

Co-operative Solutions to Rural Care Provision

Background

Social care relates to care services provided to all age groups – children, adults and older people. Social care service users include both physical and mental health clients, and for the people who receive such care it makes a positive contribution to their daily life and physical and mental wellbeing.

Home care, day care, intermediate care (for people either preparing for, or recovering from, hospital treatment), respite care and nursing care all fall within the social care definition. Intermediate care is often the preferred choice for hospitals – this provides patients with support, re- enablement treatments and recuperation to help them get ready to return to their own homes. The provision of quality and affordable social care to older people and others in need is one of the big issues facing communities across the UK today.

Most people want to stay in their own homes if at all possible, valuing their independence and enjoying the security of their own homes. This wish is reflected in current government thinking – the NHS and Community Care Act calls for the development of social care services to enable people to receive services to their own homes as long as possible. With a population that is living longer, many are predicting a crisis in coping with the demand for social care.

There are currently 1.1million people over the age of 85 in Great Britain – this is despite a slight population dip caused by the First World War. After 2004 it is estimated that there will be a marked rise in the over-85s population with nearly 1.5 million people by 2018.

Residential or building-based care provides for only 4.5% of 75-84 year-olds' social care needs, but this rises to 20% of over 85 year olds. For many people residential care is seen as a last resort but with families becoming more fragmented and dispersed, care by relatives is no longer always an option. That said, there is a great deal of unpaid or informal care provided by friends or relatives, with 1.7 million people devoting 20 hours a week to caring for older, sick or disabled people. While 'paid for' care is valued at £14 billion/year, it is dwarfed by the £57 billion/year spent in informal care (Figures: Carers UK).

Recent Changes to the Law

Since 1st April 2002, when the Care Standards Act 2000 came into force, the General Social Care Council has been regulating the workforce, and the National Care Standards Commission has been regulating care services in England. The Act set the national minimum standards in relation to a range of care services, and requires providers to be registered. The 38 standards for all care homes for older people in England brought about by the act set requirements relating to choice of home, health and personal care, daily life and social activities, complaints and protection, environment, staffing, management, and administration.

Further information is available from <http://www.hms.gov.uk/acts/acts2000/20000014.htm> and <http://www.carestandards.org.uk/nation+min.+standards/default.htm>

Care providers

When not provided by family members, social care has traditionally been provided directly by local authorities through their social services departments. This is no longer the case. Since 1997 the number of care hours provided directly by local authorities fell by 30%. This fall has been matched by increased provision from private sector businesses and not-for-profit organisations. The trend is likely to continue and accelerate.

Private sector care providers vary enormously in terms of size, services offered and geographical areas covered. Some have contracts with local social services departments while others rely on private clients – most use a combination of the two. The vast majority of social care provided by or paid for by local authorities is directed at older people.

Pay offered to care workers can be low, resulting in reduced motivation, poor standards of service and high turnover of staff – all of which have serious implications for the clients.

Private sector care providers are in business to generate profits. Having to pay people other than the carers (eg the business owner or shareholders) means less money is reinvested in the business or allocated for carers' wages. There are concerns over the ethics of private profit-making from care services provided from public funds.

The introduction of Direct Payments schemes – where cash payments are made in lieu of care provision – increases the opportunities for independence and flexibility being offered to service users. It also opens up the market for care provision with clients able to shop around for the care they require.

The Co-operative Option

Co-operatives are businesses that put people at the heart of everything they do – they treat their workers, customers, clients, service users, suppliers and other stakeholders fairly and with respect.

Across the world healthcare co-operatives serve 100 million households in fifty different countries.

There are currently more than forty care co-operatives in the UK. One of the largest, Sunderland Home Care Associates was started in 1994 and now employs more than 160 people and delivers 3,000+ care hours per week.

Rural Concerns

While care provision is an issue across the country, rural areas present particular concerns. Around a fifth of the UK's population lives in rural areas, often with poor transport links and services. Much evidence of pockets of rural deprivation is masked by overall statistics which seem to show more affluence. The reality of rural life today is much harsher – young people are moving away to towns and cities, services and facilities are closing down and many homes stand empty, set aside for weekend and holiday use by people from other areas. This part-time use of properties reduces the amount of available housing for local young people and also creates recruitment and retention problems for care services.

The closure of a care home in a rural setting can have major implications to the local community. It can result in the loss of what is often the only local care service, as well as the loss of employment opportunities.

As small care homes become less viable due to the need to meet National Care Standards, and because owners find that property values make the sale or conversion of property to housing use more profitable, more and more residential care homes across the country are closing.

Across the rural economy recent crises in the UK, such as foot and mouth disease (FMD), have led to many rural businesses ceasing to trade or providing much more limited services. Farming was badly affected by FMD, and the crisis had a knock-on effect on other (sometimes dependent) industries, in particular tourism, with access to rural areas being very limited.

That said, for those people committed to rural areas, the sense of community is as strong as ever. And increasingly co-operatives of all different kinds are playing a larger and more important role in rural communities.

In the Peak District individual farm holiday providers have come together to co-brand their properties and share best practice, in Hesketh Newmarket in Cumbria villagers took over the local brewery and pub when the owners retired or moved on and there are many examples of local communities coming together to run their village shop or post office.

For while co-operative working is about collective effort it is also about self-help. These rural co-operatives illustrate the commitment of people to save and improve their local facilities.

Rural Care

With communities becoming more isolated, and the population ageing, the need for social care is increased. Limited public transport means those unable to drive are cut off from facilities and services just a few miles away.

But with their more dispersed population, rural areas present particular challenges to care providers. The travelling time involved in visiting a client could easily exceed the time spent with the client – time that needs to be costed.

Serving rural areas is not considered to be a viable option for many private care providers. But a number of co-operatives are proving that, far from being no-go areas, these rural communities can be attractive niche markets, so long as there are realistic contracts available, which recognise the cost of providing quality services.

Case Studies

Shepshed Carers

This co-operative was established in 1994 with the help of Leicester and County Co-operative Development Agency. Founder members Sarah Sanders and Pauline Graves believed there was a need for homecare in the small town of Shepshed. Today it employs more than 70 people and provides services to more than 200 mainly elderly people.

Having started off in Shepshed, the co-operative now also serves Coalville and Loughborough as well. To minimise travelling time and costs, carers work in clusters, serving specific areas.

The co-operative prides itself on being able to pay its members very competitive wages and Pauline believes it's the co-operative structure of the company that makes this possible: "All the money we make is either ploughed back into the business or goes to our members – there are no bosses creaming off the profits.

"People often comment on what a happy bunch of people we are and that's because we're all in this together. People come to us because we're a co-operative – they can see the difference it makes to our members and our clients."

Sarah is a qualified trainer and provides NVQ training to co-operative members. There is scope within the co-operative for personal development and promotion to team leader. Some members use their experience at the co-operative to move on to careers in nursing.

The majority of the co-operative's work (about 90%) comes through contracts with social services.

Carers Direct

When a small care firm in Devon was taken over by a large agency in 2002, people working there quickly noticed the difference: "We were changed from names to numbers," says Sally Richardson.

"The new bosses were extremely profit-driven and began cutting corners, even attempting to cut wages."

Sally and three of her colleagues felt the new firm had misjudged the local situation: "We felt we could do better. We had the local knowledge and knew what local people needed."

The four workers set up Carers Direct and less than two years later the co-operative has almost 30 self-employed members.

Partly because of travelling time, the co-operative took a decision that no visit would last less than one hour. This gives the carer time to chat to the client as well as carrying out the required tasks but has meant that very little of the co-operative's work comes from social services.

In the area of rural Devon served by Carers Direct, residential care is not an option – with the nearest homes with vacancies being at least 30 miles away in Torquay or Plymouth.

The co-operative prides itself on its low turnover of staff – since it started only two staff have left (one retiring from social care and the other through ill health). In 2003 the members turned down a proposed pay increase as they felt they were already being well paid. In addition to the competitive salaries, membership of the co-operative brings other benefits – members decide how many hours they wish to work, they are consulted on any major decision and they have the use of a pool car if needed.

And while Carers Direct reluctantly has to turn work down, it has never needed to advertise either for workers or clients – all come through word of mouth.

Helping Hands

The Helping Hands project was established in 2003 by Suffolk ACRE with funding from the Countryside Agency to investigate the provision of care services to local rural communities.

Karen Lawson has been responsible for setting up the project which is in the process of registering as a co-operative. The multi-stakeholder co-operative model being used means that clients can be represented on the board – increasing the business' accountability.

While it waits for its registration with National Care Standards to be approved, the nine part-time workers have been providing a range of lower level services eg shopping, collecting pensions etc through a Supporting People contract – one of two negotiated with a local county council.

Karen admits that the increased travel costs of rural areas are an issue: "Not all agencies pay travel costs but we'd have found recruitment difficult if we didn't," she says.

For a small care provider like Helping Hands being taken seriously by social services is also a problem: "Most of the contracts they give out go to the large well-established providers," she says. "We just have to try and prove ourselves."

Helping Hands is making sure that, with the introduction of Direct Payments, as many potential clients are aware of its services. Contacting social workers, district nurses and occupational therapists as well as displaying posters in village halls, shops and libraries have all helped to raise awareness.

The local authority was particularly helpful in the setting up stages however when it seconded a home care manager for nine months to help deal with the paperwork involved with registration and accreditation.

Getting Started

Expert Help and Assistance

The Provide project advises on co-operative public service provision. Delivered by Co-operatives^{UK} and partner organisations, it offers practical advice, support and expert consultancy. Services include:

- Telephone support and advice
- Face to face exploratory meetings
- Workshops with stakeholders
- Pre-feasibility studies
- Help in bringing together a team to work with local partners and development staff

Contact Helen Shaw on (0161) 246 2941 helen.shaw@cooperatives-uk.coop or visit www.cooperatives-uk.coop/provide

Co-operative Structure and Membership

Co-operatives can be registered as companies or Industrial and Provident Societies (IPS). A full legal and registration service is available from Co-operatives^{UK}. Contact the Legal Team at Co-operatives^{UK}, Holyoake House, Hanover Street, Manchester M60 0AS, tel 0161 246 2959, email legal@cooperatives-uk.coop for further information, or visit our website at www.cooperatives-uk.coop.

Many care co-operatives offer full membership to workers following the successful completion of a six-month probationary period. Some co-operatives also open up their membership to clients and service users.

Registration as Care Provider

All providers offering personal care need to be registered with National Care Standards. This is both a time-consuming and expensive process, costing around £1,300 and involving lengthy paperwork and site visits. Some social services departments may be willing to work with you to help you through the process.

Contract Working

Many care co-operatives contract with local social services departments. In the early stages while a co-operative is establishing itself, these contracts can provide the building blocks for the new enterprise. The delivery of these contracts has to be carefully costed out, also recognising the potential for cashflow problems arising from authorities' often delayed payments. As the co-operative grows, opportunities to access block contracts from social services can help to plan expansion and provide security of employment to the care staff.

Accreditation and Training

Care workers can study for National Vocational Qualifications (NVQs) in Health and Social Care. NVQs are nationally recognised qualifications that are assessed against National Occupational Standards.

Care NVQs are assessed in the workplace by gathering evidence of the candidate's competence. Local colleges or training providers can assist with non-workplace training, and funding for training can be accessed through local Learning and Skills Councils. (Visit www.lsc.gov.uk to find your local council.)

Pay, Terms and Conditions

Co-operatives pride themselves on treating their workers well, not least because they are often owned by their worker-members. When considering the overall package offered to members, consideration needs to be given to whether members are employed or self-employed (there are fiscal and other financial considerations for both the members and the co-operative), whether travelling expenses are paid, and whether other benefits eg pensions are available to workers.

Promotion

In terms of attracting private clients, village halls, luncheon clubs and libraries are all good places to advertise and promote your co-operative. They are also good venues for recruiting carers.

Possible Sources of Funding

- **The Countryside Agency**

The Countryside Services grants scheme, operated by the Agency, provides funding of between £500 and £10,000 and will fund a maximum of between 50% and 75% of a project's total cost.

Contact: Countryside Agency Head Office, John Dower House, Crescent Place, Cheltenham, GL50 3RA 01242 521381 info@countryside.gov.uk, www.countryside.gov.uk

- **Co-operative Action**

Grants and loans of between £5,000 and £50,000 are available for co-operative enterprises carrying out work that can demonstrate national significance.

Visit www.co-operativeaction.coop to find out more.

- **New Deal/Benefits Agency**

Help may be available to employ people wishing to return to work if unemployed for more than six months.

Entitlement and help available depends upon individual circumstances but help may be available for:

- young people (18-24)
- lone parents
- older people (55+)
- people with disabilities

Visit www.newdeal.gov.uk for more information or visit your local Benefits Agency.

- **European Community Funding**

Help may be available through European Regional Development and European Social Funds – contact your local authority for advice.

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