

Transforming a Social Care Charity into a Multistakeholder Co-operative: Some Insights from Cartrefi Cymru Co-operative

Adrian Roper

Cartrefi Cymru Co-operative is a Welsh provider of social care that decided, after 27 years as a traditional charity, to become a multistakeholder co-operative. The paper provides some background history and then sets out the main reasons why the organisation decided to change. It also outlines some of the innovative features of its new identity as both a care providing and community building co-operative, and offers brief perspectives on Welsh and English social care law, and where co-operative care might sit in relation to market and non-market approaches to public services delivery.

Cartrefi Cymru was established as a charity in 1989 by a group of parents and Wales-based charity leaders who wanted to ensure that people with learning disabilities in rural and valley Wales had access to opportunities to live as tenants in their homes and communities with high quality support. The (Conservative) government in Wales at that time was committed to closing the old NHS special hospitals in which people had been segregated and congregated for decades, not infrequently in scandalous conditions. Funding for community based small-scale accommodation and support was made available, with particular incentives for service developments that used Housing Association properties and charitable support providers. From one perspective, it was an early step on the road towards outsourcing public services, but sweetened by the undoubted rightness of the shift from institutional exclusion to community inclusion, and by the government's encouragement of third sector provision, rather than the private sector. This perspective will be revisited later, as it remains a lively issue for co-operative social care.

Building on a platform of long-term government-funded service development, and aided for a while at least by an almost monopolistic position in its rural and valley areas of focus (and with due acknowledgement of a lot of people's skill and hard work), Cartrefi quickly became one of the biggest providers of support for people with learning disabilities in Wales. By the mid 1990s we had over 800 staff working in small house-based teams in every region of Wales. Growth then slowed as the hospitals closed, the new funding stopped, and a semi-monopoly situation turned into a highly competitive marketplace. The Community Care Act 1990 took a few years to make its impact, but by 1997 Cartrefi's contracts began to be re-tendered, and a whole new ethos dominated the environment. The focus was less and less about creating inclusive communities, and more and more about business survival and market share. Cartrefi had to learn to play the game, and we survived and even continued to grow. We have today 1,200 staff, supporting over 600 people in 14 of Wales' 22 local authority areas.

Thankfully, however, we never fully bought into the competitive business ethos, and for the past ten years at least, Cartrefi has been at the forefront of efforts to challenge the marketisation of care in Wales, and has striven to be an ethical player in all areas of our work: putting the people we support first; meeting and exceeding legal obligations towards our employees; and being transparent and collaborative with our local authorities.

We could probably have carried on for many more years without worrying about our top-down governance structure and traditional, charitable values: doing good to others. We were well-regarded and successful. Why bother to overhaul our governing documents and start playing about with the distribution of power and status within the organisation? Why bother to become a co-operative?

The fundamental reason is that we actually want to deliver on our purpose, and becoming a co-operative creates a whole range of new ways for us to do that.

Cartrefi Cymru's purpose is to enable the people we support (mainly but not exclusively people with learning disabilities) to live a good life. A good life is broadly assumed to include those things that any of us would see as essential (a decent home, loving relationships, valued roles, freedom, etc.) but we also believe each person should be able to shape their good life to suit their individuality and choice. Until we became a co-operative, we sought to fulfil this purpose through the traditional methods of good support practice and quality management. But such methods did little or nothing in terms of offering valued social roles, status, voice and control. By becoming a multistakeholder co-operative it is now possible for the people we support to choose to be members with full voting rights and the opportunity to become elected representatives with the power to appoint or dismiss our Board.

This elevation of status and voice, and access to power, also offers reasonable grounds for believing that the quality of our support will now always be strongly shaped by the vital perspective of the people who receive that support, and not simply reliant on the variable values and insights of senior officers and trustees. Their perspective is now hard-wired into our governance, and future-proofed against changes of leadership.

Another reason for becoming a multistakeholder co-operative is that the low status and marginalised voice of social care workers is both unjust and counter-productive. The terms and conditions of staff in social care services are generally poor, motivation levels are variable, and a deep well of talent, insight and capacity is too often ignored. Now that we are a multistakeholder co-operative, all our employees have the opportunity to become full members with voting rights and responsibilities, and elect representatives to the highest level of power and information access. We may not be able to increase wages beyond the funding we receive from local authority commissioners, but the elevation of status and voice of employee members offers a new defence of terms and conditions of employment.

Our co-operative offers the people we support, and our employees, something else as well. We have designed our initial membership offer so as to strongly emphasise Principle 7 (Concern for Community) and to interpret Principle 3 (Member Economic Contribution) innovatively. As well as paying £1, members pledge to build their co-operative and their community. Members meet not only to have their say and express their Democratic Member Control (Principle 2), they meet to pool their ideas, talents and spare time to organise activities which help their neighbours and communities. These can be social or environmental activities, from checking on an elderly neighbour to having a litter-pick and picnic; from making a local allotment wheelchair accessible to supporting a food bank. This creates all sorts of new opportunities for the people we support: to have visible, valued roles within their communities; to have a wider network of relationships; and to have a sense of well-being from being contributors rather than recipients. Employee members can also enjoy participating in collective efforts that make their communities better, along with recognition of the unpaid work they already do of their own volition, as active citizens, family members and good neighbours.

The innovative interpretation of Principle 4 is to consider Economic Member Contribution in terms of this "core economy" of unpaid activity, without which the whole fabric of decent human society (and paid-for economic activity) would collapse. It is an approach that dovetails Co-operation with the principles and goals of Co-production. In co-production, public services are based on an equal partnership between those who provide and those who use them, and are co-designed and co-delivered by both parties. This is partly to ensure that the services delivered are actually what the end-user wants, and that the public servant is not wasting public money delivering the wrong things. It is also about valuing and mobilising the capacity of the "core economy" and, in co-operative terms, the human potential for self-help and self-responsibility.

To reinforce our co-operative's community-building capacity, and strengthen the co-productive nature of our work, we have opened up our multistakeholder co-operative to a third category of membership: community supporters. Of course we are committed to Principle 1 (Open and Voluntary Membership) and will not reject applications on discriminatory grounds, but given the vulnerability of the people we support, the community supporter category of membership is not being offered to simply anyone who might be interested. We are particularly welcoming people that user and employee members know and trust, such as family, friends, and associates.

Another reason for becoming a co-operative is because the very idea of co-operation flies in the face of the idea of competition. If you feel that behaving like rats in a sack is a deeply inappropriate and resource-wasting way for social care providers to act, and you see no evidence that charitable status is any guard against rat-like behaviour, then Co-operative Principle 6 (Co-operation amongst Co-operatives) calls to your soul.

The marketisation of care services may have begun (in Wales) with the encouragement of the third sector, but as in other parts of the UK, it has resulted in a massive growth of the for-profit sector, extracting resources for shareholder benefit and doing as little as possible, beyond the contract, for the added benefit of users, workers, communities or public services as a whole.

Competitive tendering, as currently undertaken, not only encourages the private sector, it also fundamentally denies the users of services any meaningful say in who provides their care and support. There is little or no co-production (no co-design and co-delivery) in the current market-place approach to care commissioning. Whilst Cartrefi was deciding to transform into a co-operative, an interesting question arose: might it be possible for the users of a care service that they democratically control to powerfully resist attempts to put their own care out to tender? It is too early to answer yet. Besides, a better scenario would be for competitive commissioning to be replaced with co-productive commissioning. There are grounds for hope in that regard in Wales.

The Social Services and Well-Being (Wales) Act 2014 is the Welsh equivalent of the Care Act in England. There are a lot of similarities, and they both encourage co-production, but arguably the Welsh Act goes further, and only the Welsh Act promotes co-operatives. It places a duty on local authorities to promote "user-led services, co-operatives, social enterprises, and the third sector", whereas the English Act requires the promotion of "a diverse marketplace". It is a very notable difference. The Welsh Codes explain why they explicitly promote a restricted set of organisational models. The reasons are that they "lend themselves well to applying co-production principles because they are often democratic membership organisations" and "often conduct activities which are deemed to add value to society". Cartrefi Cymru Co-operative is proudly doing its utmost to comply with our Welsh laws, and to assist our local authorities in their duties. Of course, that's not the reason we have become a co-operative, but it undoubtedly has helped us, to be operating in a country that is not in thrall to market ideology, and champions democracy and society.

We opened up our membership offer in June 2017. By the end of July we had 204 members and rising. We have member forums forming in every region, and we are working with members to prepare the way for elections to a new National Council later in the year. All sorts of community-building activities are being voted on and actioned. There's a new buzz about the place, and a feeling that we are playing an important part in the history of our country and co-operative movement.

But what of public service outsourcing? Are new care co-operatives just providing an ethical cover for marketisation and the relentless intrusion of private interests into public domains? Well, we don't have to be. In-house public service monopolies are not the only alternative to privatisation. Nor are they the only way to support democracy and public benefit. The biggest requirement is for public authorities to have better tools in their commissioning bag than just arms-length competitive tendering. They should work collaboratively with user-empowered, co-operative organisations to co-produce services for maximum public benefit. Co-operatising

in-house services is an option, but not if such services are to be simply dropped into a market rat-sack. Why not start by promoting the transformation into co-operatives of already outsourced providers? If Cartrefi can do it, why not many more?

The Author

Adrian Roper has 31 years experience of social care in the statutory and voluntary sectors. He started his career as a volunteer resident in Wales' first "group home" for people with learning disabilities. He is CEO of Cartrefi Cymru Co-operative, a Wales-wide provider of community-based support that reconstituted itself as a multistakeholder co-operative in 2016.

References:

Social Services and Well-being (Wales) Act 2014, Part 2 Code of Practice (General Functions) <http://gov.wales/docs/dhss/publications/151218part2en.pdf>
Care Act 2014, Care and Support Statutory Guidance https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/315993/Care-Act-Guidance.pdf