

Care & Share Associates Limited

Case Study

Context

The market for quality home care services is set to expand and change significantly as a result of economic, demographic and increase expectations principally because

1. more people are living longer meaning spiralling costs for both hospital and residential care
2. more older people also means there is increasing pressure on pensions and therefore the ability of pensioners to pay for care
3. informal support structures have become less prevalent (for a whole range of social, economic and cultural factors).
4. the type of care people require is changing as we become less willing to accept institutional care and wish to stay at home as long as possible
5. there is increasing concern about the quality of care available and resulting in part from a poorly motivated and low paid workforce

There are therefore huge opportunities for social enterprise, in the home care sector, such as the award winning employee owned Sunderland Home Care Associates (SHCA). They have successfully provided care to people at home and increased quality whilst maintaining higher wage levels because of their employee owned structure and local accountability. To build on this success, the huge market opportunities in the care sector, and to realise a political vision of a democratised care sector, they have established Care & Share Associates (CASA) in 2004 to establish independent home care businesses based on their successful model..

History

CASA, and its satellite units are based upon the Sunderland HCA model. SHCA was established in 1994 following Sunderland Council's call for expressions of interest in providing domiciliary care. A local resident and keen social entrepreneur, Margaret Elliot, who had previously run a number of co-operative businesses in the city, decided to submit a business plan. The plan, heavily influenced by the experience of care co-operatives in the US, was one of seven ventures selected and the local authority provided £10,000 in pump priming money, supplemented by an £11,000 grant from a local trust. In 1994 Sunderland Home Care Associates was established and an initial contract for 450 weekly hours of care from the Council enabled the business to recruit its first 20 employees.

Over the next six years SHCA grew steadily, winning increasingly large contracts from the Council for the provision of domiciliary care. Then in 2000 the Board took the decision to adopt a new, more strategic approach to growing the business. Significant effort was put into diversifying the company's customer base and exploring potential new markets. SHCA has since won a range of new business from the University of Sunderland, further education colleges, private clients and others, including the provision of academic support services, 'bank' staff to respite care, care for disabled children and 1:1 support for autistic individuals.

It now provides up to 3,800 hours of care per week and employs 180 staff

While SHCA increased the range of services it provided, the company made a conscious decision to remain a locally focused provider rather than looking to expand geographically. As such, SHCA has only ever taken on a very limited amount of business outside of Sunderland. However, the management team felt that the model could be successfully applied elsewhere and began exploring ways to assist other communities in developing their own local Home Care Associations. As a result, in 2004, Care and Share Associates Ltd (CASA) was created by two of the SHCA founder members to replicate the SHCA business model across the UK.

With support from INSPIRE, an Equal and One North East funded programme to establish social franchises, work began on the first 'replication unit' in North Tyneside and it took two years for the business to begin delivering on the ground. Shortly after, CASA was set up. The North Tyneside experience enabled CASA to become operational very quickly and in its first 18 months two further Home Care Associations were established in Newcastle and Manchester. A successful social franchise had been established

Results

CASA provides development and support services to independent 'satellites' or franchisees linked together in a federal structure. In its three years of operations, CASA has:

- ∞ Established itself (CASA) as a sectoral development organisation for the independent and democratic care sector;
- ∞ Developed four commercially viable replication units based upon the Sunderland Home Care Associates (SHCA) Model;
- ∞ Disseminated its work in close collaboration with the appropriate organisations, including the Social Enterprise Coalition and the Department of Health's Social Enterprise Unit;
- ∞ With SHCA, became Social Enterprise of the Year 2006.
- ∞

The CASA group now delivers over 7,000 hours of care per week and employs 300 people.

Success Factors

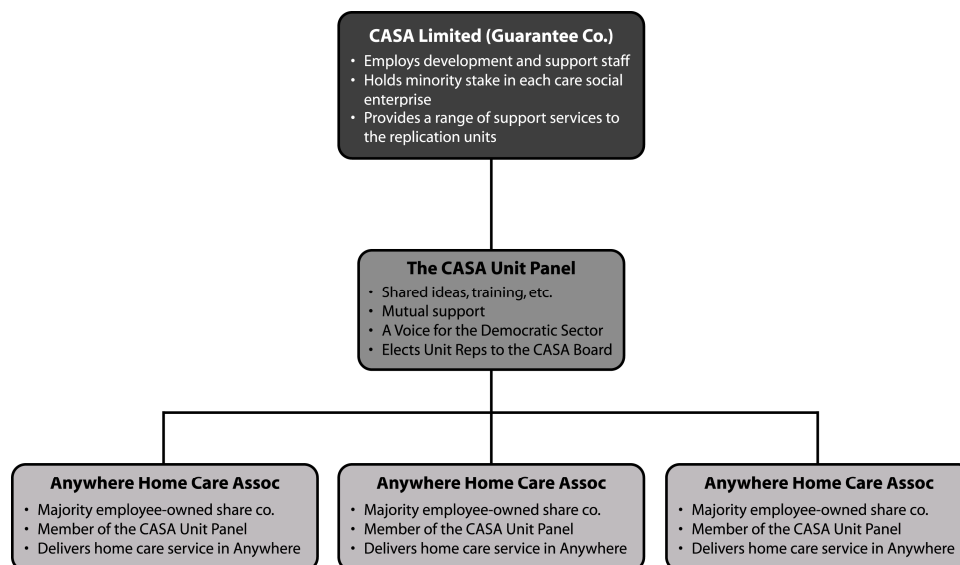
- ∞ Strong & entrepreneurial management team
- ∞ Proven business model and track record
- ∞ Better Business Model - incentivised stakeholder staff results in:
 - Better pay;
 - Better terms and conditions;
 - Increased investment in training;
 - Lower staff turnover – an average of 3% to 5% across SHCA and the CASA replication units, as opposed to 30% in the Private Sector. Such a low staff turnover leads to improved continuity and quality of care;
 - Local accountability also leading to better quality of care
- ∞ A commitment to local recruitment and training adds to the stock of care-workers, and therefore public sector 'buy-in';

- ∞ Service re-design;
- ∞ Individual ownership of shares means ‘owners’ working at the coal face;
- ∞ Wealth created is likely to be spent in the community. This contributes to a holistic approach to well being, in that it addresses the issue that poverty and health are intrinsically linked.
- ∞ Developed relationship with financiers
- ∞ A ‘no nonsense’ prospectus, business manual and development methodology The franchise ‘offer’ includes:
 - ∞Preparation of Business Plan;
 - ∞Negotiation with Social Services;
 - ∞Pre Qualification Questionnaire;
 - ∞Preparation and submission of Tender Documentation;
 - ∞Registration with Commission for Social Care Inspection;
 - ∞Negotiating and obtaining IT equipment and bespoke software supply;
 - ∞Company incorporation, including Interim Benefit Trust and induction of initial employee trustees;
 - ∞Ensuring Criminal Records Bureau checks for the first cohort of trainees;
 - ∞Getting on to approved providers list, if appropriate;
 - ∞Supply of adverts, job descriptions, and person specs;
 - ∞Advising on the selection and recruitment of ‘founding staff’ ;
 - ∞Office staff induction programme;
 - ∞Overseeing care worker training and induction programme;
 - ∞Access to and right to use the CASA Business Manual and training which includes
 - ◆ Recruitment and selection (CRB etc)
 - ◆ Training and staff development
 - ◆ Health and safety and risk assessment
 - ◆ Quality assurance systems
 - ◆ Equal opportunities
 - ◆ Moving and assisting
 - ◆ Abuse
 - ◆ Data protection
 - ◆ Medication
 - ◆ Finance
 - ◆ Records
 - ◆ Gifts
 - ◆ Violence
 - ◆ Keys
 - ◆ Complaints and compliments

- ∞ Identification and securing of appropriate premises;
- ∞ Corporate Design, uniforms, etc.;
- ∞ Negotiation of working capital loan/overdraft, if required.

Legal & Organisational Structure

The diagram below sets out the organisational relationship between CASA and its associated replication units.



CASA is a not for profit company limited by guarantee.

The precise detail of the legal structure for each satellite unit depends in some part on the wishes of the prospective host organisation. A full set of memorandum and articles of association are only drafted once detailed discussions have taken place - they will however feature:

- ∞ Majority employee ownership, with the emphasis of the development phase being focused upon ensuring ownership and control being passed to HCA based employees;
- ∞ A minority stake-holding by the hub, approximately 11%, but significant enough to protect the original values of SHCA and Care & Share Associates Limited;
- ∞ Financial and other 'probity controls' necessary to ensure CASA Limited can receive public funds.

Finance

Core funding for CASA in its early stages has been provided by a European EQUAL funded project called INSPIRE, while each new business requires an initial investment of around £90,000 from local funders and a commitment from the local authority to purchase a specified number of hours once the company is established. In addition CASA has an ongoing relationship with Co-operative and Community Finance, a social finance provider, who have made loan agreements to each new unit to contribute towards working capital.

Training

A major part of the 'franchise offer' is the initial induction training. This includes:

- ∞ In house policies and procedures delivered by own company
- ∞ Positive Care Practice
- ∞ Communication Skills
- ∞ Basic Emergency First Aid
- ∞ Moving and Assisting
- ∞ Infection Control
- ∞ Maintain Safety at Work (fire safety)
- ∞ Safe Food Handling
- ∞ Personal Hygiene and Prevention of Pressure Sores
- ∞ Portfolio Building
- ∞ Information relating to age and old age or reliant service user group
- ∞ What can cause confusion, dementia/approach attitude and response.
- ∞ Physical and emotional support for someone who is dying and stages of bereavement
- ∞ Diabetes Mellitus
- ∞ Other issues addressed according to TOPPS requirements
- ∞ An introduction to Social Enterprise

Prospects

CASA continues to look for new locations, with a number of interested local authorities in the pipeline. CASA is also in discussion with a number of funding bodies to explore the creation of a 'development fund' for new Home Care Associations, which would significantly speed up the development process. For the time being, the organisation remains focused in England but aims to expand to other areas of the UK in future.

CASA is also a founder member of VIVA! CIC a new community interest company dedicated to the development of social enterprises led by health practitioners (including some Department of Health 'Pathfinder' social enterprises). CASA envisages VIVA! working together with existing Home Care Associations and other social enterprises to offer 'wrap around care' that enables people to retain their independence for longer. The two companies aim to establish an organisation akin to CASA to foster local health practitioner-led co-operatives and believe that joining up health and personal care offers the potential for significant service re-design in which users can access the services they need when and how they want.

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