a combination of different stakeholder groups.

Social enterprises also create employment and skill development opportunities for local people, who may be disadvantaged in the labour market. They thus contribute directly to regeneration and health improvement strategies. They can play a major role in delivering and developing culturally sensitive services.

Social enterprise solutions have another advantage. Being close to and often representing communities, they work to community priorities. They also have a better understanding of local market conditions as they are rooted in the communities that they serve. They have the ability to actually deliver joined-up services to a real community agenda.

Section Seven: Barriers and challenges

Establishing, developing and growing a social enterprise will present many challenges. Conversion to a social enterprise may well be the best option and be strategically the correct course of action: but it is not the easy option. Strategies will need to be in place to support potential social entrepreneurs to overcome these challenges.

– Access to finance

Financial viability is the bedrock of a sustainable social enterprise and this means having a mix of revenue streams, like earned income, loans, grants and charitable donations. Although it is not as dependent on state income as the voluntary sector, the social enterprise sector faces unprecedented threats and opportunities in the next few years. While the general policy support for social enterprise might open up new trading opportunities as the public sector retreats from direct service provision, public spending plans might also mean that public income dries up faster than public markets open up.

The net effect of these challenges is impossible to predict with precision because too many factors are involved. The main considerations are:

- whether new and more innovative forms of *finance* will be available to help the sector to scale up; and
- whether *procurement* managers in the public sector will become less risk-averse about trading with social enterprises.

A recent survey of the sector found that nearly 40% of surveyed enterprises relied on local and central government for more than half of their income and it concluded by saying that finance was both “the greatest enabler when present and the greatest barrier by far when unavailable”⁹

– Procurement

Public procurement can also boost the prospects for the social enterprise sector, but it can only do so if public sector managers learn to become more creative about the way they design and manage the way they purchase goods and services. In 2009-10, public procurement amounted to £236 billion across the whole public sector in the UK. In practice, however, this is largely accessed because of three factors in particular:

- public sector managers operate in a management culture, where the penalties outweigh the rewards if innovation goes wrong;
- the purchasing metrics are such that low cost is often regarded as best value; and
- the governance structure for procurement is so fragmented, with as many as 44,000 public bodies involved, making it difficult for

⁹ (SEC, 2009: 32).

good practice to diffuse from leaders to laggards, with the result that good practice has been found to be a “bad traveller”¹⁰

Although collaborative procurement is now spreading across the public sector, the financial crisis means that the social and environmental goals that were written into public contracts are in danger of being jettisoned as austerity threatens to override sustainability¹¹.

– **Management skills**

Internally, a key consideration is whether the sector can actually live up to its name - by enhancing its social *enterprise* management skills. As well as enhancing the skills of each enterprise, the sector as a whole needs to develop its collective capacity to form consortia to enable it to achieve things in concert that cannot be achieved by acting alone. In other words, the sector urgently needs “a mutual support structure within the social economy”¹²

If public sector commissioners and procurement managers need to treat social enterprises more seriously, the social enterprise sector itself needs to prove that it can act in concert, by forming consortia for example, when it needs to bid for large public contracts. The sector needs to be big enough to bid and small enough to deliver – that is to say, big enough to mount a credible bid for a large contract and, once secured, that contract can be divided among the social enterprise members, who can then deliver it in their own communities, where they have an unrivalled local knowledge.

To be successful as a social enterprise consideration needs to be given to the following:

- Existing staffing, management and corporate governance structures may require radical changes.
- Key staff may need to become more ‘entrepreneurial’.
- The organisation’s ‘ethos’ may need to evolve.
- The process of developing a long-term strategy can get in the way of short-term management.
- Potential risk to charitable status.
- Internal resistance to conversion.

These three issues – finance, procurement and skills – need to be addressed together because they are inextricably linked challenges. If these three challenges can be addressed, the prospects for the social enterprise sector are better than at any time in the past.

Internal barriers to development

Converting to a social enterprise is not easy. There are a number of internal barriers that will need to be overcome internally. These will include:

¹⁰ (Morgan and Sonnino, 2010).

¹¹ (Morgan, 2011)

¹² (Pearce, 2003: 115).

- Existing staffing, management and corporate governance structures may require radical changes
- Key staff may need to become more “entrepreneurial”
- The organisation’s “ethos” needs to evolve
- Process of developing a long-term strategy can get in the way of short-term management
- Risk to charitable status
- Internal resistance to conversion

The challenges of market development

In addition to the above, new social enterprises may find it very hard to compete with established providers. For example:

- They may need to offer higher wages than established firms to attract and retain staff
- How can a small local social enterprise produce a culturally specific meal for a small number of people at the same price as a multi-national company produces frozen meals for numerous authorities?

Section Eight: Social care is ripe for the development of social enterprises

The predicted population changes over the coming decade, with an increasing number of older people, coupled with a reduction in the birth rate, provide many challenges for public sector organisations. Population projections across Wales identify some significant changes over the coming 20 years, with a 75% increase in the numbers of people aged 75+ as a proportion of the general population by 2031. This increase is predicted in most local authority areas. During the same period, there is a reduction in the number of people of working age. The implications of the changing demographic profile are significant, and the NHS and local government will find it increasingly challenging to manage the demands placed upon it, unless new approaches and service models are developed that exploit opportunities for collaborative approaches, including those that the third sector can provide.

National policy outlines and reinforces the need to protect and support independence, and to maximise all opportunities for independent living.

The converging pressures of this demographic change, leading to increasing demand, and reducing public expenditure requires a new approach to public services, placing far greater emphasis on prevention and early intervention, and developing more community-based support to reduce the need for more costly services.

There is a long tradition of community involvement in the provision of health and social care. Before the NHS was established, many communities built and managed their own hospitals. Charities and voluntary organisations have always funded and provided vital services for older people, and they still do. In recent years Welsh Government strategies have encouraged diversity of provision, and the development of the independent sector. At the same time organisations in the public sector have focused more on the commissioning and procurement of services, leading to the externalisation of some services previously delivered in-house.

Social enterprises are involved in care and health for a mixture of three reasons:

- to provide care
- to provide employment
- to build the strength of communities

It all depends on why people wish to work in this way, and what they are trying to achieve. For example:

- A workers' co-operative delivering home care may be predominantly about creating more employment or better quality of employment for home care workers, but will also be concerned with the quality of care, and widening the choice open to those who need it.

- A time bank, bringing community resources to support older people in practical tasks, and valuing older people's contribution to communities, is not primarily concerned with delivering intensive complex social care. It is about building communities, as well as providing a key resource that enables older people to live longer and more independent lives. It may create little or no employment.
- A development trust running an extra care centre for older people is interested in the development and sustainability of the community it represents, creating employment in that community and enabling older people to receive care within the community in which they live.
- A small local community organisation running a day centre for older people with dementia, under contract to a local authority, may primarily be concerned to ensure that a high quality service is available and accessible for those that need it. However, through its local membership, advocacy and campaigning roles, it is also likely to be concerned with building acceptance and understanding of dementia within the local community. It may use volunteers to assist in the centre, or for help with transport.

The Department of Health¹³ notes the following advantages for patients and service users, health and social care organisations and the third sector...

...for patients and service users

- Social enterprises involve patients, staff and service users in designing the services they provide. This means that services are better tailored to meet patients' and service users' needs and are based on expert knowledge of a particular area.
- Social enterprises re-invest any surplus profits into the community or into service developments. This means that social enterprises very often benefit the whole community as well as the people who use their services.
- Involving patients, staff and service users in designing services.

...for health and social care organisations

- Social enterprise offers health and social care organisations the opportunity to deliver high quality services in ways that are flexible, non-bureaucratic and have the potential to deliver good value for money. It also allows health and social care organisations to deliver services that are tailored to their local population, and make a difference to the local community. Because staff have a stake in social enterprise organisations, experience has shown that they are very committed to the aims of the service, and that this delivers benefits for the organisation, for example, improved staff retention.
- High quality services: flexible, non-bureaucratic, good value

13

<http://www.dh.gov.uk/en/Managingyourorganisation/Socialenterprise/Whataretheadvantages/index.htm>

...for the third sector

- Third sector organisations have expertise in specific areas, and great understanding of the groups they represent. They understand how services should be delivered to best meet peoples' needs. Social enterprise models offer the opportunity for a sound commercial relationship between public sector commissioners of health and social care services and third sector providers of those services.
- Expertise and understanding of the groups they represent.

Section Nine: UK Government's approach to social care and social enterprise

Over the last ten or more years there has been a growing interest in alternative organisational forms of health and social care service delivery. There are several inter-linked reasons for this interest which include:

- Continued pressure to reduce costs of service delivery and improve efficiency
- The desire to create organisations that foster an entrepreneurial approach to public services, which stimulate innovation and more flexible responses to meeting need □
- A means of creating more diverse markets, allowing greater consumer choice and control
- Some evidence that staff working in such organisations are likely to be more highly motivated and empowered, leading to higher productivity with less absenteeism, which in turn improves outcomes for people using services.

The interest in alternatives to direct service provision was an element of the health and social care reforms pursued by the previous government. Significant developments included:

The Government White Paper, *Our health, our care, our say: a new direction for community services*, published in 2006, set out plans for a fundamental shift in service delivery based on a desire for more personalised services and a more integrated approach to service delivery which included embracing NHS staff setting up their own businesses in the form of social enterprises.

- A Social Enterprise Unit was set up within the Department of Health to oversee and co-ordinate activity and a *Social Enterprise Pathfinder Programme* launched to better understand the contribution of social enterprises in health and social care. This programme followed 26 social enterprises and was subject to detailed evaluation, a summary of which was published in "*Leading the way through social enterprise: the social enterprise pathfinder programme evaluation*". The evaluation highlighted what factors appear to be early indicators for success and some of the key challenges.
- In 2007, the DH established the *Social Enterprise Investment Fund* (SEIF) to stimulate the role of social enterprises in health and social care, through providing investment to help new social enterprises start up and existing social enterprises grow and improve their services. The SEIF still operates and is managed on the behalf of the DH by the Social Investment Business, working in partnership with Local Partnerships.
- The *Next Stage Review of the NHS Final Report*, published in 2008, recognised the important contribution social enterprises could make to community health services and gave a commitment that PCT staff

would be given the 'right to request' to set up social enterprises, linked to the requirement that PCTs divest themselves of direct community health provision.

- Subsequent approval was given to three succeeding waves of 'right to request', four of which were located in the South East
- In relation to social care, in December 2007, *Putting People First* (PPF) was published setting out the vision for transforming adult social care based on the four domains of social capital; universal services; prevention and early intervention; and choice and control through Personal Budgets. This system-wide transformation expected a local and integrated approach to include supporting "third/private sector innovation, including social enterprise."
- Around the same time the Department for Children, Schools and Families initiated the piloting of SWPs for looked-after children in England. These pilots started in 2008, including one in Kent, with an additional four pilots launched in September 2010. The SWPs have seen the creation of independent, social worker-led organisations to deliver services for children and young people in care, including social workers moving out of public sector employment to form their own employee-owned social enterprise.
- The 11 pilots were continued by the Coalition Government and are being evaluated by the Children's Workforce Development Council, although it should be noted that not all of the pilots established themselves as fully independent new organisations.
- Alternative business models such as mutuals and cooperatives are being strongly promoted by the Coalition Government as part of its plans for public service delivery and the 'Big Society' agenda.
- Current thinking is that using alternative models will enable communities and public sector workers to transform the way public services are delivered.

Section Ten: What is currently happening in Wales?

In developing this evidence paper, discussions have taken place with a number of social enterprises in Wales, the third sector, procurement experts, the Welsh Government social enterprise unit, the voluntary sector, social enterprises and policy leads in England, and many local authorities in Wales.

There is without doubt, an enormous amount of interest and willingness to understand more about social enterprises, its benefits for the citizens and a desire to understand more about how the sector can be supported and developed locally. However, the overall picture of social enterprise within social care across Wales is patchy and piecemeal. There are some excellent examples of social enterprise in Wales and some local authorities have invested time in developing their strategies.

Research Findings

The research¹⁴ revealed that there are a number of key elements that seem to consistently appear across the existing literature and practice examples. These can be summarised as follows:

Broad Frameworks and Managed Care Programmes

- Integrated multi-disciplinary approaches to developing and managing care.
- Targeting high risk people and designing services to meet their needs
- Rapid response to avoid deterioration & “transfers of care”

User Engagement

- Client/patient-centred care with authentic partnership between health and social care professionals and services users/patients in managing conditions.
- Clear strategies and processes for user involvement in decision making and service planning
- High degree of self management and education

Community Engagement

- Active development of community resources for first response, monitoring and social enterprise development
- Imaginative use of local community facilities

Use of Technology

- Telecare and monitoring
- **Active Organisational Learning**
- Good access to specialist skills, information and good practice sharing
- On-going formative and summative evaluation and learning

¹⁴ Conducted during January – April 2012

- Imaginative workforce development including the extension and redefinition of traditional roles and the development of new roles across professional boundaries.

Research¹⁵ undertaken by the Welsh Government in 2008 undertaken by Sector Projects, Geoeconomics and the Research Unit indicates the following:

- **The majority of Welsh social enterprises are involved in training and education (often for disadvantaged people); the arts and the Welsh language; social enterprise, voluntary sector or business support services; health and social care; and sports and leisure.**

Almost four in ten (37%) provide services for children and over a quarter work with elderly people. There is also a focus on people living in deprived areas. Larger organisations, with turnover in excess of £500,000, are more likely to be involved in housing (24%), healthcare (11%) and recycling (10%). Amongst the very largest social enterprises, those with turnovers in excess of £5m, 60% provide social housing, a quarter (27%) provide social care and 8% respectively provide education and arts provision.

- **Social enterprises account for about 29,000 full-time jobs, 20, 000 part-time jobs and 105,000 volunteering opportunities.**

About half the organisations engaged in social enterprise activity do not have full-time staff. Amongst those with full-time staff, only a quarter have more than ten full-time staff.

- **The South East of Wales and Cardiff in particular, are home to larger social enterprises but there are more social enterprises per head in the rest of Wales.**

Cardiff contains 22% of large enterprises (more than £1 million annual turnover), but its share of small enterprises is much less - just over 6%. This is a similar pattern to other authorities in the South East.

More than a third (36%) of social enterprises in Wales provide services within an area of ten miles, particularly smaller organisations. Just one in eight Welsh social enterprises said that they are providing services across Wales, and these are more likely to be larger organisations.

- **Over half (55%) the organisations interviewed said that they have made a surplus or profit in the last financial year, and about half of**

15

http://www.google.co.uk/url?sa=t&rct=j&q=social%20enterprise%20%20social%20care%20case%20studies%20in%20wales&source=web&cd=20&ved=0CGgQFjAJOAo&url=http%3A%2F%2Fwww.assemblywales.org%2Fbus-home%2Fbus-committees%2Fbus-committees-scrutiny-committees%2Fbus-committees-third-els-home%2Fbus-committees-third-els-agendas.htm%3Fact%3Ddis%26id%3D188364%26ds%3D7%2F2010&ei=RFfDT4bUJMri8APF6q3TCg&usq=AFQjCNH25YxNd6iTa5F3CuxZ_7P-eKpS2Q

the organisations interviewed (48%) intend to increase their proportion of earned income in three years' time.

Almost half the organisations conducting social enterprise activity in Wales are more than fifteen years old. The majority (59%) of these organisations have charitable status. This profile is changing: the majority (60%) of organisations under five years old do not have charitable status. Data suggests that such organisations start-up as social enterprises, rather than being charities which diversify into a social enterprise strategy.

New social enterprises can become relatively self-sufficient very quickly: in every age band category below, established social enterprise is the most common form of social enterprise.

- **More than two-thirds (68%) of survey respondents want to provide more or new services to the public sector, yet there are significant problems with awareness and contractual issues on both supply and demand sides.**

Contracted public services are an important source of income for some social enterprises, although not as important as the direct sale of products and services to individuals or other organisations. Some are finding the transition from grant funding to public procurement too quick and desire core grant funding during the transition period to enable them to build the capacity to bid on and win contracts.

Public services demonstrate a willingness to grow social enterprises and a growing emphasis on giving social enterprises opportunities to thrive, yet nearly one in five respondents felt that the main challenge to their organisation providing public sector services was "lack of awareness and perception [from] public sector bodies". Lack of awareness and misplaced perceptions of social enterprises was a strong theme running throughout the interviews.

Other challenges to social enterprises seeking to supply services to the public sector include:

- Perceived reluctance by local councils to contract for services that the council itself currently delivers.
 - The large scale of contracts, meaning that many social enterprises have to bid as sub-contractors, if at all.
 - Lack of recognition of the value of social benefit creation in tender specifications.
- Late payment and lagging payment terms of public sector bodies.

Fewer than 20% of organisations interviewed have registered with 'sell2wales' to receive news about tender opportunities.

Only one in ten are aware of the Opening Doors Charter, Welsh Assembly Government's set of principles for SME (and social enterprise) friendly procurement.

Overall, there is a view that guidance is in place to ensure that procurement rules are friendly towards the third sector, including social enterprises, but more implementation of these guidelines is needed at the local level.

- **Local councils were cited as the most common and most important source of business support, highlighting the importance of the relationship with the public sector to the work of social enterprises. Demands are for more tailored and specific professional support.**

Although local councils were cited as the most important source of business support, this is more likely to be signposting and information about funding and contract opportunities rather than structured business development and capacity-building support.

The next most important support provider is the Wales Council for Voluntary Action (WCVA), along with County Voluntary Councils (CVCs) which exist to provide advice and information to local voluntary and community organisations. Support from WCVA is more in demand from those organisations registered as charities, and from 'embryonic' social enterprises. Communities First, was a source of advice to 13% of respondents.

Specialist social enterprise support providers were the other most common sources of business support, particularly the Wales Cooperative Centre (17%), Community Enterprise Wales (4%), DTA Wales (4%) and Social Firms Wales (2%).

There is demand for more development of the business support infrastructure for social enterprises - more independent, specialist support providers which know and understand social enterprise and business and which bring private sector skills to social enterprises.

There is also some demand for peer-to-peer networking and mentoring; 7% of respondents source business advice and support from other social enterprises.

Access to finance is by far the area in which most respondents would like to see additional advice and support; 44% of respondents cited this as a topic. Other areas where social enterprises are seeking more advice are business and strategic planning (18%), volunteering (15%), diversification of income streams (14%), partnership development (14%), and financial management (13%).

- **Social enterprises feel that they can deliver innovation through their business model and greater connection with the community and service users, but feel stifled by public sector procurement approaches and lack of collaboration within the sector.**

Lack of local authority understanding of and engagement with social enterprises was a major frustration.

While being able to adapt and respond to new public service agendas, social enterprises can be frustrated by public sector contracts, rules and ways of working, and would like access to mainstream funds where they can deliver effectively against targets.

Many social enterprises are not ready, or do not wish, to scale up. Nearly half of all organisations interviewed carry out their activities within a 20 mile radius, and with a key strength being responsiveness to local needs, the findings suggest that the majority of social enterprises in Wales will remain locally-focused.

Replication offers a potential way to combine scaling-up with remaining locally- working with and transforming local businesses into social enterprises is another innovative growth strategy being pursued by some social enterprises in Wales.

Interviewees recognised the need for more collaboration and partnership to foster further innovation and development.

– **Respondents had positive views overall of the role and influence of Welsh Government. Views of local authorities were more mixed.**

The general view was that Welsh Government should help energise the sector and support its growth, particularly in the current economic climate.

The main area in which respondents would like to see more focus by Welsh Government is funding, either direct funding or help with accessing funding. In all, 59% of interviewees mentioned funding in one way or another. Typically, social enterprises would like access to longer-term (at least three to five year) core funding to invest in building their operations rather than one-off funding for specific projects. Promoting, recognising and using social enterprises also comes high on the agenda on what interviewees would like Welsh Government to do more of. A lack of understanding about social enterprise is perceived as a barrier to growth and opportunities. A common request was that Welsh Government be more proactive in ensuring that local authorities recognize the value of social enterprises.

All interviewees said that the term social enterprise is not widely understood within their organisation or within their communities, and all felt it would be helpful to their business if the term was more widely understood. However, many felt that there was no clear view of what it meant to be a social enterprise, even among social enterprises themselves. Market segmentation of social enterprises might be helpful in this regard.

The Value Wales “Social Care Procurement Route Planner” was seen as good practice and highly regarded. However, it is felt that there is a need to systematically embed the approach in commissioning practice. It was also felt that there is insufficient guidance available to commissioners on how to stimulate mutuality in the commissioning and procurement of services

Local Authority Overview

In developing this strategy, discussions took place with a number of local authorities across Wales, namely: Caerphilly, Pembrokeshire, Swansea, Newport, Ceredigion, Torfaen, RCT, Flintshire, Denbighshire, Conwy, Wrexham and Anglesey. Discussions were also held with WCVA, voluntary sector providers and the SSIA.

These discussions reinforced the findings of the other research, in that there is a mixed picture across Wales. All local authorities are keen to develop social enterprises locally, but the majority were unclear how to go about doing this and were not clear as to what a social enterprise was. Many local authorities when asked to describe their current situation with regard to social enterprise and social care talked about small projects that were operating locally (furniture reclaim, cafes, radios, market gardens), or as a disability opportunity or as a job creation and training scheme. There were very few examples of real social enterprises delivering social care.

All were of the view that social enterprises if understood and managed correctly could be the key to sustainable social services and to support the transformation of the sector that is required.

Many had considered the opportunities for social enterprise in social care following Southern Cross but progress towards taking any action has been slow. Most are waiting for a clear steer from the Welsh Government.

Swansea have prepared a business case on options for managing their care homes as an Independent Trading Company and although this is currently on hold, the process they went through has valuable lessons for all.

The then interim Director of Social Services in Anglesey has set up and also manages a social enterprise that is now delivering in social care in England.. There is valuable learning to be gained from this experience.

The barriers cited by almost every authority were:

- Lack of understanding of what a social enterprise is
- No concept of the governance requirements
- Need to understand the impact and outcomes of a social enterprise on service users and staff – real case studies
- A central portal / place for information and advice
- Lack of information about “how to”
- Absence of a central network / learning option
- Finance
- Concerns about capital assets and capital investment particularly in care homes
- Balance between business skills and social consciousness
- Fear of change and loss of control
- Lack of understanding by senior officials and elected members

- Lack of leadership and vision from Welsh Government
- High financial risk

It was suggested that the following actions would be helpful:

- Promote the benefits of a social enterprise with real examples
- Regional awareness events aimed at elected members and senior staff
- Case studies that demonstrate the impact and outcomes of this delivery model
- Real leadership and finance to stimulate the market
- Long term strategy and outlook
- Support pilots in Wales
- Facilitation role
- Set up a network of practice and a handbook of how to do this
- Approach regulations and procurement creatively
- Ensure good business support
- Encourage cross authority working
- Share the learning
- Action learning sets
- Workshops on procurement
- Welsh Government needs to act like a proper bank rather than annual financial grants
- Don't try and do everything – focus on some good successes

The following social care opportunities that could be provided by social enterprises were suggested:

- Residential care homes.
- Lunch clubs.
- Community regeneration and health improvement.
- Intermediate care.
- Domiciliary care
- Social work delivery
- Reablement
- Rapid response
- Tele care
- Fostering
- Extra Care
- Specific services for black and ethnic minority communities.
- Supporting people at home: homecare, respite and day care.
- Home help services.
- Work and training schemes for the disabled.
- Sheltered housing.
- Home repairs which enable the elderly to stay out of residential care.
- Credit unions which provide financial security to the vulnerable.
- Food co-operatives.
- Hospices.
- Osteopathy and other complementary health clinics.

- Supplementary services, such as befriending, odd jobs, transport and gardening.
- Delivery of supplementary services:
 - The use of volunteers co-ordinated by a social enterprise to provide supplementary services.
 - The administration of direct payment schemes, to enable service users to purchase their own care.
 - The operation of training and recruitment agencies, to enable people to directly purchase care from qualified and suitable carers.
 - The creation of 'secondary' or 'agency' co-operatives, to provide marketing and support services to self-employed care workers.

Like all businesses, social enterprises are market led. Opportunities exist where:

- people or organisations, including the government, have needs or priorities
- funding is available to pay for services to meet those needs
- social enterprise models have the capability to deliver, or have some advantage over other business forms

The expected growth in the numbers of older people will drive a change in attitudes and services towards older people:

- A greater number of older people will control their care funding
- There will be changes in the home care market as more diverse roles are expected from home care providers
- The care home market will continue to consolidate and care homes will get larger
- There will be a continuing reduction in the role of local authorities as direct providers of care
- The next generation of older people is likely to take a wider view of where they spend their final years

Examples of social enterprise in Wales.

There are many good case studies and examples of social enterprises already happening in Wales, delivering enhanced services at reduced cost. Very often these have been developed as new model based on co-design and co-delivery of public services, where activities and services are designed and delivered by a wide range of interested parties, bringing together the independent third sector and the public sector with the citizen and the community at the centre. The approach can involve:

- Citizen-directed support
- Service user led services
- Community led services
- Mixed volunteer and staffed services
- Integrated services.

Examples include:¹⁶

- Out-of-hours transport from hospital and support for older people who are clinically able to return to home, helping to avoid re-admissions. The saving on the cost of re-admissions more than covered the cost of the service in 2009.
- Involving volunteers in longer term support and relationships with young people leaving care and, in turn, care leavers volunteering themselves through Millennium Volunteers
- Involving volunteers in enhancing the experience of patients in hospitals in an organised, union approved way.
- Integrating statutory and third sector services into a seamless Intermediate Care Service.
- Direct payment schemes which increase user satisfaction, independence and control, and also produce both savings and an enhanced service.
- Community alliances bringing together people needing care and support with local groups to build formal and informal networks and structures to meet their needs.

Vision21 (Cyfle Cymru) – is an excellent example of a sustainable social enterprise in Wales. It provides quality training across eighteen social enterprises and have been doing so for almost 25 years (see also Annex 5).

Caia Park Partnership in Wrexham has been in operation for over 15 years and delivers training, support and advice services including day care and meals on wheels.

Further examples are set out at Annex 5.

Strategic Support from the Welsh Government

The Welsh Government has been instrumental in setting up a strategic support network comprising of

- Wales Co-operative Centre
- Development Trusts Association Wales
- Social Firms Wales
- Welsh Social Enterprise Coalition

These were highly regarded by all those engaged.

Recent funding opportunities

Cyfenter

¹⁶ Developing a Co-operative Model for Increasing Involvement in the Delivery of Public Service, *Wales Co-operative Centre, July 2008*

In January 2012, a £4m fund known as the Cyfenter fund was established to help third sector organisations to grow and deliver vital services for their communities, creating 36 jobs, utilising European social funds. Community, third sector groups and social enterprises, across Anglesey, Gwynedd, Conwy and Denbighshire, are able to access between £10,000 and £75,000 towards the costs of building refurbishments, staffing and start up costs. It is expected that up to 26 new social enterprises could be created.

The Cyfenter Competitive Fund will also be established to identify gaps in service provision. Competitive bids will be invited from new or existing social enterprises for funding to provide these services – ensuring that enterprises meet the need and demand within communities.

WCVA - New ways of financing change in public services

In response to their analysis of the need to support a shift to community based care involving third sector, WCVA recognises that the sector needs access to a fund that will address the issues of commitment, risks and finance. In April 2012 it launched a new support model that is designed to address the issues of risk and finance in a transformative way by:

- Ensuring deliverers meet quality and safety standards
- Offering to invest £10m in new approaches over the next two years
- Taking on the risk of failure

The basic model is as follows:

1. Local Authorities, Third Sector and Health Boards identify new services or new ways of delivery which will lead to 'bankable' savings or improved service delivery in the longer term.
2. Third sector organisations (singly or collectively) design and agree a service(s) with Local Authorities or Health Boards with agreed measurable outcomes, criteria of success, quality and safety standards, initial period (in years) and scale and conditions of return.
3. The financing of the initial period is provided by the Community Investment Fund (Welsh Wellbeing Board).
4. This finance pays for the third sector organizations to deliver the service.
5. Once the service is established and delivers against the targets agreed at the outset the Health Board or Local Authority pays back the original amount. It is only at this point that the Local Authority/Health Board has to pay out (when the service has been proved).
6. If the service does not 'work' the risk and loss is borne by the Fund.
7. If it does work the repaid money will be recycled into further investments.

£10m is available via the WCVA to provide the investment in such a process over the next 2 years.

Section Eleven: Learning from other countries

There are a number of excellent examples of social enterprises within social care in England. The following were highlighted on a number of occasions:

Good Practice Examples

Sunderland Home Care Associates - Sunderland Home Care Associates has grown out of a co-operative wholefood shop combined with a childcare co-operative: Little Women founded in Sunderland in the 1970s. This developed into Little Women Household Services which provided domiciliary care on behalf of social services, funded through the Additional Requirements Payment which Little Women helped people to apply for. When the ARP payment ended, so did Little Women, but in 1993 Sunderland Council began the process of externalizing its care services and SHCA was set up and registered as a workers' co-operative. The 160 employees of Sunderland Home Care Associates own the company, share in some of the profits and participate in the decision making processes which affect them.

SHCA is a significant provider of social services to Sunderland City Council, including support for elderly, frail and disabled people to stay in their own homes. The work involves helping people get themselves up, washed and dressed, giving them breakfast and helping them clear up afterwards. There is social support as well as the more obvious physical support. For other clients SHCA provides services such as housework, shopping and laundry. They have also expanded into providing cover for care workers in residential homes for the elderly and for children with disabilities. SHCA also provides services to disabled students at Sunderland University with their academic work and with personal care.

SHCA has won an increasing number of contracts since its launch in 1994: its hours have increased from 400 to 4,000 per week and turnover is now in excess of £1.75million per year. In 2005 it made a pre-tax profit of £176,000. It has also passed on 14.8 per cent of its shares to employees since 1994.

Initially, SHCA was set up as a co-operative but it has since changed its status and is a regular company with an employee-benefit trust and a profit-sharing trust. After six months service employees are eligible to receive shares, so long as they work at least ten hours per week. There have been three share allocations, the first—in 1998—based on length of service and salary and the other two based on salary with a £12,500 ceiling.

The company has a fairly conventional management structure with a Managing Director and seven co-ordinators of different aspects of the business. The board (which has the same membership as the trust) has eight members including the MD (Margaret Elliott), three care workers and two external board members. Employees are involved in decision-making via reports of the meetings and occasional newsletters.

The satisfaction of employees can be measured by the staff turnover rate which is just 3.5% a year. For the 85% of staff who are women the flexible working hours are an additional bonus.

The local authority was supportive of the SHCA providing a grant of £10,000 in the initial stages of development as well as paying enough of the costs of its contract up front to allow SHCA to cover its initial wage bill. SHCA also received a grant of £11,000 from the Tyne & Wear Foundation to cover set-up costs.

SHCA has now moved beyond its Sunderland home by encouraging the sharing of the model with HCAs in North Tyneside, Newcastle, and Manchester. These companies employ, respectively, 30, 30 and 27 people. This has been achieved through the establishment of CASA (Care and Share Associates) which is an umbrella organisation established to share the model 'to further democratize home care services':

'CASA believes that if people are given the opportunity to develop through training, and blossom from feeling valued, that they will ultimately give a better service to the service user. The workforce participate in the decision making process, share in the prosperity of the company by being given shares and are encouraged to put forward ideas. We believe that this is one of the main reasons why SHCA is such a good model. It has been shaped by the workers.'

The founder Margaret Elliot says 'It has been our experience that these methods of work are a very powerful tool in raising self-esteem and confidence in employees....Staff feel valued and have a sense of responsibility. There is no them and us environment.' (From Social Enterprise Coalition website).

The Foster Care Co-operative - The Foster Care Co-operative Limited was set up in October 1999 and has two main offices in Malvern, Worcestershire and Cardiff, Wales. It is incorporated as a Company Limited by Guarantee and membership includes both Foster Carers and employees. However, the Government's Fostering Regulations prohibit foster carers from being directly involved in the governance or management of a foster care agency, therefore, legally the foster carers are actually associate members of the co-operative and therefore do not have a vote.

Currently, placements are being managed for 114 children, of whom 48 are from Wales and placed with families in Wales. However, this number tends to fluctuate and the long-term trend is for there to be a 50/50 split between England and Wales.

The Foster Care co-operative recruits prospective foster carers who are assessed and trained before being recommended for approval to the Co-operative fostering panel. Once approved their availability is made known to local authorities and, when appropriate, a careful matching process is undertaken between the child (children) and carers.

There is a variable structure in terms of charges, which is dependent on the child's age and placement type. Of the fees charged to local authorities, 51% are passed on to the foster carers, 26% spent on central staffing costs (currently paying for 40 salaried staff and some freelance employees), and the balance covers other overhead costs.

There is a national shortage of foster care placements, putting carers in a strong bargaining position with agencies. However, there are many private and voluntary sector agencies and in selecting providers, local authorities are largely driven by price. Those agencies with good carers in the right locations on their books will have a market advantage and the Foster Care Co-operative is seeking to charge mid range fees to local authorities, but to recruit the very best carers who it hopes will choose to work for it.

Laurie Gregory is the Executive Director and he was initially looking for an alternative to a 'for profit' organisation and had already had a bad experience of working within a charity. Laurie thought a Co-operative might provide the solution as there is much sensitivity concerning those who are profiting from the difficulties experienced by children.

Turnover for the financial year 2007-2008 was £3.4M with a surplus of around £300,000. While the objective is not simply to make a profit, this does help to fund expansion. The organization currently operates primarily in the West Midlands, Wales and South Yorkshire. It aspires to develop nation-wide coverage, and would very much like to establish an operational base in London. However the cost of covering start-up losses while the business there is being built up have delayed that aspiration being realised.

Community Foster Care (CFC) is a social enterprise helping to diversify the market in social care – where there is an estimated shortfall of over 10,000 foster carers across the UK. CFC is an independent agency that fills a gap in the market for foster carers, providing foster carers for 'looked after children' placed by local authorities. CFC has provided employment for many local people, particularly in the socially and economically deprived areas of Gloucestershire. It recruits foster carers and provides them with ongoing training and support to ensure they meet the high standards required by the National Minimum Standards for Fostering Services, the Fostering Services Regulations 2002 and the Care Standards Act 2000. CFC takes the financial risk, as social services only approach independent agencies when their own in-house carers cannot take a child, and only pay while a child is in placement. CFC is considering replicating its business model.
www.communityfostercare.co.uk

In **Bologna**, co-operatives which provide social care services have emerged, over the past twenty years, as one of the most important innovations in the traditional forms of co-operative models. **Social co-operatives** bring together both providers and beneficiaries of a social service as participating members. More than 87% of social services in the city are provided through user-led social co-ops under contract to the municipality.

Whilst the public sector still has a key role in the provision of social care and provides a significant amount of funding, the design and delivery of care is in the hands of those who provide the care and service users and their families. However, the individual co-ops are supported by co-op consortia that negotiate with the municipal authorities on matters such as assessment criteria, quality standards, evaluation and procurement procedures.

Although largely funded by the municipality, these social co-operatives also have access to additional income streams – for example, by charging those members who can afford to pay for some of the services provided, by selling services to other groups or individuals and by attracting investment from relatives of user members. Furthermore, since the control rights exercised by consumers and volunteers moderate the distribution of profit and the rise of costs, social co-operatives can provide services more cost effectively.

Whilst social co-operatives have greatly expanded the variety and range of home care services and support services for family carers in Bologna (and, more recently, in other parts of Italy), the cost of those services has been substantially lower than they were when they were provided by the public or private sector. This is, partly, because social co-ops rely not just on professionals but also on volunteers, so that they create a dimension of community. Whilst this approach has reduced the cost, it is also considered to have improved the quality of the service because it captures an element of caring that was thought to be lacking in the public sector or commercial delivery of the service. In essence, social co-ops are based on a concept of personal relationship or ‘sociability’ that enhances the user experience.

In response to a need to control expenditure on social services and create new jobs in the local economy, the **Quebec** government undertook research into social enterprise models of delivery and decided to introduce a ‘home care’ service across the whole of Quebec, with services delivered through a co-operative model. The concept of ‘home care’ is about ensuring that people have a real alternative to residential care. Initially, it focused on low level services at home that would support an individual’s independence such as shopping, housework or gardening. Subsequently, it encompassed the provision of home care itself, including personal care.

Home care was an area of un-met need in Quebec at that time. The government was quite clear that it was not replacing a commercial business opportunity through its interventions. The intention was to create a service that was not, at that time, supplied by the private sector – essentially a home care service to the elderly on very low incomes. Competition with the private sector

was not considered to be an issue since the private sector continued to provide services to those who could afford to pay for them.

The government had a pivotal role in creating the programme and building the culture to enable its development to take place. The market is now classed as 'protected' and since completion of the initial tendering exercise to set up the co-ops there has been no formal competition in the market place.

Following a number of pilots, the chosen model was that of **multi-stakeholder co-operatives**, which provide for membership by community-based users and supporters (individual or institutional).

Since the multi-stakeholder co-operative model was introduced in 1997, the following outcomes have been reported:

- A growth of home based services to boost the quality of home care and to boost quality jobs for women.
- Approx 6,000 new jobs created – mainly for women without any specialisation or qualifications.
- A range of training programmes has been developed in order to improve service quality.
- Approx 81,000 individuals have benefited from the services provided
- In 2011, nearly 6 million hours of service had been delivered.
- The annual cost to the Quebec government is around \$55 million.
- The development of over 100 local co-operatives engaged in the delivery of services. These are, largely, multi-stake holder businesses managed by members who are service users, workers and community supporters. Some peripheral co-operatives provide support services.

The Mondragon Corporation is a federation of **worker co-operatives** based in the **Basque Country** in northern Spain. Founded in the town of Mondragon in 1956, it has expanded to become a major economic player. Today it is the leading business group in the Basque Country and, in terms of turnover, is one of the ten largest Spanish companies. It comprises 120 co-operatives, employs more than 83,000 members and has a turnover of 14 billion Euros. The corporation's companies manufacture consumer goods, capital goods and industrial components. They also provide services to businesses.

A worker co-operative is characterised by the fact that the majority of its workforce owns shares and the majority of shares are owned by the workforce. Whilst membership is not always compulsory for employees, generally only employees can become members. However, for political reasons, there are variations on this rule across different countries with some requiring both compulsory membership and employment. In Spain the law permits owner-members to register as self-employed enabling worker-owners to establish regulatory regimes that support co-operative working but differ considerably from co-operatives that are subject to Anglo-American law. Anecdotal information suggests that the cost to prospective employees of buying shares (and therefore employment) in Mondragon may be quite high.

John Restakis, a leading expert on multi-stakeholder co-operatives who was heavily involved in the pilots in Quebec, believes that to be successful the home-care co-operative concept needed top level direction. The fact that the Quebec government was very clear in setting the policy direction for home-care co-ops and provided financial support in the early days of the programme was critical to promoting the transition to this new model of service delivery. He has endorsed the multi-stakeholder co-operative, rather than any other social enterprise model, as being best suited to a service that is person centred, responsive, innovative and adaptable. However, he has reservations about producing the required culture change without additional costs in the short term and he makes clear that the process of change could be lengthy since it would need to be phased in gradually as a complement, not a substitute, to public services. He has also made some more specific recommendations on the state's central role. In particular he suggests:

- In partnership with service deliverers, care providers and users, the state should regulate and monitor service delivery, establish service standards, license service providers and enforce legal and regulatory provisions;
- Social services that receive funding and are not under the direct control of the state should be conveyed only to those organisations that provide control rights over the design and delivery of those services to service users.

Section Twelve: Experiences of social enterprises models for social care

In-House Local Authority Trading Companies

On 1 July 2009 Essex County Council set up Essex Cares Limited, the first local authority trading company to provide in-house social care services. As Mike Walsh, interim Managing Director of Essex Cares Limited at the time of its launch, said: “The creation of this groundbreaking new organisation was borne primarily out of the need to respond to the introduction of personalisation. The growth of self-directed support and personal budgets was seen as a threat to the survival of expensive in-house provider services which were facing the prospect of being unable to trade and being priced out of business.”

A local authority trading company was not the only option considered by Essex County Council, but following a wide-ranging public and stakeholder consultation exercise this was the option preferred by all groups including local authority staff, trade unions and service users. With the final decision to set up a local authority trading company taken, it then took a further eight months to put everything in place for the launch.

Essex Cares Limited is a group holding company for the three companies that actually provide adult care services in the county:

- Essex Community Support Limited which provides reablement, sensory services, mental health needs and day care services
- Essex Employment & Inclusion Limited which provides day to day employment and practical support for adults with a learning disability
- Essex Equipment Services Limited which delivers a full range of aids to daily living, adaptations to homes, medical equipment and consumables throughout Essex

Essex Cares Limited offer support to around 100,000 people each year and was set up with a three year ‘block contract’ with Essex County Council that incorporated a 2.5% reduction each year to act as an incentive for driving efficiencies. The contract has 39 key performance indicators and the level of payment will depend on performance against these benchmarks.

Essex County Council was able to benefit right from the start, as Essex Cares Limited only utilised 60% of the overheads attributed to the relevant services when they were provided by the council – this generated backroom cost savings of £1m-£2m in the first year. Over the course of the three year contract the council is expecting to save 10% of the overall contract sum, and if the forecast profit is achieved a 6% per annum return should be realised with a proportion of this returned to the council by way of dividends.

At the time it was set up, 850 local authority staff transferred into Essex Cares under the terms of TUPE. As is common with many local authority trading companies it has been reported that since the transfer staff have been more motivated with morale increasing and sickness absenteeism decreasing in the first year from 16% to 4%. One of the fundamental principles of local authority

trading companies, and one which has been embraced by Essex Cares Limited, is that by setting up an independent organisation a can-do culture is able to be fostered from the Board of Directors to the staff on the front-line with the end-result that the service users will benefit from better services, and the local authority will benefit from higher efficiencies and reduced costs. Another wider benefit is that when staff within a local authority commission services from a local authority trading company they will appreciate the real cost of these services, whereas when they were commissioned from another local authority department there is sometimes a working assumption that such services have no direct cost. This should lead to commissioners being more careful when placing orders and ultimately to greater savings.

The Transfer of Services into a Social Enterprise

There have been some problems with the transfer of social care services to social enterprises. For example, in Blackburn, Darwen Council planned to outsource its remaining in-house adult care services to a social enterprise company. The proposed services to be outsourced covered residential care, reablement home care, day services, supported housing for mental health clients and the provision of direct payments and had a budget of £8,400,000 per annum. It was intended that the social enterprise was to be able to make savings by cutting overheads and finding ways of better meeting the needs of end users.

The staff to be transferred from the local authority to the social enterprise would have retained their council terms and conditions under TUPE, however the proposal angered the local Unison branch which expressed reservations about possible redundancies and the lack of appropriate consultation. This resulted in council officials withdrawing their recommendations to continue with the social enterprise model in June 2010 and instead a consultation period has begun with all options for the future provision of care services, including retaining them within the council, under consideration. This is similar to the situation in Shropshire when Shropshire Primary Care Trust was considering using a social enterprise to provide services including district nursing, physiotherapy and occupational therapy. Again the local unions opposed the move, dubbing it “a half-way house to the privatisation of the NHS” and claiming that a majority of staff had voted against the setting up of a social enterprise. Following this controversy the PCT agreed instead to form a joint Community Foundation Trust with Shropshire’s other PCT.

Partnerships with the Independent Sector

The transfer of social care services to the independent sector, i.e. to organisations that do not have a public-sector ethos, has been going on for a long time but can still result in difficulties. However, one reason for local authorities to consider this option was cost and efficiency. Firstly in-house care homes cost significantly less when provided by the independent sector as opposed to when provided by councils. Secondly the future demand for social care services is changing, and it is generally felt that the independent

sector is better suited to adapt to changing environments which also has the benefit of reducing the risk to the public sector.

The not-for-profit third sector is historically the usual avenue used for this type of outsourcing, and this covers entities such as voluntary and community organisations and charities. Two good examples of this type of project have been the transfer of care homes in Oxfordshire and Gloucestershire. The Oxfordshire Care Partnership was set up as a not-for-profit joint venture company between care provider charity The Orders of St John Care Trust and Bedfordshire Pilgrims Housing Association (now known as bpha).

Following a procurement exercise undertaken by Oxfordshire County Council, 19 care homes, involving the care of more than 800 older people, were transferred to The Oxfordshire Care Partnership. The contract between Oxfordshire County Council and The Oxfordshire Care Partnership was set up for 25 years and required the building of up to 11 new state-of-the-art care homes specialising in residential, nursing and mental health care. The relationship between the parties has grown closer as time has gone by and new projects are being brought online as a result. From the County Council's viewpoint, the risks associated with the provision of such services have been transferred to another party, and the costs to it have reduced.

Following the success of this model, The Gloucestershire Care Partnership was set up in a similar fashion and 21 care homes were transferred from Gloucestershire County Council under a 35 year contract to operate, maintain and develop the care homes. £40 million of capital investment was set aside for investment in new homes, and around 1,200 staff transferred to the new organisation.

Annex 1 Types of Social Enterprise

There is no single legal model for social enterprise. The sector consists of 'companies limited by guarantee' and 'industrial and provident societies', some organisations are unincorporated and some are registered charities.

The sector includes a range of organisations such as credit unions, housing associations, development trusts, community or social businesses, cooperatives, employee-owned businesses, social entrepreneurs, intermediate labour markets and social firms and other charities and voluntary organisations that derive their income primarily from trading activities.

A fully developed social enterprise is not just a voluntary or charitable organisation run in a business-like way, nor is it simply a private business run in a socially responsible way. It is an organisation primarily devoted to social and/or environmental causes that utilises a business method (i.e. the selling of products or services and the accounting of profit and loss) to improve people's quality of life.

A variety of different legal structures may be chosen to serve the enterprise's core purpose and values, such as Community Interest Company, Company Limited by Guarantee, Charity or Industrial and Provident Society. The Community Housing Mutual model developed by the Welsh Assembly Government offers an additional option for co-operative ownership for housing associations. Social enterprises may also adopt different non-legal organisational models such as social firms, development trusts, co-operatives or community enterprises.

All social enterprises strive to achieve a double or triple bottom-line by generating economic, social and/or environmental benefits at the same time. Social enterprises often thrive where private businesses are weak, such as in areas of urban deprivation or rural isolation, and they can play a critical role in community regeneration. They can help make public and community services more affordable and accessible, spread new ways of working, prepare people for the world of work, promote community safety or generate local wealth in marginalised communities.

Social enterprises can take a number of legal forms. These include:

Co-operative - An organisation owned by its members and which subscribes to the long-established principles of co-operation. Members – such as consumers, staff, others in the community or a combination – have an equal say in what the co-operative does. An employee owned co-operative is an organisation owned by the people who work in it, where the employees should control minimum of 51% of the voting shares or indirectly own the business via an employee owned trust.

Consumer or user-led co-operative – This is a business owned by its customers. Employees can also, generally, become members. Members vote on major decisions and elect the board of directors from amongst their own

number. The first of these was set up in 1844 in the North West of England by weavers who wanted to sell food at a lower price than local shops. The world's largest consumer co-operative is the Co-operative Group in the UK which offers a variety of retail and financial services.

Mutual – A strict definition of a mutual is an organisation where the primary purpose is to generate benefits for members (often in return for a membership fee of some kind). They are established for a shared purpose such as to serve a closed community of members and share economic benefits among them (such as an agricultural cooperative); or they can be set up for an altruistic community purpose (such as a leisure services trust established to operate former council-run leisure centres). Mutuals are owned by their members (but no individual is entitled to a share of the underlying assets) and normally operate democratic voting systems, on the basis of 'one member: one vote', so there are no interest groups or 'majority shareholders' who can automatically outvote the others. It should be noted, however, that the term 'mutual' has come to be a widely-used umbrella term for organisations of many different kinds, including employee owned organisations.

Credit Unions - Credit Unions are distinct types of co-operative that provide financial services to members, particularly in areas of social and financial exclusion.

Employee Ownership - According to the Employee Ownership Association, these are companies where employees own a significant stake in the company. Employee ownership can take one of three forms:

- *Direct employee ownership* – using one or more tax advantaged share plans, employees become registered individual shareholders of a majority of the shares in their company.
- *Indirect employee ownership* – shares are held collectively on behalf of employees, normally through an employee benefit trust.
- *Combined direct and indirect ownership* – a combination of individual and collective share ownership.

Housing Associations: Housing Associations are voluntarily-managed companies providing affordable housing for rent and for sale. They give priority to those in greatest need and reinvest any surplus income in maintaining or adding to their housing stock.

Social Firms: Social firms are commercial businesses that provide integrated employment for people with disabilities or other disadvantages in the work place.

Development Trusts: Development Trusts are community run organisations that are concerned with the economic, social, environmental and cultural needs of their community. They are owned and managed by the local community and aim to generate income through trading activity that enables them to move away from dependency on grant support.

Community Interest Company (CIC) - Is a limited company, formed under the Companies Act 2006 that has special additional features to provide a purpose-built legal framework, including asset-locks, for social enterprises that adopt the limited company form. CICs are for use by people who want to conduct a business or other activity for community benefit, and not purely for private advantage.

Industrial and Provident Society (IPS) – This is an organisation conducting a business, either as a co-operative or for the benefit of the community. Special reasons may need to be demonstrated as to why an organisation should be registered as an IPS rather than a company.

Local Authority Trading Company (LATC) - Since the Local Government Act 2003, local authorities have been able “*to do for a commercial purpose anything which they are authorised to do for the purpose of carrying on any of their ordinary functions*”. This is otherwise known as the power to trade. In order to trade the local authority must set up a company, known as a local authority trading company. The LATC can only trade in areas that are related to that authority’s core services or functions. The company is independent of the council, although the local authority has to hold at least 51% of the company’s shareholding. It has its own Board of Directors, who act solely in the best interests of the company. Procurement regulations need to be observed where relevant. The first LATC in adult social care was Essex Cares Ltd in July 2009. In the South East, Wokingham Borough Council has set up Optalis which commenced operation earlier in 2011.

Social Work Practice – In England, Social Work Practices (SWPs) are being piloted in children’s and adult social services. SWPs are modelled on ‘traditional’ professions where practices have been long established e.g. family doctors, lawyers and architects. It is expected that practices are owned or led by social workers, but may employ additional staff to add a range of skills to the practice. Local Authorities will commission services from SWPs through a contract but will maintain strategic responsibilities and will manage and monitor the performance and partnership with the SWP. They are intended to be independent of the local authority with a separate legal form, and are therefore accountable for managing their own organisation. In adult services, the emphasis is on establishing SWPs as social enterprises.

Annex 2 - A Chronology of UK Government Policy on Civil Society Organisations

July 2010

The Coalition Government's *Our Programme for Government* [commits to "support the creation and expansion of mutuals, co-operatives, charities and social enterprises and enable these groups to have much greater involvement in the running of public services."

August 2010

Pathfinder mutuals launched with 12 public service spin-offs supported by expert mentors and leaders in employee ownership models such as the John Lewis Partnership and the Office for Public Management.

October 2010

Building a Stronger Civil Society: A strategy for voluntary and community groups, charities and social enterprises published explaining ways in which the Big Society reforms have the potential to create opportunities for civil society organisations and the support that will be available. The long term strategy to be built around three objectives: making it easier to run a voluntary or community sector organisation; getting more resources into the sector to underpin its resilience and independence; and making it easier to do business with the state.

A consultation document published at the same time, *Supporting a Stronger Society Civil Society: An Office for Civil Society Consultation on Improving Support for Front-line Civil Society Organisation*, sought views from civil society organisations on the forms of support that organisations would find most helpful.

November 2010

Mutuals Speech, Rt. Hon Frances Maude – An Announcement that every department would put in place rights for public sector workers to take over the running of services, including a right for civil servants directly employed by departments to form mutuals (under the right to provide).

An announcement that the Government was to invest over £10 million to fund a programme of support for some of the most promising and innovative mutuals to enable them to reach the point of investment readiness.

Green Paper Modernising Commissioning: Increasing the role of charities, social enterprises, mutuals and cooperatives in public service delivery - Consultation document to inform future Public Service Reform White Paper, focused on the role of commissioning in strengthening the role of civil society organisations such in public services. Sought views on three key elements for increasing competition and consumer choice: introducing payment by results across public services; setting proportions of specific services that should be developed by independent providers, including civil society organisations; and introducing new rights for communities to run services, own assets and for public services to form mutuals

December 2010

The Localism Bill, initiated by the Department of Communities and Local Government. Proposed legislative changes include establishing new rights for local communities to buy local assets (right to buy) and for community organisations to bid to take over the running of services (right to challenge).

New Compact with civil society organisations published. The agreement is shorter and more focused and aims to create the right environment for partnership working, backed by a set of accountability and transparency measures outlined in a new Compact Accountability guide published at the same time.

February 2011

Second wave of eight Pathfinder mutuals launched with announcement that Julian Le Grand, Professor of Social Policy at the London School of Economics, will lead a new Mutuals Taskforce to drive reform at the centre of government with the Prime Minister's backing.

Growing the Social Investment Market: A Vision and Strategy - Set out the Government's vision of a thriving social investment market where social ventures can access the capital they need to grow, including social enterprises and social firms. A key role envisaged for the Big Society Bank

July 2011

The Big Society Bank – now named **Big Society Capital** –opens for business with funding of £500million from dormant bank accounts and £200million from four of the UK's largest banks. The bank does not fund services directly, but invests in financial intermediaries in the social investment market, who in turn will increase access to finance for frontline social organisations. The first investment of £1million goes to the Private Equity Foundation, a venture philanthropy charity, to make grants to support a programme of payment by results schemes to help young people into employment, education and training. Applications for investment should be initially made to the Investment Committee and details of the fund and application process can be found on the Big Fund website: www.biglotteryfund.org.uk

Open Public Services White Paper - White Paper setting out the Government's approach to public services, based on applying five key principles of choice, decentralisation, diversity, fairness and accountability. Articulates the view that "what matters is the quality of service, not the ownership model" and states commitment to open up the provision of public services to a range of providers competing to offer a better service. Following consultation, the Government will set out a programme of work to implement the open public services agenda, including proposals requiring legislation. This should include a full range of support to those considering setting up a mutual.

The Road Ahead: A journey through public service reform for civil society organisations - Letter sent to civil society organisations from Right Hon Nick Hurd, Minister for Civil Society, following publication of the Open Public Services White Paper. Refers to the previously announced £30million **Transforming Local Infrastructure Programme** "to help infrastructure organisations improve their offer in respect of contracting support and more

effective tools for civil society organisations to engage with local commissioners”.

Further support announced in the form of a £10m **Investment and Contract Readiness** programme, designed to operate for three years from April 2012 to help civil society organisations “grasp the new opportunities” arising from new markets in public service delivery and new types of social finance – including loans and equity stakes – facilitated through the Big Society Bank. Also set out plans for making procurement more accessible and commitment to “developing proposals on how to improve commissioning and incubate the most innovative commissioners to draw together knowledge of what works into one place.”

November 2011

Localism Act received Royal Assent introducing the Right to Bid, giving residents the opportunity to take over local assets like shops and pubs and introducing the Right to Challenge, making it easier for local groups with good ideas to put them forward and drive improvements in local services.

Annex 3 - The social work practice pilots

Birmingham

This is a pilot to trial a new way of working, focusing on people with physical disabilities. It is aimed at helping people to be more active and independent. It will provide a new landscape for promoting and building the networks needed to support people in their own communities. This will be achieved using resources more flexibly, to ensure a sustainable infrastructure.

Social work teams will be attached to user-led organisations and enablement services. They will therefore be able to develop an 'enhanced offer' to disabled people. This will allow social workers to work far more closely with individuals and in communities.

Lambeth

This pilot is part of the council's vision for Lambeth to become a Cooperative Borough. The pilot will establish itself as one of the council's "early adopters" of new ways of delivering services, through mutuals and social enterprises. Lambeth's vision is of a social-worker led team offering early intervention to people with lower level need. These people would not usually have support from statutory adult social care services.

Lambeth will work in partnership with local people in innovative and creative ways, right from their first contact. They will do this by advising people who are managing their own care needs; by reaching out to all parts of the community; and by helping people keep themselves safe from harm and independent. The pilot will build on the success of the council's work developing more personalised care for people living in Lambeth.

North East Lincolnshire

The client group is older people and people with physical, sensory or learning disabilities. The new SWP will work very closely with communities, GPs, other care practitioners and specialists.

People who use services, their families and carers, will help assess needs and develop tailored personal plans. The aim is to prevent problems that can lead to worsening health, going to hospital or admission to residential or nursing care.

Shropshire

Shropshire's new Social Work Practice pilot scheme will involve the creation of a not-for-profit social enterprise. The scheme aims to support up to 1800 residents throughout the county. The team will test a different approach to assessing older people, people with a physical disability and those with learning disabilities by:

- providing information, support, assessment and advice to maximise independence through rehabilitation and reablement
- providing advice, support and access to assistive technologies
- allocating personal budgets to those who are eligible

- exploring alternative options when developing support plans
- arranging services and organising support
- carrying out carers' assessments and reviews
- developing peer support networks.

Stoke-on-Trent

The practice will provide assessment and case management to people with Long Term Neurological Conditions (LTnC) specifically Multiple Sclerosis, Parkinson's disease and Motor Neurone Disease. The practice will operate as a social enterprise, led by a voluntary sector organisation in partnership with an independent social work practitioner.

In addition, the practice will support service users with low level needs focusing on prevention, early intervention and timely engagement. It will also include support for family members and carers. The practice will work closely with a range of health and social care professionals to ensure a holistic approach to service delivery and improved outcomes. The views and experiences of service users and carers will be at the heart of the practice during its development, and throughout implementation, monitoring and evaluation.

Suffolk

The Suffolk project will support adults with sensory impairments. There will be statutory assessments of individuals and carers, plus early intervention, support planning and care management. The principle aim of the project is to improve outcomes and to provide more choice for people with sensory impairment. It is hoped that this can be achieved through working more creatively with partners to establish better resources in Suffolk.

Services will include; social work; rehabilitation; dual sensory services assessments; advice and guidance; equipment for people with hearing impairments; and British Sign Language or English interpreters. To deliver the service, Suffolk County Council will establish a social worker-led company.

Surrey

People with sensory loss have recently benefitted from a co-designed commissioning strategy in the county. One of the outcomes is to evaluate the feasibility of providing deaf services independently of the local authority. This would be delivered by a new form of organisation, based on a social enterprise model. The SWP will provide a platform to trial these plans. Services will be dedicated to person-centred support, with more people managing their own budgets and accessing community services. The Council says it is very excited about the potential to further improve outcomes for residents. The Social Work Practice project also sees the involvement of the Association of Directors of Social Services, The College of Social Work, the British Association of Social Workers, the National Council for Independent Living and the Local Government Group.

Social Work Practice Pioneers:

These all started in March 2012 and all are receiving small scale grants and supports.

| Project Name | Location | Comments |
|---|----------------------|--|
| Birmingham City Council | Birmingham | Social work to develop capacity, skills and confidence in ULOs. Peer social learning networks. Aim to build self help capacity. |
| Central Bedfordshire Council | Central Bedfordshire | Range of additional or substitute SW responses to safeguarding circumstances |
| Clarifi Consulting | Ipswich | Specialist service for adult survivors of child sexual abuse |
| Counter Trafficking Bureau (CHTB) | Human London | National SW team to work with victims of human trafficking - linked to LA safeguarding functions - including those who don't initially present as "vulnerable",CHTB, ADASS UKBA and criminal justice system. Up to 100 people (10% of national referrals) - those who present to LAs. The seed funding will be used for start up and to engage with LAs so that spot or block contracts can be established |
| Greenwich Daybreak | and Greenwich | Partnership with the council and with support of the safeguarding board. Restorative approaches to safeguarding circumstances. |
| ibk initiatives and Lives Unlimited | York | User/family led organisations will employ SW. Partnership between disabled people and SW. Work with people in their 20s or 30s. Evaluation by Centre for Welfare Reform. |
| Medway Council | Medway | Focus on delivering better settled accommodation for 40 people with MH needs. This will be part of larger social enterprise. Opt in for staff to shareholding and hope to extend to people who use services |
| Safe and Settled Ltd | Walsall, Staffs | Information, Advice and Advocacy, assessment and support planning - especially for people funding own care. |
| The Carers' Resource | Skipton | Support planning, capacity building and information giving to those who fall outside statutory services provision either by choice or through circumstance. |
| The Independent Social Work Partnership | Cheshire | Free face to face and on-line information and advice for people who don't meet criteria or fund own care. |

Annex 4

Useful Reading / Reference Sites

- Adding Value: Showcasing examples of good practice in procurement and delivery
- Community Benefits - Delivering maximum value for the Welsh Pound
- Making Assets Work The Quirk Review (2007): potential for the transfer of public assets
- Mapping social enterprise activity in Wales: Understanding in order to Influence (2009)
- Social Enterprise and the Welsh Economy (2010)(NAfW) Enterprise and Learning committee
- Social Enterprise Strategy for Wales, WAG (2005)
- Social Enterprise UK: Social Enterprise Survey 2011
- The Social Enterprise Action Plan for Wales WAG (2009)
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Annex 5

Welsh Case Studies

The following case studies have been supplied from the Wales Co-operative Centre¹

Menter Fachwen

Menter Fachwen was started in 1988 by a group of friends who purchased a small plot of land and a derelict building. It has developed as an enterprise in which people with disabilities can have an equal opportunity to participate in their local community.

The enterprise consists of several businesses each in its own community and premises. These include woodwork and joinery workshop, a catering service and café with associated sustainable tourism offer, a garden centre and a community ICT resource centre. People with profound learning disabilities participate in the community, through working in one of the five enterprises, the organisation manages.

The local authority social services department purchases the provision of independent living skills from Menter Fachwen. They are provided in the wider frame of local authority service options that are expected to be 'person centred enabling people to realise their full potential as citizens within their local communities.' In comparison to the local authority's in-house provision for learning disabilities, Menter Fachwen operates on a lower cost base. The organisation now has SLAs for 16 clients who are referred directly by social services and a further 22 contracts with individuals, receiving direct payments, from the local authority. The service has been successful with many clients moving onto paid work within their local community.

The organisation is fully self-sufficient and has an annual turnover of approximately £600,000. In the past, grants have contributed to their capital and revenue funding. The principle upon which the organisation has developed is to use grants in combination with revenue generated through contracted service delivery. Then it invests in the business and develops the enterprises, which trade in the local community. The organisation funds itself through the revenues generated by the five businesses along with the SLAs and individual client contracts.

The individual enterprises generate a surplus that is used to develop the packages of care for the service users. All revenue is aggregated and used to develop a tailor-made service package for each individual, rather than have the funding following each individual. This creates an element of cross-subsidy. Menter Fachwen is able to use the detailed understanding of each

¹ Wales Co-operative Centre – Social enterprise in the service of the public
An exploration of the benefits and barriers for social enterprises – November 2011

service user that is developed through the daily interactions to respond to individuals' unique requirements.

The SLA includes a number of targets which are based around quality, staff training and qualifications and service standards. Agreements are made annually and regular reviews are conducted. In an annual meeting with Gwynedd Social Services, the SLA is renegotiated to ensure maximum added value for the local authority.

Swansea Care and Repair

Swansea Care and Repair was established in 2000 following the end of the "Staying Put" project operated by Swansea Housing Association. It was set up to support the housing needs of older people, in the area, through a handyman service for adaptations and repair work that helps the elderly stay in their own homes.

Swansea Care and Repair is an Industrial and Provident Society and one of a network of twenty two Care and Repair agencies in Wales. The company specialises in small works with low charges. Mostly delivered as discrete projects, these are increasingly used by individual older people who pay for the service themselves.

It provides a range of client centred repair and adaptation services that prevent accidents or the worsening of existing health conditions. The small timely investments mean that older people can stay in their houses longer, which reduces the need for residential care and that hospital discharges can be speed up. Measures to increase security in older people's properties, provided by Swansea Care and Repair, also reduce crime and the fear of crime, which again supports older people in their own homes. Services include a Healthy Homes Check, a Welsh Government funded Rapid Response Adaptations programme, which provides an immediate response to specific needs, to enable people to return to their own homes following hospital discharge.

Around 65% of enquiries come directly from older people; Swansea Care and Repair will tailor a package of support based on their individual needs. It has a unique value proposition. Rather than simply responding to the specific need identified by the particular referral agency, a caseworker visit will identify where other housing needs might exist.

The organisation receives funding from the Welsh Government to deliver a range of core services. It also runs a number of locally procured contracts across a number of departments and services. These include two SLAs with the City & County of Swansea housing department and the Abertawe Bro Morgannwg University Health Board for its Health Visitor Grant that funds small works, identified by the health visitor and helps the client apply for funding for the projects.

Swansea Care and Repair does not compete on price with other providers. It is its combination of capabilities and services that give it an edge.

Vale of Clwyd Mind Association

The Vale of Clwyd Mind Association is a registered charity and a company limited by guarantee. It was set up 25 years ago as a result of a scheme to find accommodation for those with mental health problems. It has since developed its activities to fill a gap in service provision, based on an offer from outside mental health institutions to allow people to access services, support and opportunities that would integrate them in the local community.

Vale of Clwyd Mind activities hinge upon its original advocacy ethos of representing the interests of people affected by mental health problems. The supported housing offer translated this into tangible services that now form the nucleus of Vale of Clwyd Mind activities, from residential care for ten adults with enduring mental health problems, to the provision of 'floating' support for people with continuing care needs residing in 19 flats.

On the back of these established services, Vale of Clwyd Mind has developed further value added services for its key target group including a portfolio of rural outreach services working to address mental health issues, across the counties of Conwy and Denbighshire. It has also worked with the Betsi Cadwalader University Health Board on a pioneering new approach to working with people with chronic conditions, the Emotional Care for Chronic Conditions Programme, EC3. The EC3 programme also delivers training to Primary Care personnel at all levels to work with the emotional effects of Chronic Conditions.

The organisation's core services, the residential care unit and supported housing, are delivered on the basis of a three-year rolling contract and form its financial bedrock. Working closely with the Local Health Board, specifically the Community Mental Health Teams and local housing associations, has allowed Vale of Clwyd Mind to nurture in-depth expertise and a solid track record with commissioners.

Its financial position is stable with a turnover of £800,000 to £1 million per year. Around a third of this turnover is derived from the supported housing services, while almost two thirds are generated from SLA funding with the local health board and social services.

Wellbeing Regeneration

Wellbeing Regeneration originates from a foot care pilot project, commissioned by a partnership between the NHS Podiatry Service, the local authority, the 50+ Partnership/Strategy for Older People and the Carmarthenshire Local Health Board (now Hywel Dda Health Board). Following the success of the pilot, the social enterprise was set up in 2008, registered in the February and commenced trading in April of that year. The director who is from a community health background identified a market failure in the lack of affordable foot-care services in Carmarthenshire.

The creation of the venture must be seen in the context of the wider service integration work undertaken by the Hywel Dda Health Board. The overriding aim of service integration is to complement statutory services in a locality. Wellbeing Regeneration can be seen as a strategic vehicle created to deliver on those aspects that go beyond public and private sector capabilities.

A Service Level Agreement with the Hywel Dda Health Board ensures clinical governance, key standards and podiatry assessment for the service. Beyond this the local health board contributed funding and monitoring during the first two years of development. Wellbeing Regeneration scored 100% and the health board have had less involvement since as a result. The insight that reduced mobility and lack of exercise have far-reaching physical, social and mental detrimental effects and leads to a tremendous loss of wellbeing is reflected in Wellbeing Regeneration's service portfolio. The foot care service itself goes beyond standard therapies to include appropriate shoe selling services, with associated revenue generation and includes fitting and advice. It has also developed a number of therapeutic services.

Additional services are developed based on the principle of avoiding service duplication. For instance, the pilot community delivery of phlebotomy services developed in partnership with the local hospital is a response to long queues at the Phlebotomy department at Prince Philip Hospital. Wellbeing Regeneration worked with the local GP Lead and the Community Resource Team on a pilot to bring the service out into the community. This reflects a Health Board commitment to move services out from the acute sector and work closer with the third sector.

Wellbeing Regeneration works on the premise of using grant funding to pilot new activities. The original SLA with the local health board subsidised affordable foot care. The foot care contract is delivered at scale.

Almost 100,000 toe nails were cut last year and the client base of almost 1700 customers grows daily. As a result, the service generates two thirds of Wellbeing Regeneration's revenue.

Vision 21 (Cyfle Cymru)

This is a registered Charity and social enterprise founded in Cardiff over 25 years ago by a young social worker who had worked with people with learning disabilities and believed that traditional Day Service Centres provided very little stimulating or rewarding activities for them. The organisation now has 5 centres, plus supported developments across south and west Wales. Through its partnerships, it provides nationally accredited vocational training, personal development programmes and employment options for people with learning disabilities. Its mission is *'to offer people with learning disabilities sufficient time and support to discover and develop new skills and experiences, leading to informed choices and real empowerment'*. This approach is consistent with the Welsh Government's principles on equality of treatment for people with a learning disability.

Vision 21 believes that by creating innovative and sustainable social enterprises throughout Wales, the opportunities for equality in employment can become a reality and provide the foundation for future community regeneration initiatives. It continually re-invests back into the community to ensure sustained growth through which it can provide solutions to equality of opportunity for some of the most disadvantaged members of the community.

The various enterprises at Vision 21 provide employment for 66 staff and offer regular opportunities for volunteering. Its income is generated from mixed sources, with revenue from enterprises and training initiatives supplemented by grants and fundraising activities. Its social enterprise settings include catering, horticulture and retail outlets, woodcraft and pottery workshops and a community farm, all of which provide training and employment opportunities. Further opportunities stem from its strategic partnerships, for example, with a housing association to staff and run the restaurants within two new Extra Care Housing schemes.

The following case studies have been supplied from the WCVA²

Integrated services: housing related support

This project established by a mental health charity provides accommodation for seven adults who require an intensive level of support in their recovery with two members of staff on duty 24-hours a day. It offers a stable environment for people who have just left hospital and are working towards independent living and enables clients to remain in their home through most episodes of crisis or relapse.

The project involved the creation of a unique set of partnerships. It brought together the County Council Social Services Department, the housing related support provider, the principal housing association in the area, the Local Health Board and the NHS Trust. What is striking about the Aberystwyth project is the high quality of its accommodation with flats that provide desirable therapeutic environments. Flats are furnished to a high standard, have a fresh and inviting feel and provide the kind of home in which people would actually want to live. The project not only provides the right environment, it is also backed up by a methodical recovery plan which belongs to the client but is supported by staff. With a 'Whole Person Approach', the client gets to look at all areas of their life, it enables them to look at issues such as education, medication, other therapies, social life, physical health and money. Most importantly it supports the clients – even when they are very ill – in being independent as they approach their recovery.

A client at the project said: "I have a really nice, well-equipped and modern flat here. It's my own space: I have privacy and independence but I know that I can access support at any time. Having this flat has definitely helped me to recover. The project provides a stepping stone towards independence. It acts

² WCVA - Public services: co-design, co-delivery

like a bridge between being in hospital and moving on to the next stage. For people who have been in hospital for a long time it's a really important step because it would be difficult to move in to a flat on your own."

The impact is that the project not only does this provide holistic client focused, community based support, it has already saved the local authority significant monies bringing clients who were based out of county back to their home area (£0.5m in the first year). It has reduced spending on public services whilst providing client focused services in the community. Developing community based housing related support, bringing people home and enabling them to contribute to their communities has benefited both the client and public service commissioners.

Source: Cymorth Cymru

Twilight service: 'out of hours' home from hospital transport and risk assessment

This service aims to prevent unnecessary admission to hospital by offering transport home from hospital for patients over 55 years old who are medically fit for discharge from A&E at two local General Hospitals, and to prevent readmission to hospital by risk assessments in the home and referrals to community and statutory support organisations, thus saving NHS Trust resources and reducing human suffering. Twilight Service staff also provide other services including: a patient befriending service; support to NHS staff within the departments by carrying out an agreed list of tasks.

The Twilight service is funded by health and social services and operates five days a week, between 2pm and 10pm. Drivers, all of whom are bilingual, are available in the two hospitals to transport patients home in a friendly manner. Each patient is transported home, helped to settle and offered a home safety check and referral to other activities/services if appropriate. The service has also provided a transfer service to other hospitals, and has crossed geographical boundaries that have prevented use of normal transport arrangements.

The impact is that older people who are clinically able to be sent home, have previously been admitted because a) there were concerns for their safety, b) the ambulance patient transport service was unavailable, c) transport by taxi was inappropriate or d) because care homes did not have the staff available to collect the older person. The service overcomes these obstacles and prevents unnecessary admissions. The cost of these admissions, based on one night per person (though the average stay is longer), exceeded the funding provided to the Twilight service when monitored over a 6 month period in 2009.

In addition, the drivers are available in the two hospitals to befriend patients and do simple errands for the staff. Service users have been referred to local social support groups, Care and Repair, Social Services or General Practitioner. The difference made to those who receive the service cannot be given a financial value, but includes a sense of being looked after, valuing

being put in touch with other services and relief at not having to stay in hospital.

Lessons learnt are that where vulnerable people are discharged from A&E and clinical decision units, there is a need for more than standard patient transport or taxi services. Providing a link to other services, public or third sector, helps to integrate the care system and enables the need for low level support to be met. The relative costs of the out-of-hours service and the normal daytime service have not been established, but this would be useful information to identify.

Source: F Zinovieff & B Collis (2010) The Role of the Voluntary Sector in Delayed Transfer of Care (DToC)/Hospital Discharge and Prevention of Readmission. Report produced for Welsh Assembly Government. Contact B Collis, bcollis@wcva.org.uk

User-led services: Barnardo's Cymru: Involving volunteers in supporting vulnerable young people

Barnardo's runs a number of services in Wales which provide a range of support for young people who are, or who have been, accommodated by the local authority, in order that they may successfully manage the transition from leaving care to more independent living. In one particular service of focus, volunteers work alongside paid Young People's Advisors. The impact is that volunteers are seen as part of the team, providing a wider range of experience and support to the young people. This is provided over a number of years, building relationships, participation in group activities and trust in others. They can bring specific skills (e.g. cooking, DIY) as well as supporting the development of life skills in a flexible, 'on demand' way. Service users report volunteers as being 'friendly, supportive and easy to talk to' and as having a similar background which helps the service users to relate to them. They see the support they receive continuing beyond the time when they are no longer eligible for statutory services.

In addition, the care leavers were in turn encouraged to volunteer through the Millennium Volunteers scheme, which further built their self confidence and life experience. Young people linked their enthusiasm for volunteering with their experience of being helped by a volunteer.

Lessons learnt are that volunteers can be an active 'added value' part of public service provision, and bring a breadth of experience and skills which those with a career in social care may not have. Including volunteers in service provision means that those receiving the service get beyond 'you are only doing this because you are paid' and begin to consider their own attitudes and motivations, often with positive results.

Source: M Andrews (2009) The Impact of Volunteer Support on Service Users, Barnardo's Cymru. Contact melanie.andrews@barnardos.org.uk

Integrated services: Lifestyle Coaches: supporting people with long term health problems to engage in health improvement through community activities

This service has been piloted in Neath Port Talbot and Bridgend by a partnership involving local authorities, the third sector, local health bodies, NPHS and NHS Direct. It involved embedding a lifestyle coach in a GP surgery who went through a simple programme of setting health improvement goals with patients referred by the GP. These patients were then supported through developing and implementing an action plan. This included local physical exercise, social, educational and therapeutic activities provided by community, independent and public bodies.

Part of the pilot involved collecting details of relevant services and inputting them onto the local services part of the NHS direct website. The coaches had an in depth knowledge of the services available within the primary care system, the local authority leisure facilities and local voluntary and community support groups.

The impact is that, on average, the participating patients showed a significant improvement in their health status, demonstrated by filling in the Euroqol EQ-5D questionnaire. Many also reported increased physical exercise, healthier eating and improvements in confidence. Key elements to the success were the skills of the life coaches and the access to the local opportunities. These local opportunities were collated by the local county voluntary council, who had the background knowledge and contacts.

Lessons learnt are that partnership working at a local level which includes the integration of the voluntary sector as part of the patient's health pathway can provide a context for innovation which would otherwise be impossible.

Source: A Simpson & M Longley (2009) Delivering Integrated Services Project – Self Care, Prevention and Promotion: An Evaluation of the Lifestyle Coach Pilot, Welsh Institute for Health and Social Care, University of Glamorgan

Integrated services: A project to develop a consortium in Conwy that links Intermediate Care seamlessly with third sector support services.

This project was divided into two distinct phases with phase one based around gaining local buy in and strategic support, designing the service and securing funding. Welsh Assembly Government funding was used to support preliminary work around developing a project led by the Building Strong Bridges Health and Social Care Facilitator for Conwy.

Mapping of third sector services and identification of perceived gaps in service provision indicated that third sector organisations were an untapped resource which could be accessed by the Conwy Intermediate Care Service (CICS). A series of joint sessions with interested organisations (including the CICS Team and commissioners from the LHB and Social Services) followed. These included identification of gaps in services (by the CICS Team): presentations

by third sector organisations on the services they offer; presentation on the consortium style of service delivery with an opportunity to ask questions and; co-planning of a new local service.

The results of the mapping exercise were used to produce both a web-based and a paper directory of third sector services available locally. The sessions with interested organisations informed the development of phase two of the project, the one year pilot of a service linked to the Intermediate Care Service in Conwy. The main elements are:

- A single point of access to services provided by a number of third sector organisations via a service co-ordinator
- A web based directory of voluntary and community services
- A volunteer enabling service
- A carer's short term respite service.

A Project Team was established to ensure effective communication across sectors, organisations and divisions and to provide a vehicle for shaping the service, defining and refining the parameters and considering the quality aspects of the service provided. A particularly important role for the team is to inform the potential mainstreaming and roll out of the service provided by the consortium. Phase two of the project commenced on 5th October 2009 with the launch of the pilot. An Operational Group has also been established to complete the work which will be taken forward by a consortium made up as follows:

- British Red Cross, the host organisation for the service coordinator post and volunteers
- Crossroads Care North Wales, host for the carer respite service.
- Conwy Community Directory Partnership.
- Conwy Intermediate Care Service.

The potential Impact of the project will allow for the “testing out” of a model of partnership working with the voluntary sector, the learning from which can be used elsewhere to achieve the aspirations around jointly funded, collaborative, citizen-centred service delivery, outlined in recent strategic documents such as Making the Connections; the Beecham Review, Designed for Life and The Third Dimension. The model will also provide a model of a framework for the procurement of services that is workable with any number of funding agencies and any number of voluntary organisations, and any combination of both.

Source: Assembly Government paper, Third Sector Partnership Council, November 2009

Wrexham Direct Payments

Wrexham County Borough Council has been issuing individual/personal budgets as part of their Self Directed Support (now called Citizen Directed Support) project since April 2008. There are currently approximately 100 people with learning disabilities who have benefitted from the flexibility and choice afforded by Self/Citizen Directed Support. The individual should be

allowed to lead the assessment process and must be at the centre of all decisions made in relation to their support. There must be a focus on enablement and promoting independence, concentrating on the abilities of individuals, rather than their inabilities.

It is important to note that in organising support, the correct balance is achieved between natural networks of support (unpaid) and support which is funded by the local authority and/or other agencies. There are opportunities to maintain and nurture the natural networks of the individual. Within the model, there are a number of options for people to choose to create tailor-made package of support, which must be outcome focussed and can include equipment and activities where appropriate. There are also opportunities for practitioners involved in this process to work closely with individuals and families to support them to find alternative solutions which may meet outcomes without relying on paid services.

There are a number of options for managing the individual / personal budget, (in addition to a Direct Payment) including an indirect payment to a family member or trust, an individual service fund held by a provider organisation or the local authority can manage the budget on behalf of the individual. The individual and those important to them, e.g. family members or advocate are fully involved in writing their support plan, which can be facilitated by whoever the person nominates, either from within Adult Social Care or their natural network of support. There is a great deal of support, training and information sharing available to individuals so that people always have someone to help them through any part of the process. Research in England strongly criticises local authorities for not providing adequate support with the process and placing additional burdens on carers. This learning has enabled Wrexham Council to put in place support mechanisms which make Citizen Directed Support accessible to everyone within the learning disability service, regardless of their abilities.

Elaine McGuire – Development Manager, 19th April 2010
Source: Wales Alliance for Citizen Directed Support (WACDS)

Self-directed support: direct payments study

There is growing interest in models of citizen or self directed support, where people who require care support services are allocated a personalised budget which gives them control over their money, their support and ultimately their lives. The Wales Alliance for Citizen Directed Support is working to develop and promote a model for Wales. It is made up of local authorities that commission services, organisations that deliver services, and organisations that represent the people who use services. Currently there are seven local authorities exploring how self-directed support can operate, working with a variety of client groups.

There are a number of direct payment schemes in operation, where disabled people receive payments to purchase and organize their own care, often supported by independent living agencies established as social enterprises.

A cost and resource analysis of direct payments in two local authorities in Wales provided strong support for the emerging consensus in the literature that direct payments, if implemented effectively, need not be any more costly than traditional services and may over time prove to be less costly. When coupled with the increasing evidence that user satisfaction, independence and control is greatly enhanced by, for example, providing more flexibility in when and by whom support is provided, the case for a cost benefit of direct payments is strong.

The analysis found that there is evidence to suggest that considerable opportunity cost savings could be achieved by the local authorities with better policy, systems, training and procedures, along with a critical mass of users. This is consistent with other findings which suggested that overly complex administrative procedures, a lack of critical mass, a lack of training and experience among care managers and a lack of effective support services hindered the take-up rate, effectiveness and efficiency of direct payments schemes.

The data primarily reflected support to people with physical impairments, who remained the primary users of direct payments, although use by older people, people with learning disabilities and, to a lesser extent, persons with mental health difficulties is increasing.

In summary, supported by the Independent Living Scheme, the direct payment schemes studied represented a substantial improvement over traditional arrangements from a cost and resource utilization perspective. There is strong evidence to suggest that greater opportunity cost savings can be anticipated if schemes become more fully integrated into practice and procedures and when certain policy and procedural issues, noted above, are addressed.

Source: Independence pays: a cost and resource analysis of direct payments in two local authorities (Tim Stainton, School of Social Work, University of British Columbia; Steve Boyce National Assembly for Wales; Ceri J. Phillips Centre for Health Economics and Policy Studies, University of Wales, Swansea, March 2009)

Community-led services: Swansea Sustainable Lives group – exploring new solutions

In Swansea, the Sustainable Lives group, involving professionals from City and County of Swansea Social Services Department and Community Lives Consortium, has initiated a co-operative inquiry asking “how can we collaborate to find models of social care for Swansea which is economically, socially and environmentally sustainable?” Based on its work over the last year it is developing a Time Together initiative starting in 2010 on person centred support and planning, and building more responsive mutually supportive communities. The following elements are planned:

- Time Together will work in partnership with the citizen's of Gorseinon to build a more mutually supportive and resilient community.
- This growing community will enable people who require social care and support to work together with community groups and support agencies to build formal and informal networks and structures that are more empowering, and are more financially, environmentally and socially sustainable.
- Create a collaborative growing Time Together Alliance of social care and support provider organisations, commissioners, and community groups to work together to coordinate and develop person centred support to people living in the Gorseinon area and to maximise the collaborative use of community assets and resources.
- Develop in partnership with the citizens of Gorseinon a membership based Time Together Network within which members can contribute to the work of the project and the social care and support of each other and are rewarded by time credits through which they can access community activities and events and eventually support provided by other network members.
- Use the Swansea People social networking website to support equal and open communication between agencies, citizens and community groups to support the work of the Alliance and the Network.
- Promote community actions and activities which are inspired by the principles of One Planet Living.

Volunteers

Social care Time Bank, Japan

Japan's population structure is often talked about in crisis terms given that the country has one of the world's most rapidly aging populations. The fact that its social care system is almost entirely publicly funded means ageing could put a particular strain on public finances (OECD 2005).

In response to this challenge Japan introduced a 'health care currency, or *hureai kippu* in 1991. This is effectively a timebank scheme which is dedicated to caring for the elderly. People who volunteer gain credits the number of which depends on the time given and the type of task, with more onerous tasks earning more credits. The credits are stored in the same way as savings – the currency is simply the hours instead of yen (Kent 2001).

The scheme operates in the same way as a bank. This means that credits can be banked for the future as a form of social care insurance, so when a person needs support she or he can draw on the credits earned. Credits can also be transferred to others. Many people provide help to an elderly person near to them, and then transfer the credits they earn to an elderly relative living in a different part of the country. In this way they can ensure their relatives receive support without actually moving to live near them (Alderidge *et al* 2002).

The scheme has been proved to provide a high standard of care. What's more, the majority of elderly people actually prefer receiving support under the *hureai kippu* scheme than paying by yen, because they build relationships with their carers. They also prefer it to services provided by charities, which make them feel dependent (Liataer 2001).

This case-study demonstrates how Japan has responded to the challenge of providing social care by focusing on 'everyday relationships'. Rather than innovating services provided by the state, Japan has responded by innovating methods of exchange and payment. These have strengthened social ties and encouraged families and communities to play more of a role.

Timebanking

What is it? - Timebanking is a social instrument designed to develop a more active dialogue between community organisations and 'people in communities' - the intention being to move the agenda from people being 'passive beneficiaries of community services' to 'active citizens for change'.

Timebanking is a new and different way for people to come together to help others and help themselves at the same time. Participants 'deposit' their time in the bank by giving practical help and support to others and are able to 'withdraw' their time when they need something themselves.

Timebanks measure and value all the different kinds of help and skills we can offer each other, but they are very egalitarian. In a time bank, *everyone* becomes both a giver and a receiver.

Everyone's time is valued equally: One hour = 1 time credit

A 'broker' (often a paid worker) facilitates and records exchanges between individuals and develops the membership of the Timebank. The broker interviews people when they join the timebank and helps people work out what they can contribute as well as what support they need from others.

People help each other out with everything from making phone calls to sharing meals and giving lifts to the shops - anything that brings them together:

Links

Think Local / Act Personal

<http://www.thinklocalactpersonal.org.uk/BCC/hottopics/Timebanking1/TimebankingUK/?parent=6636&child=6712>

- [Click here for an example of the skills audit that timebanks use when they recruit new members \(opens new window\)](#)
- [Click here to view our Timebanking Case studies](#)
- [Click here for a video on a professional timebanking model from Leeds Creative Timebank. \(opens new window\)](#)
- [Timebanks and health improvement](#)
These briefings provide an introduction to how timebanks can be adapted successfully in the health sector, to keep people healthy, to speed up recovery and to save scarce NHS resources.
- [The Business case for timebanks](#)
These reports make the case for timebanks to policy-makers, managers, practitioners and commissioners. They show how timebanking can be a tool to help organisations to meet different agendas and priorities...
- [Timebanking across the UK](#)

Timebanking – Wales

<http://www.timebankingwales.org/>

Welsh timebanks work a little differently to the traditional timebank model in that they are 'hosted' within public and community agencies. Community members are then invited to actively engage and take ownership of public services rather than being passive recipients. The 'host' agency acts as the central bank and acknowledges members for their time with credits. These

credits can then be used to access social, cultural and educational activities on a quid pro quo hourly basis.

This co-productive conversation changes the culture of the community landscape by re-engaging peoples talents in the context of participatory democracy, promotes mutual activity, encourages civil renewal and builds positive social capital.

Background to Timebanking Wales

In 2003 the University of Newport came together with Time Banks UK and Valleys Kids in a partnership to set up the Wales Institute for Community Currencies (WICC) and to develop new applications of timebanking. This Institute became so successful, that 5 years later it has evolved into two new organisations devoted to disseminating this work. Timebanking Wales is now working across Wales delivering much larger scale timebanking programmes to the third sector and its sister organisation, Spice is doing the same with engagement of people in public services across the UK.
<http://justaddspice.org/>

3. Timebanking UK

<http://www.timebanking.org/about/timebanking-resources/research/older-people/>

Co-production / social care

<http://www.scie.org.uk/publications/briefings/briefing31/>

5. Impact of time banks in the UK

https://docs.google.com/viewer?a=v&q=cache:TQnU_dpscegJ:www.rbwm.gov.uk/public/consultation_carebank_time_banks_impact_document.pdf+timebanking+-social+care&hl=en&gl=uk&pid=bl&srcid=ADGEESjXy0MHR5jMM4y5elwcedcLpBibOD30hy-rkjBmXIFJXdyAT82SAVPOr4sXpBxNZdQo_OsHjHgWN4SNsPbV75Bxn4sByKi5R891b2Y7k5GLhFdRaVLBc0TYCzMT5qKxWSu5M2a7&sig=AHIEtbQG4I4uk0CVCcUCZSC15igd5jOUGw

6. Model in North Hertfordshire

<http://www.slivers.com/services/donating-time/timebanking/>

7. SPICE example

<http://www.google.co.uk/url?sa=t&rct=j&q=timebanking%20-%20social%20care&source=web&cd=175&ved=0CDoQFjAEOKoB&url=http%3A%2F%2Fwww.cynnalcymru.com%2Fsites%2Fdefault%2Ffiles%2FBen%25>

20Dineen%2520March%25202011.pdf&ei=vi5eT_2fGIma8gPH1MXyDg&usg
=AFQjCNEwDc9of0rry1f3L3RjcVaDHGjqTg

8. Timebanking UK

<http://www.timebanking.org/>

Timebanking – Scotland

<http://www.vds.org.uk/Home/tabid/288/Default.aspx>

Annex 7 Case Studies from England

South Leeds Live at Home Scheme

The South Leeds Live at Home Scheme (SLLAHS) offers a social and support function to assist older people to live independently; it operates under the umbrella of and with funding from the Methodist Homes Association (MHA), other small sources of grant funding and a Service Level Agreement (SLA) from Social Services.

Social Services no longer wanted to be involved in the delivery of low level home care and planned to increase the pension credit and attendance allowance to enable older people to buy in services themselves. Staff at SLLAHS decided that they would bid for £4k from Social Services to establish a trading arm to organise home care provision using existing staff.

Unfortunately MHA did not sanction the new trading arm and therefore Angels Housekeeping Ltd CIC was established as an administrative, payroll, quality assurance, management, marketing and business development function for Dust Angels; a partnership between 2 staff that deliver cleaning services. These two staff and the manager of the SLLAHS are the directors of Angels Housekeeping, roles are independent of SLLAHS.

SLLAHS continues to exist and Angels Memorandum and Articles state that any surplus generated will be go to SLLAHS. In time Angels plan to extend beneficiaries to other groups that support the elderly in Leeds. The pricing model is: users pay £9 ph, of which £6 plus expenses is paid to workers and the remainder supports the services of Angels.

Grant funding was offered to home care service delivery organisations to become Social Enterprises. SLLAHS staff decided to bid for £4k to establish a Community Interest Company (Angels Housekeeping CIC) to contract with self employed staff to deliver services and to provide administration and other functions to develop the business. (The existing funder of SLLAHS did not sanction the establishment of a trading arm which is why a new company was formed.)

Any surpluses generated go back to SLLAHS for the benefit of the elderly in South Leeds. Angels Housekeeping is committed to making services affordable, paying staff a fair wage and ensuring delivery of quality services. Although it is somewhat off, the company does not envisage deriving more than 50% of its income from commercial markets, in order to maintain the focus on its mission.

The £4k grant funded set up costs, and a grant from WYSE Link has part funded directors' salaries. Hourly rates are structured such that a small surplus is made on service delivery after wages and admin are paid. Further grant funding will be sought to enable directors to develop the business by exploring more commercial activities that could ultimately subsidise services

to the elderly and increase the contribution to SLLAHS. The business plan reflects the goal to operate without a reliance on grants.

With support from Social Business Consulting, directors wrote a business plan to secure grant funding from Social Services and WYSE Link. Additional resources and support available at set up included:

- **Financial:** Set up costs have been minimal thanks to support from various sources. A small room in a local church acts as the office, where rent is £1k per annum.
- **Personnel (staff, volunteers, board / trustees):** No staff time has been paid for writing the business plan. The only two paid staff of Angels Housekeeping have been paid out of grant funding to date, the other director is giving time voluntarily.
- **IT:** A computer was donated and £250 was spent on a software programme for wages.
- **Assets:** No assets have been acquired, although in time larger premises may be needed.
- **Other:** £300 of a £500 grant from ARISE has been spent on publicity material and a free advert was posted in the parish magazine. There are no reporting requirements for the organisation.

SEQOL

SEQOL, a Mutual Pathfinder, delivers integrated health and social care to the population of Swindon. Employing over 700 staff, it has a four and a half year contract from the Council and NHS Swindon to deliver a range of services across health and social care. These include urgent care services, intermediate care services (rehabilitation and reablement), community nursing, social work, and supported employment.

Over the last 10 years, Swindon has pioneered the integration of Adult Health and Social Care, with Joint Community Teams, joint funding and jointly appointed directors.

Following the nationwide government initiative to separate the commissioning and provider roles of the local NHS, there was a real desire from Councillors, GPs and above all, front-line practitioners, to maintain the integrated approach Swindon had spent many years refining. A new, leaner operating model was required that was more closely connected with the communities it served.

SEQOL, based on the provider arms of both NHS Swindon and Swindon Borough Council was therefore launched on 30th September 2011.

SEQOL is a Community Interest Company limited by shares. Employees are encouraged to take far more responsibility for the success of the organisation. For example, a 'Colleague Assembly' has been established. This enables those employees who have taken up their right to buy a share to discuss and take decisions on key strategic issues for the organisation, driving

improvement from the front-line. Colleague representatives are elected and the Co-Chairs are members of the Board.

"I feel excited and very positive about having this opportunity to work in a different way. Within SEQOL, colleagues and myself will be even more closely involved in shaping the future for local health and social care, working with the communities we will support."

- Jeanette Grant, Operational Manager and Co-Chair of Colleague Assembly, SEQOL

In addition, during the preparation to become a mutual, SEQOL actively engaged employees within a programme of organisational development to ensure alongside the change in organisational form, the importance of organisational culture and behaviour change was recognised. This included workshops, mentoring and change management capability sessions, as well as full involvement of colleagues in defining the company values and vision and new organisational behaviours.

SEQOL's operating model is also based on a 'flat-structure' with few management levels, with power and decision making as close to the frontline as possible. SEQOL has seen a rise in productivity and reduction in unit costs across the majority of service lines. This has been achieved through a culture change where colleagues understand their business and the need to think differently to deliver high quality services within tight financial constraints. This includes increasing cost awareness, for example, placing posters in stock cupboards highlighting the cost of individual items of equipment to support behaviour change in the reduction of waste.

Central Essex Community Services

Central Essex Community Services (CECS), which launched in April 2011, is a provider of community health services employing approximately 1100 staff.

Setting up a staff owned organisation is not the easiest thing to do but perhaps one of the most rewarding. Knowing that the goal at the end is one of empowering staff rather than disenfranchising them is what drove us on.

- John Niland, Chief Executive of Central Essex Community Services

The establishment of CECS formed part of the Government initiative to separate the commissioning and provider roles of the local NHS. CECS worked towards the separation for a number of years. As a result, in April 2011, CECS was launched. It is a Community Interest Company (CIC) limited by shares operating independently from NHS Mid Essex. CECS is owned by its staff members, with staff entitled to one £1 share.

With a budget of around £47 million, it provides all of the community health services that it delivered before the separation, including dental services, long-term condition services and rehabilitation from illness or injury.

70% of CECS staff hold clinical roles and most of these have the opportunity to work remotely, using tablet computers to record data and patient information. They were one of the first community health organisations in the country to do this.

Becoming a mutual has significantly reduced staff sickness rates, which have dropped from 4.9% to 3.4%, a reduction of over 2 days per person per year since they spun out of the NHS in April 2011. It is still dropping. In addition, a staff survey conducted in October/November 2011 showed that 90% of staff looked forward to going to work, compared with 86% in 2010.

Moreover, CECS is now able to be much more responsive in bidding for new business and has been successful in winning tenders. Operational staff are fully engaged in bids - this level of engagement reflects a real interest from the staff in the success of their organisation.

CECS won contracts to provide community services in south Essex, Waltham Forest, Redbridge, Cambridge and Peterborough. It is also keen to offer an Integrated Care model and is currently in initial conversations with Social Care and a user led Disability organisation about the best model to do this.

In addition, CECS aims to exploit technology to extend its telecare and telehealth services, helping to keep people in their own homes and avoid unnecessary hospital admissions.

Walsall Home Care Co-operative

Solihull was one of the earliest local authorities to put its care services out to tender. Initially, around 30 contracts were awarded, the majority to small VCS groups. These community ventures could not sustain services and eventually private sector firms took over on a low price and high volume basis. However, social enterprises continue to operate in particular markets such as services for disabled children, respite care, and services for those with special needs.

One pioneer was the Walsall Home Care Co-operative, started in 1989 on the initiative of a local authority care officer who initiated a visiting service for older people. The project began as an experiment with 12 local carers and quickly grew to 28. To control the business and co-ordinate work a co-operative was established with help from the Black Country Co-operative Development Agency and a small grant. Over three years Walsall Home Care Co-operative created over 250 jobs in three years.

The Walsall model has been replicated elsewhere. In Telford, the Wrekin Home Care Co-operative has created around 80 jobs.

City Health Care Partnership CIC, Hull

City Health Care Partnership (CHCP) CIC is an independent, co-owned social enterprise providing NHS services to over 500,000 people in Hull and the East Riding of Yorkshire.

They offer a range of community based treatments, as well as early interventions which help to minimise the need for acute care in hospital, and promote healthy lifestyles. If a patient has been admitted to hospital, help is available to enable them to return to their homes as quickly as possible, with the medical support they need.

As a social enterprise and Community Interest Company, CHCP can provide high quality services in ways that are flexible, responsive and good value for money. Since becoming a CIC, the team has been able to introduce new services and innovative practices.

One of these key achievements has been the creation of specialist palliative care clinic which offers a holistic programme of care for patients with a life limiting illness. The service's unique feature is that the clinical team is able to visit patients' in their home rather than requiring the patient to come to them. A consultant, pharmacists, community matrons from a variety of service areas and Macmillan nurses all work together to manage complex symptom control. It also reduces the need for hospital admissions, helping to contribute to local hospital's QIPP targets, and most importantly, allows more patients to die at home, if that is their preferred place of care.

Patient and clinician feedback has been very positive, so funding has been made available to expand the service into the western area of the city.

One carer said "We were bewildered as to why we had been referred, having been under the care of the hospital for the cancer. However this clinic is so different, the focus is about how the illness is affecting you, and what can be done to support you through it."

Other innovations include the development of a 'telehealth' service for patients with long term conditions, the piloting of Personal Health Budgets and the development of a Medicines Management Service.

As an employee owned organisation which allows all permanent staff to purchase a £1 share in the organisation, staff have a sense of belonging, accountability and the right to have a say about the running of the organisation along with future plans and opportunities.

"You need to be passionate...the service is changing for the better," explained Heidi Sykes, School Nurse/Specialist Public Health Practitioner.

Staff from across the organisation have also been involved in developing efficiency savings, freeing up more of their time to concentrate on the day job. The 'bottom up' approach recognises that staff doing a particular job are best

placed to identify where there are wasteful processes in place and empowers them to do things differently, delivering more value to service users.

“My constant mantra has been that happy and included staff help deliver improved safe and quality lead services. CHCP has been at the forefront of changes to the way that health care is provided, and are looking forward to working together over the coming months with our staff, patients and partners, to meet the changing landscape of health care delivery and the needs of the communities we serve,” said Andrew Burnell, Chief Executive CHCP CIC.

As a Community Interest Company, CHCP CIC has made a commitment to contribute to the wider wellbeing of the local community. For example, through the introduction of a small grants scheme, local voluntary and community groups apply to receive up to £1000 funding to support activities promoting health and wellbeing. To date, 51 separate organisations have benefitted from this funding, with projects ranging from community gardens to bereavement support for children and young people.

Your Healthcare CIC, Kingston

Your Healthcare (YHC) is a social enterprise providing 23 community healthcare services to the local community in Kingston. Services include district nursing, school nursing, diabetes care and physiotherapy.

With less bureaucracy, staff-led enterprises can make quicker decisions in response to patients needs. YHC has certainly found this to be the case. “In the first few months of Your Healthcare’s life, we implemented a ground breaking three-partner model, involving GPs, Age Concern, to provide integrated primary care provision from one of our sites – no fancy business case required. It only took a matter of weeks and cost just £8,000 to set up. One of our most deprived communities now benefits from two full surgeries, five days a week with care delivered on its doorstep” explains Siobhan Clarke, Managing Director.

Whilst continuing to provide care under NHS contracts, as a social enterprise, YHC is also able to capitalise on new partnerships. They have recently been asked to be a key partner in a new adult day care centre and residential care with Age Concern, which would not have been possible under NHS restrictions.

As a result of becoming a CIC, YHC has also extended their Rapid Response service, reducing the number of hospital admissions. It enables service users to remain at home during a period of acute illness, receiving clinical treatment at home. Clients are contacted within two hours of YHC receiving the referral details.

“We can flex at will and have freedom to act according to local need without the requirement to jump through bureaucratic hoops – yet the public and our service users can be assured that any financial surpluses we generate go right back where it’s needed most – frontline services,” said Siobhan.

Carib care

Carib Care is an independent voluntary organisation, registered as a company limited by guarantee. The members and the management committee are drawn from the local community. Many people who receive services are also members, and take part in the AGM which elects the management committee.

The service grew from a critical inspection of the local social services department, which identified the lack of appropriate provision for minority ethnic communities. As a result they approached local churches to access these communities. Developments were encouraged and a home care project started through the auspices of the Huddersfield Afro Caribbean Council of Churches, but progress was difficult because of a lack of available people with experience and skills to write business plans, negotiate etc. There was a need to identify the key players, be persuasive, do research and put forward real demographic evidence.

Carib Care now provides 500 hours of home care per week. It provides personal and practical care, and runs a befriending scheme. It is about to open a day care centre and has a contract with Kirklees Social Services to provide 40 places a week. The centre intends to provide ‘traditional’ activities and meals but within an Afro-Caribbean cultural context. It will link in with an internet and computer training facility and the local Healthy Living Initiative.

Work is also taking place on developing housing with care through a housing association. It is intended this will cater for residents with varying care needs and to have a care team based there.

Blakelock Day Centre

The Blakelock Day Centre is a workers’ co-operative in Hartlepool which provides day care for frail older people on two sites in the town. The co-operative was set up when the local authority, then Cleveland County Council, decided to stop providing these day care services themselves, and put them out to competitive tender. Cleveland CDA submitted a bid, and won. It then recruited members to take on the contract as a co-operative.

It is far more economical than the original facilities, and provides a better quality of service at a lower cost. More people are using the service than when it was in council ownership. When the co-operative took over the service, it had to work hard to bring some of the staff on board. Both staff and users, in particular the older people, were resistant to change. A major change has been the freedom to recruit staff more flexibly. The co-operative now employs 12 people, but also encourages some users to work as volunteers.

There are 230 registered users at Blakelock and 80 at Abdiel. Both sites cater for frail older people.

The social services department assesses potential clients and then refers them. Blakelock also provides social facilities for people who are more able. People who use the centres do not get involved in the business. Staff encourage the users to suggest activities or programmes, but their attempts to sustain a users' group have failed.

The co-operative's annual turnover is £200,000, about 75% of which comes from a contract with the social services department. Users pay a small amount per day for morning coffee, a two-course lunch and afternoon tea and biscuits. The enterprise makes a small surplus each year

Eldonia House

Eldonia House is a residential care home owned by the Eldonia Development Trust. The trust itself grew out of the Portland Gardens Housing Co-operative. The organisation grew up in response to local demands to redevelop a site formally part of the Tate and Lyle refinery in Liverpool. Housing was provided in Eldonian village. About 11 years ago, the community opened the purpose built residential home in response to the needs of older residents.

In this way, people can remain in their own community as their needs change. This releases housing stock for younger people. The home is part of a close-knit community; residents have lived very locally, and their friends and relatives continue to drop in on a daily basis as if they were at home.

The managers of the care home report to the management committee of the Eldonian Village. The home has 30 residents, 90% of whom come from the Eldonian Village or surrounding area. Many were born in the area. All have a single en suite room. The home usually has 100% occupancy. There are approximately 30 staff.

The local social services department funds all residents, and the home makes a surplus that is reinvested in equipment and furnishings. The close relationship between the home and the development trust is critical to its success. This enhances its reputation, and enables the residential needs of the whole community to be met by the same organisation. Staff turnover is low and the pay is reasonable compared with the rest of the sector.

West Midlands Co-operative

The West Midlands Co-operative is a retail co-operative society, owned by its customers. It owns three care homes, The Willows in Codsall, and Castle Meadows and Nether Crest in Dudley. There are 140 places in the three facilities, and Nether Crest has a nursing wing with 40 places. All were bought from the private sector. The homes are established as a trading division of the co-operative society. Any customer of the society can be a member, and this includes staff, residents and relatives of clients in the care homes.

Members elect the board members at the AGM; eight are from the community and four are staff representatives. The Deputy Chief Executive of the Society is Head of the Care Division, and operational management is in the hands of a Head of Care Homes. The society originally became involved in care when the opportunity arose to buy a home which also blocked a retail competitor from developing a site. This encouraged the society to develop the care business, and it is now seen as a substantial part of the whole portfolio of service to their members.

The majority of income is derived from social services departments, with less than 5% coming from residents. Currently, turnover is about £2.25m. As a group, the homes trade profitably, but individually their performance is mixed. The best make a high rate of return on capital invested, whereas more recently purchased homes require improvements and renovation to meet quality and accreditation standards. At the moment under occupancy during the building period is depressing profitability. All surpluses go towards the development of existing homes, but in the future, expanding the network of care homes will be a priority.

Some of the homes had poor reputations, low occupancy and staffing difficulties when they were purchased. The society has worked hard to resolve these issues, improving terms and conditions, introducing training, renovating and expanding buildings and improving furnishings and equipment. Once these changes impact on the quality of care, the reputation of the homes will change and occupancy rates improve. Only when quality is consistently assured will the homes be badged as part of the society. It is still early days, but the improved homes are getting a name amongst potential residents – and are full.

The homes are traditional residential or nursing homes, but with administration and development provided through the core co-operative retail business. Placing the homes within the society creates significant business synergy. The society already has extensive experience in human resource management, property development and management, all of which become available to support the development of the care homes. There are also trading opportunities with the society as it owns and runs local post offices, chemists and undertakers. So far, direct food purchase between the retailing and care arms has not been a practical possibility.

ELIC

In 2005, Paul Haigh, along with 5 or 6 other GPs, reasoned that there must be a better way to deliver services to ensure that people had access to the care they needed; They were, collectively, concerned about the increasing involvement of private health care and the lack of preventative care and believed in the notion that a not-for-profit social enterprise could be established. ELIC was created in July 2006 with the objective of supporting GPs and other primary care staff to work together to develop high quality services. Currently, ELIC covers the area served by City & Hackney Teaching PCT. 90% of Hackney's GPs are members.

ELIC covers a population of 212,000 people, registered with 34 practices in City of London and the London borough of Hackney. It is a membership organisation, with 250 GPs, Practice Nurses and Practice Managers enrolled as members as of 2007. It is overseen by a members' council with 10 professional representatives and one representative of patients' interests. Financial surpluses are reinvested for the benefit of local patients.

ELIC works with its constituent practices to develop primary care services, and sets uniform standards of care across all practices. Acting as a 'quasi' trade body, it helps practices secure contracts, pathways for referral, improved waiting times and access to services as well as delivering consistent approaches to management and bureaucracy. Members pay a fee of 95p per patient to join ELIC.

ELIC has been awarded the contract for an ENT service in Hackney, to take 30% of current hospital referrals. The contract is worth around £250,000 pa. ELIC helps its 34 member practices to win contracts, offering admin support, tender completions and advice. By assisting practices win contracts from PCTs, the individual practices continue to support ELIC through the payment of fees. This is viewed as money well spent. ELIC remains confident that as their brand awareness grows, and the positive impact on service delivery is realized, they can have a greater influence on policy direction. They would also like, in time, to expand into other boroughs.

ELIC has supported 34 practices to deliver over £2.6m savings in Hackney since 2006, based on hospital referrals. These savings are good for the NHS, good for GP practices and good for the patients. Quicker, more efficient decision-making can be achieved, and greater consistency of care offered to patients: *"health care across the borough is not quite the lottery it was with consistency of care, standards and practice regardless of location. Patients' condition is managed the same across all practices"*. Members pool half their savings with ELIC to purchase new services with the current focus being on preventative care around heart failure and obesity.

Annex 8 - Case Studies from Scotland

Stewartry Care

Stewartry Care is a provider of complex personal health care at home services, assisting people in a wide range of different circumstances regardless of the illness, disability or health care needs they have. The team offers a range of vital necessary care services from half hour visits up to 24 hour care to around 400 clients. The company offers assistance with meals and peg feeding, a bathing service, personal care, catheter care, wheelchair-adapted transport, respite care, mobility assistance including hoists, sleepovers, care while unwell and palliative care.

Stewartry Care believes that every person has the right to be in control of their own lives, and the right to remain in their own home and maintain their chosen lifestyle. Stewartry Care is now the largest independent provider of personal health care at home services in Dumfries & Galloway, and is the largest employee-owned company in the south of Scotland. Although it is currently only operational in Dumfries & Galloway, there is no barrier to their services being provided in other parts of Scotland.

The service was established in 1993 by Jane Young who, as a registered nurse, was disillusioned when she witnessed the lack of appropriate care available to enable people to remain in their own homes. She believed that this situation could be improved and Stewartry Care pre-ceeded this legislation. She wanted to provide - and demonstrate the effectiveness of - alternatives to residential care. After providing the service for 18 months, Dumfries & Galloway Social Work started purchasing services. In 2004, the company became employee-owned.

Stewartry Care has a Service Level Agreement (SLA) with Dumfries and Galloway Social Work department who contract individual care plans which are regularly reviewed. Tailored private packages offering up to 24 hour care are also offered.

Since employee ownership in 2004, concerns exist around unit fee setting and the procedures relating to the allocation of care packages by the local authority. Stewartry Care finds this negatively impacts on their operations, as their unit rates are kept low in comparison to those awarded to other private care providers and the local authority in-house service apparently to encourage a diversity of supply, presumably to conform with EU legislation. Longer term plans for Stewartry include looking beyond Dumfries and Galloway at opportunities within other local authority areas both in Scotland and in England as well as investigating the possibility of offering a service to ex-pat communities in Spain and/or Cyprus.

Stewartry Care provides added value through providing health care at home. With its specialised and well-trained staff, it not only keeps large numbers of people out of hospital but also gives them the dignity of being able to die at home. They take pride in a high percentage of staff retention and attribute

much of this to their rigorous and comprehensive training and induction programme.

Unity Enterprise

Unity Enterprise is a Scottish inter-church charity founded in 1989 that is committed to promoting the ability of people to achieve full cultural, social, and economic inclusion within their community. Their vision is to become the leader in providing innovative and quality services to both individuals and communities. Unity provides its services in West and Central Scotland, but does not have any barriers preventing it from extending this throughout Scotland. Their services include carer centres, housing support services, community care, education, training, business partnerships, social enterprises including barge hire, a travel agency and cafes.

Through these services, training, work experience, guidance, support, personal development, education and social activities are provided for young people and adults experiencing disabilities and/or social disadvantages. 98% of £3.5m annual income is via contracts with statutory agencies including Housing associations, Local Enterprise Companies and Local Authorities, and contract lengths vary from 12 to 36 months.

There are concerns that the procurement sections of local authorities need to develop a cultural change toward social enterprise for, while it appears that there is a willingness amongst elected members to support small and medium sized social enterprises, internal processes can become stumbling blocks. Scottish Government support for social enterprise could be more prescriptive.

Unity aims to continue to offer a flexible, all round service to clients, recognizing the inter-related elements that contribute toward their health. Concerned that a 'best value' agenda can lead to pigeon-holing of individuals, Unity wants to develop their continuity of all round, flexible, support.

Over 15,000 people benefit from Unity's services every year. Unity intervenes to support people, and to draw them closer into their community. One example is their Housing Support Maintenance Team which works with people who would benefit from help in maintaining their home (e.g. painting and decorating, home repair).

KIBBLE Education and Care Centre

The story of the Kibble Centre starts not in recent decades, but in the middle of the 19th Century, when state provision was largely absent. The Kibble Reformatory Institution (a farm school reformatory) was founded in 1857 by a charitable endowment from Elizabeth Kibble who came from a wealthy Paisley textile family. In her last will and testament of 1840 she laid down that the money be used to "found and endow in Paisley an Institution for the purpose of reclaiming youthful offenders against the laws."

Kibble in its earliest incarnation survived by providing trades training to young offenders, charging placement fees to 'Boroughs' (Councils) across Scotland and generating income through the sale of products from the farm and workshops.

Over time Kibble appears to have operated successfully with a strong local identity and independent governance by prominent local trustees. This strong community 'grounding' has continued seemingly uninterrupted for more than 150 years, and is reported by staff at Kibble as contributing factors in the organisation's success.

Despite gaps in the archive, an oral history project exploring the story of Kibble has suggested that the school has always been innovative in its approaches and methods. Kibble has also continued on its original site, holding true to its ethos of offering care, education and support to young people in trouble.

For almost 80 years, until the 1930's, Kibble operated as an early form of social enterprise before becoming increasingly dependent on public funding, legislation, and support.

A turning point came with the Children and Young Persons (Scotland) Act 1932 when reformatory schools were re-designated as Approved Schools and regulation transferred to the Scottish Education Department. This, along with the central funding that was introduced, provided greater uniformity and stability to the services that Kibble provided but greatly reduced its independence and flexibility.

For most of the 20 Century, central and local government grants funded Kibble's work. During this period of public sector influence and control, it seems likely that the ability to retain strong influence and connections with the public sector became increasingly important to the success of Kibble.

Despite taking various forms over the years in response to the changing Government policy, another key change occurred in 1986 when responsibility for funding to Kibble was handed over to Strathclyde Regional Council. Subsequent changes in social policy and the community care agenda together with a reduction in Government funding for the residential school sector then led to a decade of public under-investment in Kibble buildings, resources and staff.

The early 1990's saw Kibble with, as one staff member serving at the time describes, a "stagnant organisational culture" slow to grasp opportunities. When new Executive leadership was put in place in 1993, there was said to be a "dawning realisation" of the precarious position of the organisation in light of the profound changes around it.

The make or break moment for Kibble came in 1 April 1996 when Strathclyde Regional Council ceased to exist and new unitary authorities were created. This meant that Kibble lost its sole funder and its 'block grant', which one

senior staff member describes as providing "stability and comfort". It also meant the loss of logistical and administrative support (e.g. access to vehicles, accounting and HR services, etc.) on which Kibble had come to depend.

Members of the Executive Team at Kibble at the time variously reflect on this crisis point as a 'sea change' where the "rules of the game changed overnight" and the safety net of grants was gone. This, as with earlier changes in Kibble's operating environment highlights the profound influence and impact of a sudden change in public policy, legislation, or structure.

This did not provide fertile ground on which to grow a new social enterprise. At this point, facing closure, Kibble was left with ageing dormitories and low staff ratios, an occupancy rate of only 50%, an outstanding debt of £80K to pay, annual costs of £1.4m to cover, and a staff team of around 60 to support.

The position Kibble found itself in during 1995/96 left it with a straightforward choice; to either close the organisation, or vigorously 'sell' its education and residential care services to local authorities throughout Scotland.

Senior staff and directors chose the latter; a courageous decision at the time given the plight of the organisation, and one which demonstrated a strong instinct for survival among staff. It was a decision that eventually led to the transformation of Kibble from a grant dependent voluntary organisation into a successful social enterprise.

This resilience in the face of adversity is attributed by those in a position of responsibility at the time as being largely due to the influence of a group of like-minded and experienced senior staff members at Kibble, with:

- strong and practical experience of the education and care sector;
- a belief that there was "something worth saving" in Kibble;
- an understanding of the importance of operating Kibble as a business;
- a strong range of business skills (e.g. two of the four senior managers held MBAs), which was relatively uncommon in the voluntary sector at the time;
- an adaptive and flexible attitude combined with a shared sense of purpose and an ability to take the 'long-view'; and
- an underlying perseverance and courage to see changes through.

Kibble staff members and outside agencies credit the current Kibble Chief Executive (appointed in 1993) as a vital catalyst to change. This individual has been characterised as having a range of socially entrepreneurial characteristics, including leadership, drive, ideas, connections, knowledge, business acumen, and a social passion. He has also been variously described as bringing "vision and a renewed purpose" as well as "energy and sense of adventure".

Also credited as critical during this period, and subsequently, is the role and expertise of Trustees. These prominent and well connected individuals, mainly from the business community, provided confidence in and support to staff at vital times. They also provided a range of commercial, legal, and business development skills. This seems to build on a long tradition of strong Trusteeship from local business leaders and officials over the course of the 150 year history of Kibble.

Senior staff and Trustees worked closely together through this period to redesign and restructure Kibble. Key steps were required to re-assert the independence of Kibble and create a social enterprise that was fit-for-purpose:

- extensive consultation with existing stakeholders (including the bank) and development of a business plan focused on ensuring survival in the short to medium-term;
- the creation of a company limited by guarantee with charitable status to act as the operating arm of Kibble and creation of an Executive Board (a model unusual in the third sector) - in this new structure the four senior staff became Executive Directors, providing as one describes it "a sense of ownership" and enabling close and direct communication with Trustees;
- the development of an organisational infrastructure - in-house HR, finance, ancillary, ICT, fundraising, communications, etc. - that reflected Kibble's new independent status; and
- revitalising the organisational culture by appointing new staff in key positions, empowering them to lead change and improvement within their service area, developing new ways of working, and instilling a more commercial focus.

The transformation of Kibble was a process that required time. Concerns for the next five to six years were dominated by the day-to-day struggle for survival. This period has been characterised by senior staff as a period living "hand to mouth", involving a "complex" and "messy" process of change, and one that required great determination to overcome daily challenges. Survival was considered the ultimate test of success during this time when many other residential schools were closing.

The critical challenge was to form productive new business relationships with local authorities. During that period Councils were coming to terms with budget limitations following reorganisation, were unwilling to give up the ability to set the price for services from the third sector, and were unfamiliar with forming contracts with social enterprises. Kibble was also starting to "swim against the tide" of social policy which favoured community-based alternatives to residential care. Together these influences meant that prospective local authority purchasers were determined to stop using Kibble where alternative arrangements could be found.

This led to ongoing and long-running negotiations and tensions with local authorities who for the time being remained dependent on Kibble services.

This required Kibble to assert its independence and stand ground on negotiations around price and service specifications. It meant saying 'no' to important Council customers and withholding services, where they were unable or unwilling to pay an economically viable price or where the resulting quality of the service would be compromised. Perseverance eventually resulted in a breakthrough whereby Kibble was able to set prices and admission policies, and agree 'spot purchasing' arrangements with a growing number of local authorities.

During this prolonged period of hardship, the ability of the Executive team to make quick and effective decisions was critical. One account from a senior staff member notes that "what was most encouraging was how much we got right - and many of the things that we got wrong were because we underestimated demand and the scale of changes coming".

While the attention of managers was on survival in the early years following 1996, the focus gradually shifted to the long-term measures that would be required to strengthen the position of Kibble in the new market environment.

Kibble began to as one manager describes it, "shift up a gear" from around 2002 and realise the full potential of the now rebranded and reconfigured Kibble Education and Care Centre.

In the period from 1996 to 2010 turnover at Kibble increased from £1.4m to over £18m, staff numbers have reached 322 FTE, and the number of Scottish local authorities it is serving has grown from six to 26 (of 32).

This unprecedented period of growth has been enabled by a strategy based on significant investment. It was acknowledged by senior staff and directors from an early point that major investment was required in three areas to create a step-change in the prospects of Kibble:

- Investment in facilities. After years of underinvestment in its 18 acre campus, it was recognised that the facilities that it had to offer potentially provided a unique competitive advantage. This signalled an investment of over £20m since 1996 in continuous renovation and development, including the opening of an £11m secure unit (the Safe Centre) in 2007. This provided among the best equipped facilities of its kind in the UK.
- Investment in services. There was also recognition that to be successful Kibble had to provide the type of services that responded to young people's needs and were required by local authority purchasers. This meant significant and ongoing innovation, development, and reshaping of services. It has led to a spectrum of linked, and child-centred, services that meet the range of difficulties faced by at-risk young people as they develop. Services now span intensive residential and community services, secure care, specialist interventions, alternatives to custody, a full educational curriculum, intensive fostering, enterprise and employment, throughcare, and aftercare. KibbleWorks was also introduced as a significant new enterprise and

employment hub, where young people work and train alongside an adult who is running a commercially viable and sustainable social business. This combination of specialised services is unique in Scotland to Kibble and central to its competitive advantage.

- Investment in people. There was recognition that staff needed to be fully equipped to deliver these relatively specialist services, in a field which was becoming increasingly regulated. Managers claim to have been extremely diligent in recruiting the brightest and most committed staff available. Tailored training programmes were also developed and there is a significant commitment to investing in formal and informal learning opportunities for people at all levels of the organisation. This has helped to create what has been described as a highly competitive, specialist, and adaptable workforce. Described as "the Kibble way" by one staff member this culture of learning now seems to have become embedded and has reportedly resulted in high levels of commitment and low levels of staff turnover.

The willingness to make such investments appears to have created a virtuous cycle of growth for Kibble. New facilities, skills, and services created demand from local authorities, which translated into sustained occupancy (and waiting lists) for placements. The combination of unique services and full occupancy drove turnover and profitability, which as a result enabled further investment in staff, services, and facilities.

Linked to the investment and growth of Kibble, a number of associated factors have been reported by managers, staff, and partners as instrumental to this period of sustained success:

- The ability to secure pump-priming - Kibble has become increasingly adept at securing 'blended' investment packages (grants, loans, and fee income) that has provided the basis for the investment strategy;
- Reaching 'critical mass' - Kibble has been able to reach a scale in the market, and offer an accompanying spread and mix of services and income streams, which helps to safeguard against unexpected drops in demand for individual services;
- Niche positioning - Kibble has made a deliberate choice to offer increasingly specialised services to an at-risk client group, thereby offering a solution that other providers in a crowded market could not and commanding higher fees to reflect this;
- Shaping market demand - Kibble has led or participated in a number of high profile national and international research projects and learning initiatives that is reported to have influenced policy, shaped professional practice, and positioned it as a leader in its field;
- Enterprise orientation - Kibble has a strong focus on enterprise (e.g. Kibbleworks) and demonstrated a willingness to take calculated risks, and a can-do culture summed up by one staff member in relation to new ventures as "if we can say 'yes', we will say 'yes'".

- Constant innovation - Kibble has created a culture of openness and adaptability to change, encouraging and supporting staff ideas, and ensuring that it has been an 'early adopter' of new approaches, technology, and practices; and
- Maintaining profile - since around 2003 Kibble has been increasingly active in sharing its ideas, learning, and successes, which have in turn helped to raise its profile as a leading social enterprise and opened up new opportunities.

Staff and partners have also highlighted as of central importance, the continuing and strong leadership within the organisation. The core of the senior management team at Kibble has been in place for over a decade and attempted to draw leadership practices from the public, private, and charitable sectors. Despite this continuity, managers have guarded against complacency by encouraging a culture of learning and investigation right up to the most senior levels.

The influence of outside support is less discernible. Kibble has, as one senior manager commented, "outgrown and outlived" the influence of any single form of external support. Its growing scale has enabled Kibble to build up a significant body of in-house expertise (e.g. strategy, finance, HR, etc.), although it continues to draw strength from a number of sources, e.g.

- a long and productive commercial banking relationship;
- the goodwill, connections and expertise within the local community and prominent supporters;
- shared learning and collaboration with a range of national and international partners; and
- specialist social enterprise business advice and professional expertise brought in 'as and when required'.

Over the last decade the growth of Kibble has been positively influenced by buoyant economic conditions, and the associated growth in public sector spending. At the same time this has resulted in competition from a variety of sources (i.e. private, public and voluntary sector) and alternative forms of provision (e.g. prisons, community interventions, preventative measures). As one Kibble senior staff member describes it, "a rising tide that has lifted all boats".

After a period of economic difficulties in consumer markets, public sector spending is now beginning to contract. A trend that is likely to accelerate, deepen and spread throughout the public sector over coming years.

Since the start of the current economic downturn in 2008 Kibble has largely been sheltered from its worst effects. Local authority purchasing budgets have not yet reduced substantially, and Kibble remains the provider of choice for its key customers - evidenced by sustained occupancy rates and profitability.

There is strong recognition now, however, on the part of staff, directors, and partners that uncertain market conditions are likely to put growing pressure on the Kibble business model. The inevitable rise in youth unemployment and offending during recession is potentially creating additional demand for services. At the same time Kibble continues to remain largely dependent on the purchasing decisions of a relatively small number of local authorities, each of which will be seeking out ways to make financial savings, and each of which will be faced with possibly cheaper (if less appropriate) forms of service provision.

This is combined with an evolving public sector procurement agenda, which may usher in larger scale, block purchasing arrangements in residential care services. This conceivably challenges the flexibility, independence, and scope for innovation that has driven much of the growth at Kibble.

This has created an increasingly precarious and uncertain operating environment for Kibble; an environment in which survival may depend on a number of continuing strategies, such as:

- the widening of specialisms and therefore income streams;
- a commitment to negotiate and win business on the basis of quality not price;
- flexibility to alter service offerings in response to changing customer needs;
- price increases to reflect service enhancements and maintain profit margins;
- a willingness to end underperforming or economically unviable services; and
- a continuing desire to deliver services efficiently and effectively.

Kibble recognises that what has worked in the past will not ensure success in the future, and is committed to constantly reinventing itself. Critical, however, is the ability to evolve and change in ways that are consistent with the social mission that has driven the organisation since the middle of the 19th Century.

The current five-year strategy for the organisation has set a broad future direction that will see Kibble:

- remain a national resource developing a range of individualised and specialised approaches for young people at risk;
- concentrate its principal activities in Renfrewshire but develop a range of partnerships nationally to ensure service continuity and effectiveness;
- aim to be a flagship organisation in its field, leading the agenda, collaborating, and sharing knowledge in an open way; and
- continue to operate as a leading social enterprise using a fee-for-service model to sustain its operations.

Given the future challenges and uncertainty Kibble plans to examine creative and radical possibilities for delivering on its mission in different ways, perhaps involving new forms of governance, new collaborations, and new operational structures.

Given the scale and maturity of the organisation, long-term succession planning is also likely to become more of a consideration after a period of lengthy and continuous leadership that has given rise to much of its success

Healthy Communities Collaborative

The Healthy Communities Collaborative is a Perth and Kinross project which involves groups of older people working in partnership with a small team of staff. The initial aim of the project was the prevention of falls in over 65's with broader objectives for improving health, wellbeing and quality of life for older people.

Older volunteers were recruited by the project management teams attending local community groups and extending invitations to orientation events. Locality teams were then established each comprising 5 or 6 older people supported by 6 support staff. Training and team time discussion sessions were organised so that the groups could work out what they wanted to implement in their communities and how work would be carried out. Each year the teams focus on a different area of health. In 2006 for example, 'Physical Activity' resulted in team members being trained as Chair Based Exercise Instructors and Walk Leaders.

Benefits identified by the ongoing project evaluation included increased opportunities for social contact, physical activity and improvements to mental health. The success of the programme was such that there are now ten teams operating across the Perth and Kinross area. This programme was conducted by local authorities in partnership with volunteers and is a useful example of the potential for partnership programmes to deliver positive outcomes.

Homemade Cakes and Hospitality: The Hub Café

“Sometimes change is thrust upon you, but right from that moment I wanted to do something which involved the community. It's just been a simple idea and a lot of hard work!”

This venture offers a weekly afternoon cafe in a local church hall with entertainment for retired men and women who live in East Kilbride and the surrounding area. It is run by volunteers on a cost basis and any funds left over from ticket sales are ploughed back into the entertainment. The Hub now welcomes between 40 and 60 older people every Thursday, with an ever changing programme of entertainment from guitarists to choirs, from tracing family trees to bingo and everything in between. The cafe aims to bring older people in the community together for a 'Young at Heart' style afternoon and to encourage participation in weekly activities.

“I was putting up posters every week in the sheltered housing, libraries, churches, art centres as well as advertising in the local press - and gradually everyone came to know about The Hub Café.”

The venture's first year has been a whirlwind of activity for Ena and her team of volunteers. Not only has The Hub Cafe featured in a DVD commissioned by the local Better Futures project, but Ena has also met counterparts from all over the world at a voluntary ventures conference in Vienna. In March 2012 several of the delegates will visit The Hub Cafe and be treated to a civic reception, and Ena is now skype-ing with colleagues in Poland and Spain.

Hours Time

This venture is an hour for hour equality based time bank, which will bring together diverse groups within Galloway; offering people the opportunity to share their skills and talents, from baking to gardening, stacking wood to cleaning windows, and visiting individuals who are isolated to supporting young mums. It will help support those who are socially anxious, depressed, unemployed or isolated. It will also help the many older people retiring to Galloway make a useful contribution and help them build relationships within their new community.

“When I lived in Devon I made someone a set of curtains and got a haunch of venison in return! - exchanging skills used to be part of life. So, I've approached people in the local community to say 'what don't you like doing and I'll get it done for you, if you do something else in return' and they're getting the idea.”

Annie's experience with vulnerable groups highlighted a gap, where minimal support was available for people with a mild range of deterioration. Through Hour Time, she aims to help them feel good about themselves, and tap into older people's experience to engage with younger people who may be struggling.

“The idea of equality has driven me to set up the time bank - it makes me want to do something to help support people and show that we all have skills which other people value. But Age Unlimited Scotland has provided clarity, focus and made me think practically about doing this as well.”

Footprints Aberdeen

“We provide a trusted bridge for older people to access today's opportunities through electronic media.”

John Tomlinson and Andrew Lawtie from Aberdeen spent much of their life in local government in Aberdeen, before moving into consultancy roles, John as a business coach and Andrew fundraising for a local charity. Both had the drive and the passion for their initiative, Footprints Aberdeen, but finding the time in a hectic work life was a challenge.

Their venture is a web-based social enterprise, encouraging older people's interest in, and interaction with computers. It has several social aims, primarily to promote and support older people's independence and prospects for living at home and reduce social isolation.

“We both have or had parents who don't live in the technical age, which challenged us to think how we could get this generation to benefit from computer technology. The hook for each will be different – hobbies, family, shopping, local news – these can all be accessed via the internet, providing a good way to introduce the older generation to how computers can reduce their own social isolation.”

Footprints Aberdeen will be accessible to those with or without access to a computer – connecting everyone and providing the tutoring support necessary to enable meaningful communication into a range of services such as shopping, trusted services, Skype communication.

“The training was absolutely superb. We were conscious of needing training and support as we moved into the commercial enterprise arena, Age Unlimited Scotland gave us the tools to develop our concept. Now we need to get into delivery mode, which will be exciting as people start reaping the benefits. The whole way the system of care is provided will need to change, and we hope we can play a role in that both locally and beyond.”

By virtue of paragraph(s) vii of Standing Order 17.42

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