



A Social Enterprise Home Care Model

NZ HHA Conference

September 2010



Why visit CASA ?

- CASA a UK award winning social enterprise
- IRIS developing social responsibility policy
- IRIS a charitable social enterprise, owned by cerebral palsy society
- what does social enterprise mean ?
- how is or might IRIS be socially enterprising ?
- What are the business advantages of being socially responsible ?



Care and Share Associates (CASA) Home Care Model

- Recognised – UK Social Enterprise award 2006; Margaret Elliott, OBE 2009; expanding business
- Political mission ‘to democratise healthcare in the UK’
- Successful social enterprise = local people realising economic and social benefits by cooperating and working smartly together
- Employee ownership and decision involvement is good for business
- service, social and commercial performance drivers

“for the business model to work there must be company profits to share with member staff”



Care and Share Associates

- UK's leading employee owned homecare social enterprise
- 1976 Margaret Elliott creates Little Womens Household Co-operative
- 1994 become Sunderland Home Care Associates - 350 staff, 5,000 hours. Margaret still managing.
- National reputation for quality, staff terms and conditions



CASA development

- local authority funders like business model
- growth opportunities - decide to remain 'locally focussed' v geographical expansion
- 2003 CASA created to 'export' model via social franchising technique
- NFP "for profit and more", co-op consortium 'limited by guarantee'



CASA franchise 'offer'

- business development and support services
 - business plan, systems, manual, tenders, contracting, training
- legal and organisational structure
- *'be part of a strong partnership of organisations and people with right mix of technical skills, experience and entrepreneurial flair to continue to develop the CASA family'*
- *Connection and access to social enterprise sector, funding*



CASA Franchise Group

Sunderland HCA replicated x 5 Home Care units

- North Tyneside HCA Ltd
- South Tyneside HCA Ltd
- Newcastle HCA Ltd
- Manchester HCA Ltd
- Calderdale HCA Ltd

12,000 hours week; 500 staff; 6M revenue



CASA Limited (Guarantee Co)

- Employs development and support staff
- Holds minority stake in each HC enterprise
- Provides a range of support services to replication units

The Casa Unit Panel

- Shared ideas, training etc
- Mutual support
- A Voice for the Democratic Sector
- Elects Unit Reps to the CASA Board

Anywhere Home Care Assoc

- Majority employee-owned share co
- Member of the CASA Unit Panel
- Delivers home care service in Anywhere

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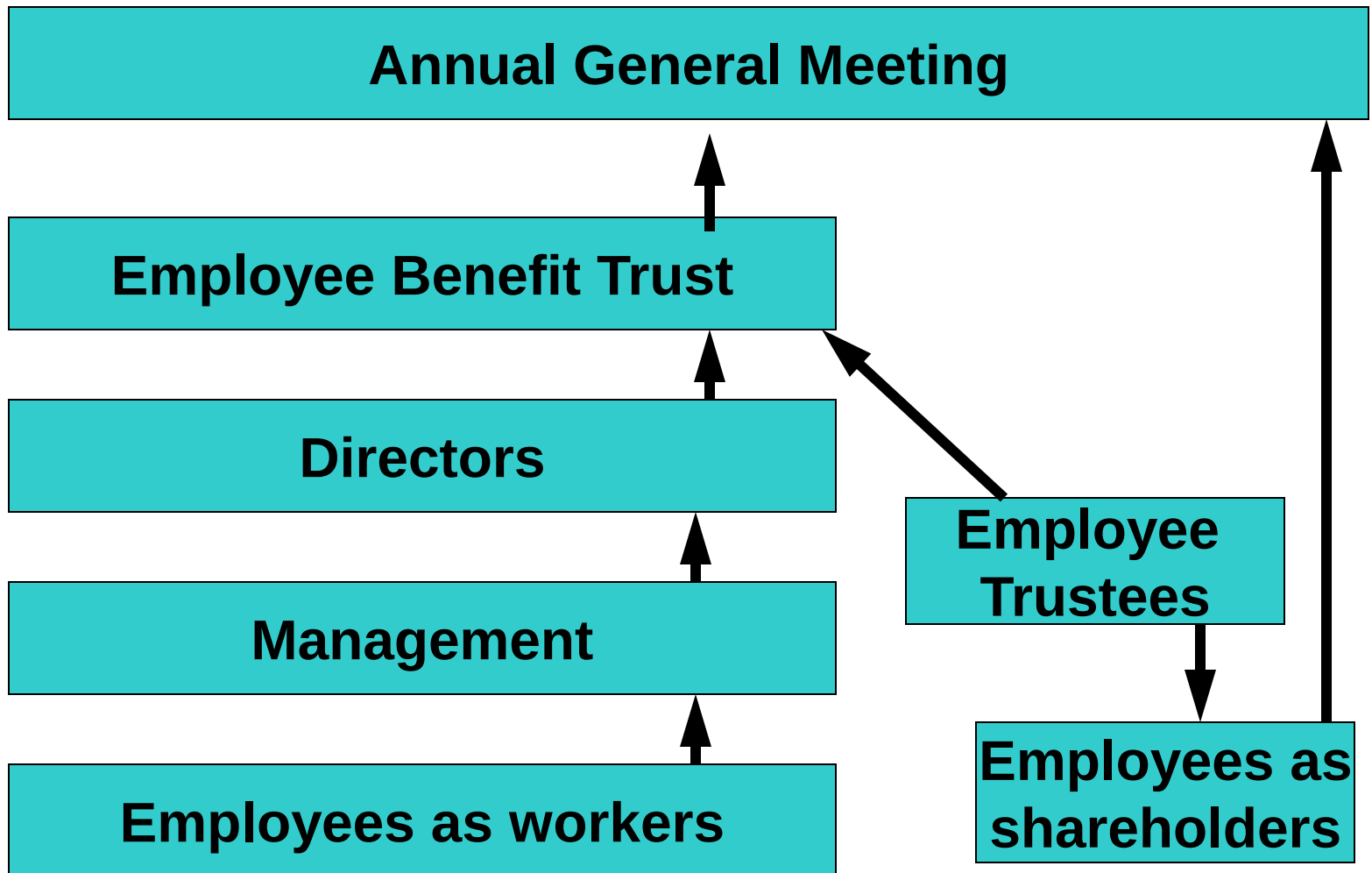
Business model

- employees majority shareholder via employee benefit (EBT) trust
- CASA directors minority shareholder in each business (protect values, mission)
- some pre-tax profit distributed to staff as shares via Share Incentive Plan (SIP) trust
- employees elect reps to EBT
- EBT controlling body – 3 of 5 employees must vote in favour for a resolution to be passed



Business model ...

- Join EBT after 6 months employment
- Cash up shares after 3 years or if leave company, paid through PAYE system
- Shares not taxed
- Sell shares back to company only
- Shares have grown in value 2.60 to 6.60 five years
- staff 'good way of saving'





CASA Panel

- Directors, unit managers, 2 staff per unit
- Meet monthly
- networking, shared learning, staff training, service development
- Voice to policy makers, outside world



What happens to company profit ?

- AGM announce pre-tax profit and amount to share incentive programme
- Balance of profit funds to contingency, infrastructure, training, quality improvement
- employee owned business, profit is to improve business and reward staff - key social enterprise trait



Employee ownership benefits

- way to reward loyalty, professionalism of staff
- increases pride, commitment to business, quality and people served
- Increases staff satisfaction and motivation
- Workers at coalface directly influence how business managed and performs
- staff generate and deliver on ideas



Operational

- 5% staff turnover v 25% for sector
- local work = reduced staff travel costs
- local recruitment and training increases stock of care workers
- don't pay mileage, hourly rate increase 2%
- Resource coordinators and Service coordinators can do both jobs
- National quals training NVQ L2, L3, L4 (similar to NZ)



Socially responsible, liked by purchaser

- Local councils purchase home care services
- Like CASA socially responsible business model
 - local presence and connection
 - employ local people to support local people
 - local relationships
 - wealth / money spent in local community



Local Innovation – ‘SUN’ Newsletter

- Quarterly local client newsletter ‘SUN’
- Personal health, wellness, safety tips
- Handy local community service numbers
- Poetry and stories by service users
- Advertising, sponsored by local businesses e.g hairdresser, butcher
- Advertising private home help service
- Latest ‘outstanding employee’ award



Democracy in Action

AGM

- Open staff meeting
- report financial performance
- share price
- price increases and budget; propose how profits re-invested – (wages; training; infrastructure; reserves)
- Annual REM review, propose wage changes, consider, decide
- Annual election of EBT employee representatives
- Directors reports to trustees on quarterly basis at EBT meetings



Success Factors

- Entrepreneurial leadership, management
- Track record, proven business model
- Better business model - incentivised staff “owners at the coalface” results in:
 - better pay, terms and conditions
 - increased investment in training
 - lower staff turnover
 - improved staff continuity = improved q of care
 - local accountability = improved q of care



Success factors ...

- Wealth created likely to be spent in local community – ‘competitive advantage’ in competitive industry
- Financial support - UK and Europe SE / innovation funds



Application to IRIS

- Promote, maintain reputation as socially responsible business - e.g. IRIS 100% funds Cerebral Palsy Society services
- Build local presence, connection, involvement with communities (local area coordination)
- How else might we recognise and reward, staff - incl profit sharing – increase motivation, loyalty, performance
- being more socially responsible makes ‘dollars and sense’

“no margin, no mission”



Be useful to

- Business model and structures were complex
 - understand, observe employee shareholder model more, incl employee benefit trust and employee decision making at Board level
- Info re service delivery outcomes, quality
- Info re staff terms and conditions
- feedback of service users and families
- financial performance, profitability of units



Finance – European funds

- CASA linked to significant UK and European social enterprise network
- Social enterprise/ innovation funding has supported development
- E.g. European Equal Fund; Cooperative and Community Finance



Other innovation, developments

- Rapid Enterprise Dev'ts - micro enterprises for service users e.g. dog walking business
- Monks kitchen / café in housing complex
- Academic support – mentor students at local colleges, work with disability support teams
- Independent Futures supported living