

Mutual Benefit

Giving people power over
public services

This paper relates to Government services in England only. For the most part, the services described are devolved in Scotland, Wales and Northern Ireland

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CONTENTS



Foreword	1
Introduction: Mutual benefit	2
What is mutualism?	5
Where could mutualism add most value?	8
What will government do to advance mutualism?	12
Moving mutualism forward: Children's Centres, housing, and health and social care	16
Conclusion: Next steps for mutualism in public services	25
Glossary	26
Notes	32

FOREWORD



Rt Hon Tessa Jowell MP
Minister for the Cabinet Office, the Olympics, London
and Paymaster General

The Government is putting mutualism at the forefront of our vision for Britain's future.

This is the moment for mutualism. In the wake of the global financial crisis and the parliamentary expenses scandal, it is clear that people are no longer prepared to trust large organisations over which they have no control. This is particularly important as we are talking about services that are of such great significance in the personal lives of the people that they serve.

Our response means a new approach and a new relationship between the institutions of government, and the people that they serve. Most of all it means trusting people to exercise greater control over the services that they use, and for some, the services that they deliver.

I have seen the real difference that collective mutual action can bring in my own community. The first parent promoted school in the country, Elmgreen, is in my constituency. Parents there did not just passively wait for a new school; they came together and made it happen.

In the future, mutuals will play an increasingly important role in delivering public services. Mutual organisations are controlled by their members; they are

exceptionally well-suited to strengthening relationships between staff, users and the wider community – and these stronger relationships will lead to better outcomes for all.

In short, we are developing public services of the community, by the community and for the community.

This is not a Whitehall prescribed national blueprint, but enabling new collaboration to develop in an organic way within communities. That is why the Government is taking measures to improve and enhance opportunities for local people and professionals to realise the full potential of mutual forms of organisation.

This paper puts forward plans for:

- new and improved opportunities for tenants to manage their own homes and housing services;
- the opportunity for local areas to pilot ways of running Children's Centres as part of local mutual federations
- improving the sustainability of User-Led Organisations that exploring ways for communities to have a formal role in the governance of employee-led social enterprises that spin out of the traditional public sector.

These important and decisive steps represent an important start towards encouraging a new wave of mutualism across public services across the country.

Tessa Jowell.

INTRODUCTION: MUTUAL BENEFITS

Over the past two years confidence in some of our longest-standing institutions has been undermined.

The 'credit crunch' of 2007 resulted in a significant shift in public attitudes and sentiment as the viability of seemingly secure financial institutions was seriously threatened, with some ceasing to exist. Simultaneously public confidence in the political system has been seriously damaged by the expenses scandal. Following these events, there is widespread feeling that people want and need more power and control over the organisations and services they use and rely upon – restoring and building higher levels of trust and stronger lines of accountability.

People's desire for more control does not rest with financial services or the political system. Whether in healthcare, schools, policing or a range of other public services, people want to have a greater say in how services are run and play a greater role in meeting their own needs. Many who work in public services feel the same.

Over the last decade, sustained investment and reform has led to public services that are more focused on the needs and aspirations of citizens. Education is now much more tailored to the specific needs of every child, such as through one-to-one catch up support for those who are falling behind. Patients with conditions such as cancer not only now receive much quicker

treatment; they are usually better supported through more personal care planning and a specialist nurse. And every local area is now served by its own dedicated local policing team.

These changes have started to build a new relationship between citizens and services. Those who use services have more choice and control, whilst teachers, police and other professionals have more flexibility and resources to respond. At best, new patterns of collaboration and engagement are forming, from the parent who is more engaged in working with their child's teacher, to the community influencing the priorities of their neighbourhood policing team.

This spirit of cooperation and transfer of power is strongest in the third sector. The best third sector organisations, including those explicitly constituted as mutuals, enable local people and service users to contribute to the shape and design of the services they provide. They promote the principles of reciprocity and mutualism in all aspects of their work; they give more power to their staff to respond flexibly and innovatively to the needs of service users; they enable citizens to shape and control local services; and they forge partnerships between public service professionals and their local communities to maximise the benefit of this collaboration. Over the last 15 years, these approaches have flourished, thanks to the dedication of those who work and volunteer in the third

sector and unprecedented support and investment by Government.

Now is the time, however, to go much further towards public services being truly controlled and owned by the citizens they serve and the staff on whose service and innovation they rely. This builds on strong evidence that people want to get more involved and have greater control over the services they use, combined with access to high-quality advice and the expert knowledge of professionals. Most people are not looking for a supermarket-style experience where expert knowledge and the quality of advice is relatively unimportant, but nor do they want some of the more traditional models of service delivery characterised by professionals providing services to a largely passive population.¹

A recent report from the Innovation Unit, 'The Engagement Ethic',² argues that mutual organisations can help to put the 'public' back into public services. Although the report recognises there are limited examples to draw upon, it points to evidence from this country and internationally of the potential for mutual forms of organisation to successfully engage employees and citizens.

Significant progress is already being made – the UK recently topped an EU survey on citizen participation in groups and organisations that encourage a partnership between citizens and public services.³ But there is further to go. In healthcare, for example, more than 90 per cent of patients say they are

interested in becoming more involved in caring for themselves, and 65 per cent of parents want to be more involved in their child's school life.⁴

Mutual organisations are controlled by their members. Members may be users of the mutual, employees, other stakeholders, or a combination of these. To secure and build strong lines of accountability and responsiveness to the priorities and needs of members, mutual organisations have democratic governance arrangements; this usually takes the form of 'one member, one vote'. These defining features make mutualism well-suited to strengthening control by, and collaboration with, citizens across public services.

That is why the Government will accelerate opportunities for mutuals to flourish by removing barriers to their development, incentivising citizen involvement and incubating the development of robust and sustainable professional – and citizen-led – organisations. Highlighted below are sector-specific examples of how the Government will encourage and facilitate the development of mutualism across three key public services:

i. Sure Start Children's Centres:

Since the early Sure Start Local Programmes, out of which Children's Centres have grown, there has been strong community and parental involvement in Children's Centres, so that what is on offer there reflects what parents want and need. We want to start thinking about what more we can do

to give communities and parents even greater involvement in making decisions about how the Children's Centre they use is run. The Government will pilot a way of running Children's Centres as part of local mutual federations. We will invite up to five local areas who are interested in developing this approach to commit to setting up a mutual federation.

ii. Tenant management and new build cooperative housing:

The Government will develop a new 'fast track' route to make it easier for tenants to take charge of the local housing services that matter to them, for example gardening, cleaning and caretaking services. Groups of tenants can set up a Local Management Agreement (LMA) with their Local Authority to manage a local service. By October 2010, the fast track system will halve the time it currently takes to set up an LMA. Also, the Homes and Communities Agency (HCA) will improve opportunities for communities to build and run homes on a co-operative basis, and make it easier to access funding for this.

iii. Health and social care:

The Government will introduce a range of measures to improve the sustainability and resilience of User-Led Organisations (ULOs). The Government will enhance their ability to secure stable funding arrangements, evidence their full value to commissioners, and build effective and

competitive consortia which make a competitive public service offer. Furthermore, the Government will enhance the relationship between the employee-led social enterprises and the local communities they serve. This will include exploring proposals to mandate community governance and enable the local community to purchase a 'legal share' in the social enterprises. Finally, the Government will explore the value-for-money case for continued access to the NHS Pension Scheme for staff in hard-to-recruit professions who move voluntarily from the NHS to a social enterprise. This will incentivise these staff to join social enterprises and use this model to deliver more innovative and effective health and social care services.

Mutualism is, of course, not the only way to strengthen control by and collaboration with citizens. It forms part of a wider shift across the ethos of public service delivery, including new entitlements and guarantees for citizens, to greater transparency and more choice and control.⁵ Mutualism is, however, at the forefront of a new relationship with citizens and front-line professionals.

WHAT IS MUTUALISM?

Mutual organisations do not have external shareholders - they are controlled by their members. Members may be users of the mutual, employees, other stakeholders or a combination of these (see Figure 1 below). Mutual organisations are either owned by and run in the interests of existing members, as is the case in building societies, cooperatives and friendly societies, or – as in many public services – owned on behalf of the wider community and run in the interests of the wider community, for example, NHS Foundation Trusts and Cooperative Trust Schools. There is also scope for other local services, like community buses, to be run as mutual or co-operative groups. To help ensure the organisations best serve the interests of their members, mutuals are characterised by their democratic governance arrangements. They usually have ‘one member, one vote’ systems for balloting members and governance structures that formally incorporate a variety of stakeholder interests.

It is clear that what people often value in their relationships with mutual organisations is ethos and values. Mutualism in Britain

has a long history and a wide reach – most people have a general awareness that there is something different and distinctive about the way, for example, building societies are run in comparison to banks, or about shopping in the Co-operative or John Lewis compared to some other high street stores. This widespread understanding is reinforced by the broad membership of mutual organisations – overall, about one in three people in the UK is a member of at least one mutual organisation.⁶

The values of mutual organisations are compatible with a wide variety of different organisational forms, including, for example, co-operatives, social enterprises and charities. The development of mutualism across public services will reflect this wide variety of organisational forms. As such, mutualism is as relevant to public services operating in openly contested markets as it is to services operating within the more traditional public sector and to services commissioned by central or local government (see Figure 1).

FIGURE 1: MODELS FOR MUTUAL ORGANISATION AND ILLUSTRATIVE CASE STUDIES

Employee-led mutual	User-led mutual	Multi-Stakeholder mutual	
Sunshine Care in Rochdale (p10)	ULOs such as Essex Coalition of Disabled People (p9)	Caring Support in Croydon (p13)	Services operating in an open market
Central Surrey Health (p15)	Tenant Management Organisations, such as Pembroke Street (p18)	Cooperative Trust Schools and NHS Foundation Trusts (p6, 7)	Traditional public services and commissioned services

As highlighted in Figure 1 above, specific mutual forms of organising and delivering services have started to develop across public services. For example, NHS Foundation Trusts, Co-operative Trust Schools, tenant management mutuals in social housing, and User Led Organisations through which, for example, people with disabilities are coming together to buy appropriate services.

Pupils taking the lessons of mutualism into their community

In March 2008, Reddish Vale Technology College became the first school in England to become a Co-operative Trust school.

By engaging parents, the pupils and the wider community, Reddish Vale has achieved strong results. The 2007 Ofsted report described the large secondary school as good. Some aspects, such as provision for care, guidance and support for the 1,320 pupils, were described as outstanding.

Pupils are taking the lessons of mutualism out of the classroom. Year 10 pupils are currently opening up a social enterprise cafe in their community, run by young people for other young people, offering them somewhere to go on a Friday night.

“The co-operative Trust model empowers individuals and the community to act together to make a real difference.”

Phil Arnold, Director of School Improvement

Challenging stigma by raising awareness of issues within the community

South Essex Partnership Trust attained Foundation Trust status in 2006. Focused on mental health and learning disability, they used the transformation to foundation status as an opportunity to raise awareness of these issues in their area. The Trust's work demonstrates how powerfully foundation Trust status can be used to change public consciousness about stigmatised diseases, which can ultimately be just as significant to the lives of their patients. By basing itself in the community, the Trust underlined the point that mental health was a community-wide issue that all members of the community, not just patients, should be engaged in.

The organisation has 10,500 staff and community members who elect a board of governors. These governors, as well as the wider membership, have been a vital link to the broader community. South Essex has made an active effort to recruit younger members through its Young Supporters programme. Key to this has been allowing members to join as early as the age of 12, as well as holding a number of events at local schools – approximately 1,000 members are under 20. The Trust has been voted the best mental health Trust to work for in the Healthcare100 survey, and has been rated as 'excellent' three years in a row by the Care Quality Commission.

Existing practice indicates that *social enterprise* mutual models, which embody reciprocity and high levels of staff dedication, combined with great leadership, transparency and skilled staff, offer an attractive and innovative alternative for modern, effective public services. More specifically, whilst there is clearly significant potential for the further development of employee-led and user-led mutuals, the greatest value can often be derived from mutual organisations that have membership comprised of a wide variety of stakeholder groups and interests. This is, for example, how Cooperative Trust Schools and NHS Foundation Trusts are run. Although not possible or optimal in every instance, this approach maximises the potential for strong collaborative relationships to develop between the users of a service and professionals who run a service on a day-to-day basis. In addition, multi-stakeholder models open up opportunities for stakeholders beyond employees and service users to become active members of an organisation. This is, for example, a distinguishing feature of the way Cooperative Trust Schools operate.

WHERE COULD MUTUALISM ADD MOST VALUE?



The best public service providers give staff and users the power and control they need to shape and steer the services they rely upon and deliver. The benefits of this involvement are felt across society, from preventing and reducing anti-social behaviour, to schools that are responsive to the needs and priorities of their local communities, to more personalised social care.

In *The Engagement Ethic*,⁷ the Innovation Unit argues that mutual organisations can help to put the 'public' back into public services. Although there are limited examples to draw upon, there is evidence from this country and internationally of the potential for mutual forms of organisation to engage employees and citizens. For example, employee ownership combined with forms of workplace participation has been seen to produce positive effects on job satisfaction and organisational performance. Employee-owned companies also report far lower levels of staff turnover and higher levels of collective responsibility – with employees significantly more likely to confront a poorly performing colleague or report their behaviour to management. In addition, User-Led Mutuals such as tenant-owned or managed housing have been found to not only deliver good-quality, cost-effective services, but also to produce added value in terms of the new skills gained as part of active involvement (see case-study box on p18).⁸

The benefits of involving citizens and giving them more power are applicable, therefore, to a diverse range of public services. Nevertheless, it is possible and important to identify criteria to help make good assessments of where mutualism is likely to add most value – to help ensure public services, local people and professionals get the most out of this approach.

In both multi-stakeholder and, of course, user-led mutuals, local people will be essential members of the organisation. Most value is likely to be derived from service users taking on this role where:

- **There is a clearly defined community of people to form a representative and distinct group of leaders within the organisation.** This community can be based on bonds of common experience and need, such as being a parent or person with a disability; or based on living or working in a particular geographical area. Essentially, the group has a strong sense of common identity on which to found their shared stake in the service.

Parents create a network of support

For £1, local parents, staff and volunteers can become a member of Millmead Sure Start Children's Centre, entitling them to have a real say in how it is run. For example, members are elected to the management board and sit on recruitment panels of the community mutual, established in 2005.

Being a mutual has helped Millmead to provide services centred in its local community. Some local parents made the transition from being members to community workers. This allows Millmead to use their knowledge and experience of the area to tailor their services to the needs of the community, and offering job opportunities in an area of North Kent with a relatively high rate of unemployment.

The Sure Start Children's Centre programme has at its heart the importance of forging strong links with parents and children. By engaging parents via membership and participation, Millmead has had 'a significant impact upon the lives of vulnerable families living in the areas'.⁹ Last year, Millmead worked with 891 children and parents and had contact with 1,254 families.

- **Long-term relationships** have developed, and will continue to develop, between users, staff and other stakeholders. Shared ownership and control can add most value to public services, where the user's stake in the service is long-term and based on

needs that may evolve, but are essentially enduring. For example, responding to a long-term health condition, rather than a transitory health need, such as seasonal flu. Where long-term users of services are empowered, the service benefits from their interest in the future and continual improvement of the service, and the user develops a greater sense of control over the services that have a significant impact on their lives.

Placing the voice of disabled people at the centre of the ULO

Essex Coalition of Disabled People (ECDP) is run by and for disabled people. It provides support, information, advice and guidance services, and also runs a Direct Payment Support Service (DPSS) for people applying for a Direct Payment.

Any disabled person or their associate living or working in Essex can become a member. And members have the right to vote for directors and trustees, auditors, and annual resolutions. All the directors and trustees are all also disabled people.

"We engage our members and clients to ensure they can use their lived experience and expertise to provide peer support to other people in Essex - a powerful form of support that our members can uniquely provide. This, combined with the lived experience and peer support of our staff - just under half of whom are disabled - means that the voice of disabled people runs all the way through our organisation."

Director of Policy and Development

Where neither users of a service nor the wider community are likely to be interested in becoming involved as members of a mutual organisation, there may be scope to run and deliver services through employee-led mutuals. Most value is likely to be derived from employee-led organisations where **strong lines of accountability between the organisation and citizens are developed and secured**. Transparency and accountability will be important ways of ensuring that organisations respond to and are run in the interests of the citizens they serve. There are a number of ways to achieve this. Regulation and inspection of services will play a role, as will commissioning and contracting arrangements, including the specification of success criteria. One innovative way of securing the accountability of employee-led mutuals delivering public services might be to include commissioners of the service in the governance of the organisation. In addition, the value of employees having a role in mutuals is often strongest where there is a particular need for greater employee motivation and innovation. Fundamentally, employee and citizen involvement in the design and delivery of public services offers an opportunity to create a new culture of shared responsibility. This culture will ensure those with the greatest expertise and a stake in delivering the best possible services have the power and control they need to make their ideas a reality. Where these services focus on a clear community of people who have an enduring interest to respond to local needs, the potential benefits of this culture of mutualism are at their greatest.

Care workers tailoring services around the individual needs of citizens

Established by a group of care workers in 2008, Sunshine Care in Rochdale is a staff-owned co-operative. These professionals work directly for those people they serve, tailoring services around their individual needs – an opportunity created by the growth of personal budgets in health and social care. After six months, Sunshine Care employees will be offered membership in the co-operative, subject to a vote by existing members.

Sunshine Care's main objectives are to ensure adults receive 'the best possible care and support' by providing a range of services that users can select for themselves, drawing on advice from staff.

"The flexibility of the service Sunshine provide is a breath of fresh air. When I go shopping I push the trolley, and when we do chores, I make my bed. I feel like a 'normal' person."

Existing Service User

Alongside criteria to help assess where mutualism is likely to add most value to public services, the Government has developed more specific criteria to help assess whether and where social assets should be transferred into mutual ownership (see box below for further discussion). These have already been applied to the decision to seek to move British Waterways, the organisation that runs canals and rivers, to mutual status.

Transferring the Ownership of Social Assets

The Government's recent announcement to seek to move British Waterways to mutual status and the long history of the transfer of assets by local authorities to community management and ownership are examples of ways in which innovative approaches to assets, and any associated services, can bring about benefits both in increasing non-taxpayer funded income and greater stakeholder and community engagement in governance. There are many areas of government that are already pursuing innovative options such as in education, health and across local government, and we believe there are other areas such as museums and parks where a creative approach to the options for managing the assets and any associated services would be beneficial.

In managing their assets effectively, and any associated services, public authorities should be creative in considering a range of approaches that have the potential to maximise social value.

Government believes that, alongside a wide range of commercial options such as outright sale, development partnerships and commercial joint ventures, there is a similarly broad range of non-commercial structures for assets and associated services that could help public authorities deliver their social objectives. These include social and community enterprises, voluntary and community organisations - which could be constituted as charitable trusts and companies - industrial and provident societies, community interest companies, and public joint venture enterprises operating on sub-commercial terms.

The responsibilities on public authorities to pursue this approach are consistent with their existing responsibilities to seek best value for their communities and to comprehensively consider the options available to them. These are set out in more detail in the Treasury's 'Managing Public Money', or, in the case of local authorities, in the Local Government Act and related guidance on disposal of land for less than best consideration.

Building on these core principles and in order to properly reflect social considerations and non-commercial options in their approach to asset management, public authorities should at an early stage consider the following three questions:

- Is the asset and any associated services - or could they be - a public good with significant social benefit?
- Might a non-commercial structure best serve to maximise and continue to deliver these social benefits?
- Is there a viable option for sale/disposal to the non-commercial sector or one that can be created?

Where these questions and criteria lead to positive responses, then non-commercial options should be given due weight and actively considered alongside commercial options by public authorities. This will ensure that the appraisal of benefits from realising receipts from the sale of assets is balanced by any social benefits foregone. This may be particularly relevant when the value of assets is low, nil or even negative.

In addition to commercial criteria, public authorities should take into consideration the following key issues for both commercial and non-commercial options when drawing up their business case:

- which options best support a competent and well-motivated organisation that delivers against social objectives?
- which options best sustain the social benefits over the medium/long-term?;
- do different options require capital/investment and/or ongoing revenue commitment and are they in a position to access different sources of finance to meet them, and do they offer the potential for later liabilities?; and
- do options create the potential to conflict with public authorities' social objectives at a later stage?

Setting out criteria and guidance is only the beginning. As such Government will work actively with relevant organisations such as Local Partnerships, HCA, Shareholder Executive, Asset Transfer Unit, and experienced third sector networks to build on the principles set out, and ensure they become a routine part of public authorities' approach to asset management.

WHAT WILL GOVERNMENT DO TO ADVANCE MUTUALISM?



There are already many good examples of mutuals delivering public services successfully – but now is the right moment to go further. As a result of the progress already made in modernising public services and aligning their delivery with public expectations, new relationships between users, staff and the wider community are strongly developing, but there is further to go. In the wake of the financial crisis and the expenses scandal, the public have very clearly signalled that they want more of a say in the institutions that affect their lives. This is why we will advance towards a model of public services that are truly controlled and owned by the citizens they serve and the staff on whose service and innovation they depend.

Mutualism is a social movement – as such it must develop organically and be driven by local enthusiasm and desire, rather than be imposed from Whitehall. But this does not mean that there is no role for the state. While Government cannot create social movements, it can put in place the conditions that help to ensure they thrive – acting as an advocate, facilitator and supporter.

The Government’s strategy for delivering this vision has five core elements:

1. Give real control to people who use and deliver services

Giving people real control and ownership of services will require a new and evolving role for Government. The Government will not just delegate the delivery of services to local people and professionals, but give them the power and control they need to make decisions over how services are developed and delivered according to local priorities and circumstances. This will include seeking ways to consult with trade unions and professional associations and build capacity of employees to take up the opportunity to set up new social enterprises. It will also build on existing measures to give individuals, families, professionals and whole communities far more control over the services they use, for example, through personal budgets in health and social care, as well as the through organisational forms such as Cooperative Trust Schools and NHS Foundation Trusts, which have more than one million members.

Caring Support, Croydon

Caring Support aims to be a new co-operative care model for homecare for older and disabled people in Croydon, south London and was set up by older and disabled people in the area.

It was the idea of Monica Ryan who suffered with multiple sclerosis and who died recently at 65 – she wanted to change the way care was provided. She was insistent that service users receiving very personal services should have carers with whom they have a relationship, and that their carers are treated “like people, not machines’. At Caring Support, they are setting up small clusters of up to 15 service users and match them with locally trained personal care assistants to engender a spirit of community.

"We are a co-operative of three groups: the people who need care in the community, personal carers and unpaid carers. It's an example of the community working together to our mutual advantage. We're looking after each other."

Sheila Kelly, Manager

2. Incentivise citizens

Mutuals work best where they combine collective interest with individual interest. Organisations requiring high levels of involvement and participation will need more than altruism and good intentions to engage some groups – in other words, a mutual dividend strengthens individual commitment. Participation in mutuals can be stimulated by offering real incentives and tangible benefits to citizens and professionals. This could take the form of access to additional funding or enhanced autonomy over funding – for example, allowing communities to use any value-for-money savings they generate for the benefit of their community. That is why the Cabinet Office has asked the Young Foundation to explore the development of Community Dividends.¹⁰

Community Dividends are an agreement between the state and a neighbourhood where residents take responsibility for making a tangible change to a local problem. If they succeed, both parties keep half of the savings generated – for communities to spend on local activities, and for the state, to re-invest in other areas or remove from their expenditure book. South Tyneside Local Authority is developing a pilot project looking to use community dividends to address the needs of vulnerable young people in single accommodation, and to engage parents in improving the health outcomes in a neighbourhood Children's Centre.

Empowering tenants to make decisions

Created In 2005, the Community Gateway Association (Preston) is a not-for-profit community mutual that gives local council tenants a say in the management of their properties.

The Association has invested in a pro-active Community Empowerment team that enables tenants to participate in running their estate. Groups of tenants and Gateway staff consulted jointly on refurbishment plans and identified significant financial and environmental savings. Tenants were then empowered to spend the money they had saved on other projects for the benefit of their community.

They are now planning to build community hubs (youth clubs, adult learning classes) in response to the wishes of their membership. In 2009, 96 per cent of surveyed tenants rated the association's services as 'excellent'.

"Residents in Preston voted for Community Gateway to become the first housing association in the UK to follow the principles of the Community Gateway Model. By doing this they chose to make community empowerment a priority for the organisation. Its embedded into the rules of the association, that as residents they influence the direction and the decision making process for the good of the area they live in."

Diane Bellinger, Chief Executive

3. Measure what matters

Alongside direct incentives to local people and professionals to develop and participate in mutuals, it will be important to build evidence and understanding of the social value created, both at the level of the organisation, and within wider systems of measurement. Mutual organisations, alongside other third sector organisations, are likely to produce positive 'spin-off' effects, for example by encouraging the development of relationships and links between local people and organisations – a virtuous circle of growth in social capital. That is why Cabinet Office is leading work to encourage investors, commissioners and delivery organisations as a whole to effectively and efficiently measure their social value. In particular, the Office of the Third Sector is leading work to make Social Return on Investment an accessible and cost-effective way to do this.

4. Incubate innovative organisational forms

New mutual social enterprises, such as those emerging through the Right to Request (see case study box on page 15), should be able to benefit from experience and expertise that already exists in the social enterprise and mutuals sector. The Government will encourage and facilitate the sharing and spreading of best practice between new mutuals - for example, through mentoring - to help build clear ethos and values into the heart of new public service mutuals. In addition, expert brokers, including academics, will help to connect innovative mutuals with each other and public service commissioners. The Government will also incorporate messages about the value that mutual organisations can bring

into the information and training provided to public service commissioners. This will help commissioners to understand how mutuals can enable them to solve key public service challenges and provide value for money.

5. Reduce barriers

Government has an important role to play in reducing barriers to the formation and success of mutuals operating in public service markets as part of wider Third Sector policy. This includes addressing regulatory burdens and ensuring commissioners both understand where mutualism adds social value and how to commission for those outcomes. The Government will also look to address systemic disincentives: for example, when existing public sector staff are looking to set up new social enterprises to deliver public services, the guaranteed contracts available are not always long enough to incentivise staff to take the risk of spinning out. These organisations may not be able to attract new specialist staff if these staff are excluded from public sector pension arrangements.

Clinicians take control

Central Surrey Health (CSH) is owned by its staff who have an equal penny share and are referred to as 'co-owners'. It is a company limited by shares and a social enterprise that provides community nursing and therapy services, and reinvests all its profits in care.

CSH believes that co-owners who are most familiar with their patients' needs are in an excellent position to decide where investments are needed and to improve efficiency and productivity.

The organisation is exploring new ways to further engage with patients and service users in designing and delivering existing and new services to maximise input from local people.

MOVING MUTUALISM FORWARD: CHILDREN'S CENTRES, HOUSING, AND HEALTH AND SOCIAL CARE

To continue to develop and demonstrate the value of mutual approaches, the decisive and important steps Government is taking across three service areas are highlighted below. The proposals and commitments outlined employ a wide range of models of mutualism (see Figure 1 for an outline of mutual models for organising and delivering public services) and address a variety of ways forward – from reducing barriers to incubating new models of organisation and giving those who rely upon services new ways to control those services.

Sure Start Children's Centres

The Government wants to encourage strong parental voices in every Children's Centre, so that what is on offer there reflects what families want and need.

Since the inception of Sure Start, there has been a wide range of different ways of running Children's Centres. Some are run directly by local authorities, others by schools, primary care trusts, or voluntary organisations such as Barnardo's or Action for Children. Regardless of how the local authority chooses to run them, Children's Centres bring together a range of local partners

including health, Jobcentre Plus and children's services to offer early education, childcare, health, family support, and other services to all families with children under five.

Community and parental involvement has always played a vital role in what goes on in Children's Centres. An Ofsted report published in July 2009 stated that 'parents from all social backgrounds are positive about the integrated services provided within their communities', so there is an excellent foundation upon which to build stronger community involvement, including parents and other interested community members.

Local authorities are required to ensure that all Children's Centres have an advisory board, which is representative of its community and which has parental representation on it. Now, we want to start thinking about what more we can do to give communities and parents even greater involvement in making decisions about how the Children's Centre they use is run. **The Government will pilot a way of running Children's Centres as part of local mutual federations. We will invite up to five local areas who are interested in developing this approach to commit to setting up a mutual federation.** The federation could then bid to run Children's Centres across its local authority area, bringing in health and Jobcentre Plus as well as parents and

professionals, and each of these centres in turn would then be run on a mutual basis. This model is designed to maximise the opportunities for parents and the community to influence decisions that affect their local centre without having all the responsibilities of running that centre.

The federation will connect individual centres, allowing each centre to benefit from a combination of local involvement and control, as well as developing a shared unified voice across a larger number of centres, bringing together professional expertise with community involvement and engagement. We will use the pilot to see if this approach is effective in creating a strong partnership approach between local health, Jobcentre Plus and children's services to support the Children's Centres in their area, as well as ensuring parents have a strong voice in how the centres operate and work with other services. Many challenges and opportunities for Children's Centres extend beyond the boundaries of their immediate neighbourhood. Mutualism will ensure that those boundaries do not stop the flow of expertise and co-operation between centres.

Children's centres aren't currently required to have formal governing bodies, and it is right that at this relatively early stage in the development of the Children's Centres programme that there continues to be flexibility about forms of governance depending on what is right for each centre and its community. As such, there are a variety of different possible legal forms that a mutual Children's Centre could take. One example is Millmead

Children's Centre in Kent, whose members have joined together to provide a shared service of mutual benefit. Membership is open to the local community and to employees. Each member holds one share with a nominal value of £1. There are 18 members of the management board, which includes elected community representatives, staff representatives, statutory members representing bodies such as the local council and primary care trust, and two co-opted members (see full case study box on page 9).

Importantly, parents and the community will have a real say in the running of their local centre. For example, Millmead has achieved this in part by having a Community Worker, developed to create a bridge between the organisation's staff and local people. The post was originally filled by a number of local parents who received training and support, and who worked with the centre leader to develop the programme, though the programme has developed since then and the post may be filled either by parents or by other professionals who deal with specific needs. The Community Worker facilitates the monthly meetings of a community focus group, made up of local people and service users. It is also the Community Worker's role to ensure that the views of the community are well represented. Other ways in which parents and the community could participate more fully include giving them a role in determining how the budget is spent and what services are delivered, what the ethos of their local centre might be, or even sitting on interview panels to recruit staff to the centre.

Piloting, testing and evaluating mutual models for the organisation and delivery of Children's Centre services is an important step in securing and building even stronger relationships between local people and a key public service, and a wide range of stakeholders across a local area.

Advancing mutualism in tenant management and new build cooperative housing

- **Tenants controlling and managing the services that matter to them**

The benefits of tenants running and controlling the services that matter most to them are clear and demonstrable. Tenant management encourages the development of more cohesive communities, wider community activity and personal development. Services are improved when they focus on, and directly respond to, changing local needs and priorities by utilising local knowledge – leading to greater efficiency and value for money. Research has found that most Tenant Management Organisations (TMOs) performed better than the relevant local authority and compared favourably with the performance of the top 25 per cent of local authorities generally.

Tenants successfully managing their estate, and teaching other tenants to do it too

Operating since 1994, Pembroke Street Estate Tenant Management Organisation (TMO) has developed a pioneering approach to regeneration based upon working with 500 local residents. They have developed initiatives that focus on building the confidence and self-esteem of local people, and placing them at the heart of community regeneration, ensuring a lasting commitment to positive change.

In 2008 Pembroke Street Estate TMO gained Investor in People status; they have also offered help and support to 10 other groups and a wide variety of networking took place on a national level. Several hundred visitors came to visit the estate during that time. Other emerging TMOs in the area were mentored and supported through the Guide Neighbourhood Programme at Pembroke Street Estate as well as several other community-based groups across the city.

The high levels of tenant engagement have been productive. For example, police records show the estate has the lowest crime rate in the area, and residents regularly say in surveys that they feel the estate is clean, safe and well managed. Pembroke Street Estate has won a British Urban Regeneration Award.

The Government has given tenants far greater power and control over the management of their homes and the provision of housing related services. For example, since autumn 2008 it has simplified the process by which local authority tenants can set up TMOs so they can directly control the management of their homes and housing services. TMOs are the outcome of the Right to Manage process, which offers a way in which local authority tenants can take over management of some services (such as caretaking or grounds maintenance) or full management if they wish. In April 2010, a new standard will be introduced by the Tenant Services Authority:

- i. Offering all social tenants a wide range of opportunities to be involved in the management of their housing, including the delivery of housing related services, and
- ii. Providing them with support to build their capacity to be more actively involved.

Since late 2008, tenants have been able to take over small scale management services through Local Management Agreements (LMAs). LMAs are an important way of opening up new opportunities for tenants to control specific housing services and undertake the management of small, often communal, spaces without having to set up and run a full TMO. Any surpluses generated by efficiencies achieved by tenants under an LMA can be invested in community projects, further helping local communities to act according to local priorities and circumstances. LMAs are a flexible and adaptable tool that can

take into account local priorities and the circumstances in which they are being developed. For example, the priorities of local residents as well as the time and skills they have available will vary significantly from place to place. The signs are promising.

The flexibility and success of Local Management Agreements indicates that there is significant potential to develop this approach.

At present, housing associations and their tenants can set up these types of agreement on a voluntary basis, and the TSA standard and other government initiatives support them to do this without the need for TSA approval for the LMA. But for local authority tenants, consent is required because of the statutory provisions under which they are set up.

The Government is therefore committed to developing a new 'fast track' route to establish an LMA for local authority tenants. Currently, it can take 18 months to set up an LMA because the process is embedded in Right to Manage procedures – whereby a number of options have to be considered before an LMA is selected and set up. **So the Government is working on halving the time it takes to set up an LMA by:**

- i. streamlining the process of developing and approving an LMA by working with the Tenant Services Authority and stakeholders,

- ii. providing grant support for any group of tenants looking to set up LMAs,
- iii. piloting simple and accessible models of how to negotiate and enter into an LMA, and
- iv. providing access to cost-effective and fit-for-purpose training for tenants in their locality (for example, budgeting, procurement and health and safety).

This is an important step forward in giving social housing tenants, regardless of their landlord, the ability to be involved in managing their homes if that is what they want, and in a way that reflects their preferences and the aspirations of the communities they live in.

CLG and the TSA will work with tenant stakeholders and others in an open consultative way to put in place a new framework that delivers these objectives by October 2010.

- **Encouraging community-led housing development**

The Government is also encouraging community-led development of affordable housing.

Carnegie UK is developing criteria for the allocation of financial support to facilitate the evolution of a viable and well-managed mutual and co-operative development sector; how community benefits derived from this might be protected in the long term; and what role Community Land Trusts (CLTs) – **a local**

community-controlled organisation set up to own and manage land and other assets over the long term for the benefit of the community – might play in urban and rural contexts.

The Homes and Communities Agency (HCA) is working on a number of projects that either already involve or could involve CLTs – the Cashes Green ex-hospital site at Stroud, Holy Island (Northumberland), and in Dorset, Devon and Derbyshire. It is also evaluating the non-financial benefits of mutual housing, and is engaging with lenders on how communities can access appropriate sources of finance for community development. In addition, the HCA is facilitating the provision of an information and support network to help communities develop viable mutual and co-operative housing projects which it aims to test through summer 2010.

The HCA will build on these existing initiatives by inviting and encouraging community-led bids to develop small amounts of community housing through the Public Land Initiative (PLI), part of the Government's programme for utilising surplus public sector land for housing. This was set up to build 1,250 new homes on publicly-owned sites by using a 'deferred payment' approach under which the value of the land is recovered through subsequent property sales. To do this, the HCA will:

- i. immediately remove the lower limit of 50 units for applications to the PLI – this will facilitate smaller community-led proposals,

- ii. make smaller plots of land available under future tranches of the PLI that would be more appropriate for community bidders,
- iii. adapt the PLI toolkit based on lessons learnt from the action research and support network outlined above to take into account community-led schemes, and
- iv. offer targeted support to successful bidders.

The HCA is also exploring ways of simplifying and streamlining the process for bidding for funding through the National Affordable Housing Programme. This will facilitate better and easier access funding for community-led bodies that are partnered with an RSL or registered with the TSA.

Community builds homes which will remain for local people in the long term

A ground-breaking development of four new affordable homes in a community land trust scheme is being built on Holy Island in Northumberland.¹¹ The houses will remain owned by the trust, keeping them available for rent by members of the island's community in the long term.

The new homes are part of a project started by the community in 1999 after the primary school closed because too few local people could afford to stay on the island.

This is a model of affordable housing by transferring land ownership to a non-profit trust, so that the houses can be sold or let at affordable rates because the price does not have to reflect land values. It creates opportunities for people to secure affordable homes in places where they want to live and for local authorities and communities to deliver the ambitions they have for their areas.

"The new homes will mean four families who may otherwise have had to leave will be able to stay on the island. This can only enhance the sense of community here, which is vitally important for the quality of life."

Dick Patterson, Chair of the Community Development Trust

Health and social care

- **Government will increase the sustainability and resilience of User-Led Organisations.**

The Government has invested significantly in enabling users of social care services to build strong User-Led Organisations, which both design and deliver high-quality services. In *Improving the Life Chances of Disabled People* (2005) and *Putting People First* (2007), the Government made a commitment to ensure there is a user-led organisation in each locality by 2010. To deliver this, the Government provided over £3.9 million between 2008-10 to build capacity in these organisations, creating a network of 25 action learning sites across the country, which supports a range of User-Led Organisations to flourish.

The role of User-Led Organisations in the design and delivery of social care services has increased significantly. As a result, people who need support for daily living and their carers have been empowered to live more independent and rewarding lives, and services have been more tailored and responsive to their individual needs. However, the full potential of this model has not yet been fully realised. Despite a number of successes, many User-Led Organisations remain highly grant dependent and struggle to develop sustainable business models. In 2008-09, a survey of User-Led Organisations established that 90 per cent of these were registered charities and/or companies, or Community

Interest Companies (CICs), of which only 41 per cent considered themselves financially sustainable.

Demonstrating the value of User-Led Organisations to local commissioners and enabling User-Led Organisations to engage effectively with them will help address one of the key barriers to creating a healthy and diverse market of user-led provision within social care.

In response to these challenges, the Government will encourage the Local Government Association, the Association of Directors of Adult Social Services and National Centre for Independent Living to **embed a commitment that three year funding becomes the norm within their joint protocol to support User-Led Organisations.**

Since 2006, the Government has been committed to making three-year funding the norm, rather than the exception. In the majority of funding arrangements, longer-term funding represents best value for money both in terms of managing risk for commissioners and allowing third sector organisations to plan ahead and deliver better and more innovative services.

In October 2009, the National Centre for Independent Living, the Association of Directors of Adult Social Services, and the Local Government Association agreed a joint protocol for the provision of user-led organisations. The Government will build on this existing commitment to make three year funding the norm during the facilitation of discussions regarding the renegotiation of the

joint protocol. This will provide a more stable commissioning environment in which User-Led Organisations compete equally with other service providers.

- **Measuring the full value of User-Led Organisations**

Social Return on Investment (SROI) is a framework for understanding, measuring and managing outcomes – social, economic and environmental – of an organisation's activities. The Office of the Third Sector is currently running a project on measuring social value. As part of this, a consortium led by the SROI network has produced a comprehensive guide to SROI, drawing on expertise and experience from practitioners, investors and commissioners. Furthermore, the Department of Health has commissioned an SROI analysis of five social enterprises delivering health services, the conclusions of which will be published shortly. This work will serve to demonstrate the usefulness of this approach to both third sector organisations and commissioners in measuring the full economic and social value of third sector provision.

The Government will build on these foundations to work with both User-Led Organisations and local commissioners to support the use of SROI as a means by which User-Led Organisations may better demonstrate their value to local commissioners.

- **Developing of consortia of User-Led Organisations**

The current landscape of User-Led Organisations reflects the broad diversity of disabilities covered by the Disability Discrimination Act 1995 as well as other needs for support (including carers). As a result, there is significant potential for a number of smaller impairment or sector-specific organisations to work together in partnerships, representing the views and needs of a broader range of people who use services. In addition, by forming consortia, these organisations may develop the scale and coverage to compete effectively and offer greater value for money as public service providers.

In response, the Government will support the development of consortia of User-Led Organisations to deliver health and social care services.

The Government's support will include the promotion of the Department of Health's £100 million Social Enterprise Investment Fund to user-led social enterprises that wish to form consortia to deliver health and social care services. The Social Enterprise Investment Fund provides investment to help new social enterprises start up and existing social enterprises to grow and improve their services.

- **Enhancing the development of community and professional partnership mutuals in health and social care services**

In *High Quality Care for All: NHS Next Stage Review*,¹² the Government created the Right to Request, under which NHS staff are empowered to explore setting up social enterprises if they believe that this could provide them with the independence, flexibility and responsiveness to innovate and improve services and outcomes for patients. In 2009, the Department of Health announced the first wave of 20 social enterprises created under the Right to Request. These organisations cover mental health services, substance misuse, minor surgery and district nursing, and range from four staff up to over 1,300 and projected revenue in the first year of trading from £300,000 to £55 million.

All social enterprises created under the Right to Request are required to demonstrate that they engage with their local community. However, there is significant potential to build on this and harness many of the benefits of community involvement through the principles of mutual ownership.

To achieve this, the Government will:

- i. work with strategic health authorities and primary care trusts to develop detailed proposals on mandating community government in the Right to Request Assurance Framework, and

- ii. explore the potential of the legal forms and processes by which the local community may purchase a 'legal share' in social enterprises created under the Right to Request.

The Department of Health recognises that not all NHS staff who would like to exercise the Right to Request feel able to do so without greater clarity and security in their employment terms. In particular, concern about continued access to the NHS Pension Scheme is a disincentive to some NHS staff who might otherwise use the Right to Request to form employee-led social enterprises.

The Government has confirmed access to the NHS pension scheme to those staff who were transferred to these social enterprises under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). This reassured many staff who wanted the freedoms of working in a new type of organisation that would release them from the normal constraints of NHS bureaucracy and allow them to promote innovation and efficiency to serve their patients better. However, this access to the NHS Pension Scheme does not extend to staff who move voluntarily rather than on TUPE transfer, and this may act as a disincentive for further NHS employees to join employee-led social enterprises and deliver more innovative public services within this structure.

On this basis, the Government will explore a value-for-money case for offering continued access to the NHS Pension Scheme to staff in hard-to-recruit professions who move from the NHS to the social enterprise on a voluntary basis.

CONCLUSION: NEXT STEPS FOR MUTUALISM IN PUBLIC SERVICES



The Government believes there is scope to embed mutual models of organisation and delivery across many public services. Specific mutual forms of organising and delivering services have started to develop across public services; for example, NHS Foundation Trusts; Co-operative Trust Schools, tenant management mutuals in social housing, and User-Led Organisations. Now is the time, however, to go much further towards public services being truly controlled and owned by the citizens they serve and the staff on whose motivation and innovation they rely.

There are a wide variety of ways for mutual organisations to run and deliver public services. The values of mutual organisations are compatible with a wide variety of different organisational forms, including cooperatives, social enterprises and charities, whilst the members of mutuals can be service users, employees, other stakeholders or a combination of these. The Government will encourage and facilitate a wide variety of mutual organisations to take on increasingly significant roles in the running and delivery of public services.

The five core elements of the Government's strategy will form the basis for achieving this. This is, of course, not about mandating mutualism or privileging mutuals above other ways of organising

and delivering public services, but about enabling the best organisations – the ones that deliver the best outcomes – to thrive.

The decisive and important steps Government is taking to develop and demonstrate the value of mutual approaches in public services are exemplified by specific measures set out above in Sure Start Children's Centres, social housing, and health and social care.

Mutualism is part of a wider shift in the way public services are organised and delivered. It is at the forefront of a new relationship with citizens and frontline professionals. Now is the time to go much further towards public services being truly controlled and owned by the citizens they serve and the staff on whose service and innovation they rely.

GLOSSARY

Asset Transfer Unit	Helps empower local people and organisations to transform land and buildings into community spaces while supporting the development of the third sector. It is funded by CLG.
Association of Directors of Adult Social Services (ADASS)	Represents all the directors of adult social services in England. www.adass.org.uk
British Waterways	The organisation responsible for maintaining inland waterways. www.britishwaterways.co.uk
Carnegie UK	A not-for-profit independent foundation which investigates areas of public concern to influence policy and practice. www.carnegieuktrust.org.uk
Charitable Trusts	A trust is a legal device which governs how assets given by an individual or organisation are to be used. A charitable Trust must be established for wholly charitable purposes and for the public benefit, and is an unincorporated body governed by a trust deed, and managed by charity trustees. As it is unincorporated, a trust cannot sign documents or hold land in its own name, and the trustees are personally liable for the trust's liabilities.
Community Dividends	An agreement between the state and a neighbourhood where residents take responsibility for making a tangible change to a local problem. If they succeed, both parties keep half of the savings generated – for communities to spend on local activities, and for the state, to re-invest in other areas or remove from their expenditure book. For more information, see: Young Foundation: <i>Promising ideas</i> , 2010.

Community Interest Companies (CICs)	<p>A legal form suitable for social enterprise established in 2005. (It is the first new form for 100 years.) Features of a CIC include the 'community interest test', 'dividend and interest caps' and an 'asset lock' which together ensure the CIC is established for a community purpose and assets and profits are primarily used for this purpose.</p> <p>www.cicregulator.gov.uk</p>
Community Land Trust (CLT)	<p>A local community-controlled organisation set up to own and manage land and other assets over the long term for the benefit of the community. The size and scale of CLTs can vary significantly. CLTs take various legal forms, sometimes building on existing organisations such as development trusts or almshouse associations. They are usually constituted as Industrial & Provident Societies or Companies limited by Guarantee, with charitable status.</p>
Cooperative Trust Schools	<p>In the co-operative Trust school model, members come together to directly contribute to the transformation of educational standards; and consult on the mechanism for all potential members to have a voice in the development and management of the school, via membership of a 'Council/ Forum' which has a pivotal role in delivering objectives.</p> <p>Members are drawn from the local community, and include parents; teachers; and local businesses.</p>
Department of Health Social Enterprise Investment Fund	<p>Up to £100 million to help social enterprises which wish to deliver health and social care services. The Fund offers grants, loans and equity like finance packages.</p>
Direct Payment	<p>Cash payments made to individuals who have been assessed as needing services, in lieu of social service provision.</p>
Homes and Communities Agency (HCA)	<p>The national housing and regeneration delivery agency for England. It works with a range of key partners, especially local authorities to help create opportunity for people to live in high quality, sustainable places. It provides funding for affordable housing, brings land back into productive use and improve quality of life by raising standards for the physical and social environment.</p> <p>www.homesandcommunities.co.uk</p>

Industrial and Provident Society (IPS)	<p>Co-operatives are a subset of mutuals more clearly defined in law.</p> <p>They can take any legal form, but most commonly are “Industrial and Provident Societies” (IPSs).</p> <p>IPSs are registered by the Financial Services Authority as either “co-operatives”, which are established for the benefit of their members and tend to be more commercially focused; or a “society for the benefit of the community”, which can be established with charitable status.</p>
Jobcentre Plus	<p>A Government agency supporting people of working age from welfare into work, and helping employers fill their vacancies.</p> <p>www.jobcentreplus.gov.uk</p>
Local Government Association	<p>A membership organisation for local government, acting as the voice of the local government sector and an advocate on its behalf.</p> <p>www.lga.gov.uk</p>
Local Management Agreement (LMA)	<p>Agreements made between residents and their landlord in order that residents can take responsibility for running straightforward services (for example cleaning or gardening services).</p> <p>Agreements specify how residents will provide the services for the benefit of residents in the area, setting out funding and monitoring arrangements.</p>
Mutual	<p>Mutual organisations do not have external shareholders, they are controlled by their members. Members may be users of the mutual, employees, other stakeholders or a combination of these. Mutual organisations are either owned by and run in the interests of existing members, as is the case in building societies, co-operatives and friendly societies; or, as in many public services, owned on behalf of the wider community and run in the interests of the wider community – for example, NHS Foundation Trusts and Cooperative Trust Schools. To help ensure the organisations best serve the interests of their members, mutuals are characterised by their democratic governance arrangements. They often have ‘one member, one vote’ systems for balloting members and governance structures that formally incorporate a variety of stakeholder interests.</p>
National Centre for Independent Living	<p>A not-for-profit organisation which is run and controlled by disabled people, and promotes independent living.</p> <p>www.ncil.org.uk</p>

<p>NHS Foundation Trusts</p>	<p>Foundation trusts are a type of NHS hospital run by local managers, staff and members of the public. They are tailored to the needs of the local population. Foundation trusts have been given much more financial and operational freedom than other NHS trusts and represent the government's de-centralisation of public services. These trusts remain within the NHS and its performance inspection system.</p> <p>Foundation Trusts have a governance structure based on a mutual model: they must have a representative membership made up of local people; patients and carers; and staff; (no limit on number of members) and are democratic. Members can stand and vote in elections for governors of the Foundation Trust. They were first introduced in April 2004, and there are now 122 Foundation Trusts in England.</p>
<p>Ofsted</p>	<p>Ofsted is the Office for Standards in Education, Children's Services and Skills. They inspect and regulate to achieve excellence in the care of children and young people, and in education and skills for learners of all ages.</p> <p>www.ofsted.gov.uk</p>
<p>Primary Care Trusts</p>	<p>Primary Care Trusts work with local authorities and other agencies that provide health and social care locally to meet the local community's needs. They are at the centre of the NHS and control 80% of the NHS budget.</p> <p>There are currently 152 primary care trusts in England.</p>
<p>Public Land Initiative</p>	<p>Established as part of the Prime Minister's Housing Pledge, it was set up in June to build 1,250 new homes, including around 500 affordable homes, on a small number of sites owned by the HCA. The Initiative aims to bring publicly owned housing sites forward using a different approach to procurement and delivery. Rather than sell land outright to developers, public land owners make their land available on a 'deferred payment' basis.</p>
<p>Right to Request</p>	<p>NHS staff are empowered to explore setting up a social enterprises if they believe that this could provide them with the independence, flexibility and responsiveness to innovate and improve services and outcomes for patients. This was first outlined in <i>High Quality Care for All: NHS Next Stage Review</i> (2008).</p> <p>In 2009, the Department of Health announced the first wave of 20 social enterprises, created under the <i>Right to Request</i>. These range from organisations covering mental health services, substance misuse, minor surgery and district nursing; as well as a range of sizes from four staff up to over 1,300; and projected revenue in the first year of trading from £300,000 to £55 million.</p>
<p>Shareholder Executive</p>	<p>Set up in 2003 to work with shareholder departments in Government to improve Government's capabilities and performance as a shareholder.</p>

Social Enterprise	Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners. Social Enterprises can take any legal form, including those appropriate to mutuals.
Social Return on Investment (SROI)	<p>A framework for understanding, measuring and managing outcomes – social, economic and environmental – of an organisation’s activities.</p> <p>The Office of the Third Sector’s project <i>Measuring Social Value</i> has produced a comprehensive guide to SROI. Their project draws on expertise and experience from practitioners, investors and commissioners and Government will work these groups to expand the use of SROI for example, as a means by which User-Led Organisations may be better able to demonstrate their value to local commissioners.</p> <p>www.sroi-uk.org</p>
Strategic Health Authorities (SHAs)	Created by the Government in 2002 to manage the local NHS on behalf of the Secretary of State. SHAs are responsible for developing plans for improving health services in their area; making sure local health services are of a high quality and performing well; increasing the capacity of local health services so they can provide more services; making sure national priorities (for example, programmes for improving cancer services) are integrated into local health service plans.
Sure Start Children’s Centres	<p>Sure Start brings together childcare, early education, health and family-support services for families with children under 5 years old. It works with parents-to-be, parents, carers and children to promote the physical, intellectual and social development of babies and young children so that they can flourish at home and when they get to school.</p> <p>Sure Start brings together service providers from the statutory sector like health, social services and early education, as well as voluntary, private and community organisations and parents themselves, to provide integrated services for young children and their families based on what local children need and parents want.</p>
Tenant Management Organisation (TMO)	A means by which social tenants can collectively take on responsibility for managing the homes they live in through an agreement with their landlord. Many TMOs employ staff to manage a wide range of services, including repairs, lettings, rent collection and tackling anti-social behaviour.
Tenant Services Authority	<p>The independent social housing regulator, responsible for ensuring that social housing tenants receive decent homes and services from their landlord - and that they have a say in how their homes are managed.</p> <p>www.tenantservicesauthority.org</p>

<p>Transfer of Undertakings (Protection of Employment) Regulations (TUPE)</p>	<p>The main piece of legislation governing the transfer of an undertaking, or part of one, to another. The regulations are designed to protect the rights of employees in a transfer situation enabling them to enjoy the same terms and conditions, with continuity of employment, as before.</p>
<p>User-Led Organisation (ULO)</p>	<p>Organisations run and controlled by people who need support for daily living and their carers. These are vital to providing information, advice, peer support and advocacy to social care users. They are also one of the key ways of exercising effective partnerships with people using services, carers and other local initiatives.</p>

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