



Co-operation and Co-operatives in the Development of Direct Payment Schemes in Wales

A Report for Wales Co-operative Centre
and Disability Wales

Professor Alan Roulstone and
Dr Se Kwang Hwang,
Northumbria University

May 2013



www.walescooperative.org

Acknowledgements

The research team would like to thank the following for their invaluable support in offering their valuable time and insights: Joelle Campbell (Wales Co-operative Centre), John Goodman (Co-operatives UK), Stephen Harris (Dewis Centre for Independent Living), Sheila Kelly (Caring Support), Cathy Maker (RUILS), Adolf Ratzka (STIL & Swedish Independent Living Institute), Mick Taylor (Mutual Advantage).

Wales Co-operative Centre

Llandaff Court, Fairwater Road, Cardiff CF5 2XP
T: 0300 111 5050 E: info@walescooperative.org
W: www.walescooperative.org

[@WalesCoOpCentre](https://www.facebook.com/WalesCoOpCentre)

www.facebook.com/WalesCooperativeCentre

www.linkedin.com/company/wales-co-operative-centre

Contents

1.0 Executive Summary	02
2.0 Introduction	04
2.1 Aim of the report	
2.2 Methodology	
3.0 Policy Background	05
3.1 Social Services and Well-being (Wales) Bill	
3.2 Direct Payments	
3.3 Direct Payments and Disabled People's Organisations	
3.4 Direct Payments in Wales	
3.5 New 'Co-operative' Approaches to Direct Payments	
4.0 The Nature, Scope and Diversity of Co-operatives	10
4.1 Defining Co-operatives	
4.2 Co-operatives, Direct Payments and Independent Living	
4.3 Co-operative and Mutual Models of Direct Payments	
4.4 Direct Payments and the Collective Pooling of budgets	
5.0 Case Studies: Co-operatives and Co-operation in Direct Payment Use	17
5.1 Caring Support (England): The Cluster Model	
5.2 Dewis (Wales): Co-operation in Social Enterprise	
5.3 Care & Share Associates (England): Employee-led Co-operative Care Mode	
5.4 RUILS (England): Pooling Direct Payments	
5.5 STIL (Sweden): The Service Users' Co-operative Model in Personal Assistance	
5.6 Uloba (Norway): User-owned and Controlled Personal Assistance Co-operative	
6.0 Conclusions and Recommendations	34
7.0 References	36
8.0 Appendices	41
8.1 Appendix A	
8.2 Appendix B	

1.0

Executive Summary

“Co-operation and Co-operatives in the Development of Direct Payment Schemes in Wales” is a flash report on collective approaches to direct payment support. It aims to inform the future direction of direct payments, using co-operative approaches, at the time of a new Bill for Social Services and Well-being (Wales).

The depth of commitment to direct payments is made clear in the consultation document underpinning the Bill, Sustainable Social Services for Wales: A Framework for Action, published in 2011.

Direct payments and an individual’s employment of personal assistants is one recognised path to independent living. However, this individualised approach may be hampering the extended implementation of direct payments, which is an important feature of self-directed support and control for disabled people.

The relationship between direct payments and the organisational and delivery infrastructure did not receive detailed attention in the above consultation

document. Addressing this gap provides one rationale for this report.

The United Kingdom and other countries have seen an increase in collective approaches to direct payments aligned with the evolution of innovative social support systems. There is clear evidence that collective approaches offer new alternatives to direct payment provision and use.

This report includes co-operative-based case studies, which illustrate how innovative use of direct payments combined with a co-operative ethos, translate into effective social care systems underpinned by direct payments. This supports the view that direct payments and co-operative approaches can combine in an effective way.

1.0

Executive Summary

The research describes a powerful affinity between co-operative principles, direct payments and disabled people's organisations. In Wales, disabled people's organisations can lead the drive in innovative approaches to direct payments because of their not-for-profit ethos and user-controlled heritage.

A case study featured in the report, 'Caring Support', a multi-stakeholder co-operative pioneered by Monica and Michael Ryan, is an example of how service users, primary unpaid carers, friends, supporters and paid personal care assistants can come together, to work collectively, in order to make the most of direct payments.

There remain barriers to the roll out of co-operative direct payment models that deserve attention in national and local policy directives. The aim of this report is to show how interventions can overcome these barriers to support an increase in direct payments through co-operative approaches.



There remain barriers to the roll out of co-operative direct payment models that deserve attention in national and local policy directives.

2.0

Introduction

Aim of the report

This report was commissioned within the context of the Social Services and Well-being (Wales) Bill (2012)¹, and the growth of direct payment schemes in the United Kingdom.

The report will explore ‘co-operation’ and ‘co-operative’ interpretations of modernised adult social support. Specifically, it aims to:

- + Explore co-operative models that use direct cash transfers (direct payments) creatively to afford new collective provisions, services and formats that help foster independent living.

The report draws on important examples of co-operative-based projects where the co-operative ethos is translated into support systems. The co-operative is legally recognised as based on shared endeavour and ownership.

In the report, we use the term co-operation to refer to the more generic understanding of group and community-based service ideas. The term co-operative refers to an organisation where co-operation is governed.

Methodology

The work draws on evidence from available published and grey literature of innovative co-operation and co-operative approaches to direct payments.

It includes a number of case studies which highlight the success of co-operation and co-operative approaches of direct payments.

We also conducted telephone interviews with chief executive officers of disability organisations that are known and acclaimed for their use of co-operation and co-operative approaches to direct payments.

A detailed description of the agreed research methods adopted is provided as Appendix A to this report.

¹ Gwenda Thomas (ADM & Deputy Minister for Social Services) clarified that the original working title of the Bill did not encapsulate the full range of partners and provisions. Therefore, the draft Bill is now referred to with the revised working title of the Social Services and Well-Being (Wales) Bill.

3.0

Policy Background

3.1 Social Services and Well-being (Wales) Bill

The future shape of social support in the UK is attracting a great deal of policy and legislative attention. In Wales, a major review of social services is included in the Social Services and Well-being (Wales) Bill published in late January 2013. The Bill is ambitious in its aims and its reach:

We are committed to promoting high quality, responsive, citizen centred social care services. The proposed Social Services (Wales) Bill will provide us with the legislation required to take forward the change programme outlined in the Welsh Government's white paper, 'Sustainable Social Services for Wales: A Framework for Action'. It will also provide, for the first time, a coherent legislative framework for social services in Wales.

(Welsh Government, 2012a)

The consultation sets out the legislative proposals for the Social Services and Well-being (Wales) Bill with a focus on 'giving citizens a stronger voice and real control' (Welsh Government, 2012b). Direct payments are central to citizen centred support.

3.2 Direct Payments

Direct payments are well established in Wales, their value recognised by the policy document 'Fulfilled Lives-Supportive Communities' (Welsh Government, 2007).

Direct payments have been extended to include older people, parents of disabled children, and carers (Welsh Government, 2011). The depth of commitment to direct payments is made clear in the consultation paper that underpins the Social Services and Well-being (Wales) Bill, which notes:

We believe that Direct Payments are an important tool for increasing the control that people have over their social care. Extending direct payments and improving take up would be important features of a new model of self-directed support and control. For these reasons we want Welsh Ministers to be given the powers they need to implement these changes.

(Welsh Government, 2012b: 41)

Nevertheless, the exact relationship between direct payments and the organisational and delivery infrastructure does not receive as much attention in the consultation document, providing part of the rationale for this report.

3.0

Policy Background continued

3.3 Direct Payments and Disabled People's Organisations

As in England and Scotland, disabled people's organisations have been key drivers of policy change in Wales.

Disability Wales produced a 'Manifesto for Independent Living' in 2010, which highlights six priority 'Calls to Action', identified by disabled people as essential to enable independent living. They are:

- + Improved access to information, advice, independent advocacy and peer support services for all
- + Availability of accessible and supported housing to meet individual requirements
- + A comprehensive range of options and genuine choice and control in how personalised care and support is delivered
- + Improved access to Person Centred Technology (aids and equipment)
- + A barrier free transport system, including all modes of transport
- + Enabling access, involvement, and social, economic and cultural inclusion for all disabled people.
(Disability Wales, 2010)

This report illustrates a strong affinity between collective principles and shared ownership qualities at the heart of the co-operative movement. It is these user-led, citizen controlled principles, which underpin direct payments.

Government policies should build on this affinity and include two determinants:

1. As co-operative organisations, disabled people's organisations, which are user-controlled and owned, contain the basic building-blocks for fostering independent living.
2. Direct payments emanated from collective struggle. To lose sight of this is to read independence as individualism.

To activate the potential of direct payments is to acknowledge inter-dependence, co-operation and shared citizen control as central to an enabling society.

3.0

Policy Background continued

3.4 Direct Payments in Wales

In Wales, citizen-directed support has focused on a mutually supportive relationship between the individual, local community, local service commissioners and providers.

Commentators have expressed reservations about the widespread roll-out of individualised direct payments and personal budgets across Wales, and argued for greater evidence of collective, community and state cohesion to underpin social support (Roulstone, 2011; Social Interface, 2007).

Surveys of direct payment uptake in Wales suggest that although they are well established as a policy and service option, more could be done to support those eligible. As one survey noted:

...a belief that Direct Payments are difficult for the client or would cause the practitioner extra work, a belief that someone lacked the right kind of informal support to help them manage Direct Payments, misgivings about Direct Payments in general and unwillingness to lose control or take risks.
(Social Interface, 2007: 4)

Disability Wales have been at the forefront of co-ordinating key tenets of the independent living agenda. Adopting the notion of citizen-directed support they recommend:

...developing a model that is more suited to the Welsh context. This is based on three core principles: Community, Change, Choice and Control. The model supports local innovation and provision of a range of options for service users, including Direct Payments and traditional service delivery for those who want it. The model also emphasises the importance of co-operative approaches to service provision, building social capital and community development using mechanisms such as Time Banking.
(Disability Wales, 2011)

The Framework for Action on Independent Living (Welsh Government, 2012 c:19) also states that direct payments need to be more widely promoted, and there needs to be better support and systems to facilitate application.

The scope of direct payments also needs to be extended to enable individuals to have more control over the design of the support package and services they receive.

3.0

Policy Background continued

Although the take-up of direct payments has increased progressively over the years, with a marked increase of approximately 60% from 2008 to 2010, the number of people using direct payments has remained low in Wales.

As at 31 March 2011, 2,734 people were receiving direct payments in Wales from the 150,000 people who receive social services provision. There is also a significant age gradient, with 1% of older users receiving direct payments (636 people) compared to 10% of users aged 18-64 (2,098) (Welsh Government, 2012d).

3.5 New 'Co-operative' Approaches to Direct Payments

New approaches for social care provision have been explored to avoid the isolation noted by some critics of personalisation.

One approach taken to develop innovation in a local provider market is through collective or co-production models. This is a practical alternative to more individualised versions (Hall, 2009; Fisher et al., 2012).

Collective and co-operative approaches have the potential to support direct payment use more fully, whilst providing the context for group support and mutuality, which risks being lost with some individual uses of direct payments.

This realisation of co-operative approaches in substantiating direct payments, due to the potential for collective purchasing, support and fulfilled lives is clear in this response to the Welsh Government Framework for Action on Independent Living Consultation:

3.0

Policy Background continued

I would specifically propose that Welsh Government should make it a requirement that in each local authority there would be at least one co-operative-based direct payments provider. Such co-operatives would be membership based, and open to both users and workers, in order to pool risks and rewards on a collective basis. This option should be actively promoted, and individuals' attention positively drawn to its existence.

(Drakeford, 2012)

It is worth bearing in mind that much contemporary living for non-disabled people is in group and collective contexts such as work, leisure, and education. Through co-operation and co-operatives, disabled people have more choices in supportive group contexts. This to date has arguably weakened the potential of direct payments to afford real independence.

Co-operatives provide ideal solutions to the on-going challenges in the roll out of direct payments, as they are based on member governance, control and mutual support. It is important to understand more fully the nature and potential of co-operatives to support disabled people and their organisations to foster collective solutions to independent living.



Co-operatives provide ideal solutions to the on-going challenges in the roll out of direct payments, as they are based on member governance, control and mutual support.

4.0

The Nature, Scope and Diversity of Co-operatives

4.1 Defining Co-operatives

In the UK, co-operatives are not legally defined. According to Co-operatives UK (Atherton et al., 2012), co-operatives are businesses owned and run by and for their members, whether they are customers, employees or residents. As well as giving members an equal say and share of the profits, co-operatives act together to build a better world through co-operation. According to the International Co-operative Alliance Statement of Co-operative Identity (2012), a co-operative is:

An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

A fuller exploration of co-operatives is to be found in Appendix B.

4.2 Co-operatives, Direct Payments, Disabled People's Organisations and Independent Living

Over the last ten years, there has been a growing interest in alternative organisational forms of social care service delivery. The interest in alternatives to direct service provision was an element of social care reforms pursued by New Labour government. Co-operatives were seen as having potentially special relationships with diverse and marginalized communities (Rayner, 2009). For instance, they contribute:

- + directly to the eradication of poverty through the economic and social progress of their members and employees
- + indirectly through stimulating the economies and enhancing the social integration and cohesion of the communities (Birchall & Simmons, 2009; DfID, 2010).

4.0

The Nature, Scope and Diversity of Co-operatives continued

As noted in the Wales Progressive Co-operators response to the consultation on Social Services and Well-being (Wales) Bill, co-operatives can take a number of forms. Their focus is on a multi-stakeholder co-operative to ensure service users and their family, alongside employees, are each given a stake in the running of a co-operative:

In our view the ‘co-operative multi-stakeholder model’ is a particular form of co-operative which has the greatest possibilities for transforming the relationship between the service user – as an owner and member – and the organisation providing care. They also provide more generally the opportunity for transforming other public services...

This model of multi-stakeholder co-operation is not restricted to local service delivery, but it can also be embraced as a tool of government, but its relevance goes much wider than this, to how services are organised and governed within the public sphere, indeed how the principles and practices of co-operation bear on all parts of today’s multifaceted economy.

(Wales Progressive Co-operators, 2012)

Although debates around independent living and co-operatives are growing in Wales, many of the earliest links between social support, independent living and co-operatives were made in North America and Scandinavia.

For example, co-operatives in various regions of Canada serve their members by providing consumer-directed care services, which create social and economic benefits to disabled people (Bidonde & Leviten-Reid, 2011; Lemon & Lemon, 2004).

Disabled people’s involvement in co-operatives has positive benefits such as integration into the community, more opportunities for employment and education, improved health, increased self-confidence, improved quality of daily life, and less anxiety and depression (Bowman, 2001; Sutherland & Beachy, 2004; Jans, 2007).

4.0

The Nature, Scope and Diversity of Co-operatives continued

Although the issue of co-operatives that support the needs of disabled people in the UK has been largely overlooked, co-operative development in the disability community has informally existed in Centres for Independent Living (CILs). Co-operative working can provide new opportunities and avenues for empowerment when co-operative ideas are embraced more fully by government and disabled people alike.

In tangible terms, where people feel marginalised and powerless even with immediate control over their lives, they can group together in co-operatives. The co-operative can embody the four elements present in successful efforts at empowerment (Rasmussen & Krogh, 2000):

- + Access to information
- + Inclusion and participation
- + Accountability
- + Local organisational capacity.

Co-operatives acknowledge and integrate difference and diversity, and offer opportunities for disabled people to overcome the barriers and disincentives toward active participation in society.

A paper presented to the Deputy Minister for Social Services by Wales Council for Voluntary Action Network 3 (2010:9) notes that the increasing interests in self-directed care illustrates a growing recognition of the role of people as an active citizen and central agent in the delivery of their own health and well-being. It points to a growing trend towards groups of self-managers coming together as informal or formal 'co-operators'.

As noted above there are tensions between self and citizen-directed models. Some self-directed approaches risk morphing into models of self-management and focus entirely on an individual-led approach (Roulstone & Morgan, 2009).

Co-operatives then provide the potential for greater control and collective dynamics. The report by Scope Cymru (2012) has critically discussed how co-operation in social care can provide a way for people to improve their care outcomes and contribute to community life. This report emphasises that people can regain power over the markets and use their greater economic influence to contribute to local areas. Pooling their purchasing power (a core principle of the Rochdale Pioneers credited for modern co-operative development) can help to

4.0

The Nature, Scope and Diversity of Co-operatives continued

stimulate markets, creating the diversity in services that is needed. Co-operatives could work with local providers to get the services that their members want and larger co-operatives could put their services out to tender to encourage new providers into an area.

Fisher et al (2011), who have worked with two social care co-operatives, argue that co-operatives can develop service innovations in personalisation grounded in local knowledge and the needs of service users. They report that co-operatives provide benefits over and above delivering a social care service:

- + Social capital and building strong networks
- + Empowerment and involvement adopted by the co-operative values
- + Supporting employee and member recruitment and training.

However, they also found that the market for personalised services is underdeveloped and co-operatives are not well understood by gatekeepers to social care and health services. Longstanding commissioning processes (e.g. preferred provider lists) are a significant barrier for new co-operatives entering the market under personalisation.

4.3 Co-operative and Mutual Models of Direct Payments

Regarding links between co-operative approaches and the development of citizen-directed services, social care co-operatives have been established to enable service users to pool their direct payments.

The development of co-operatives in which people pool their direct payments so they can share the more burdensome aspects of employing staff whilst retaining a real voice and control over support, is one very clear way in which co-operation and citizen direction can come together (WCVA Network 3, 2010:10).

Three Co-operative and Mutual Models of Direct Payments

There is scope to develop other co-operative or mutual models of direct payments. Co-operatives UK (2004, cited in Glasby & Taylor, 2006) proposed three co-operative and mutual models of direct payments:

1. A service user co-operative

In this arrangement the co-operative may contract with self-employed personal assistants or directly employ care staff. Service users would join the co-operative as they might join a community organisation or membership club and have the right to

4.0

The Nature, Scope and Diversity of Co-operatives continued

select their own carer from those on offer by the co-operative, recruit a personal assistant (PA) and introduce a carer of their choice to the co-operative.

The assistant would be trained by the co-operative, paid by it and work to its broad quality standards. The specifics of how and when support is provided would be agreed between the service user and their assistant.

2. A multi-stakeholder co-operative with a membership of service users, staff and community organisations

Service users and their assistants would be members. Day-to-day working would be similar to the service users' co-operative with additional organisational arrangements to avoid potential conflicts of interest.

Service users, staff and the community sector work together in overall management guiding the organisation's direction. This might provide a new type of relationship that emphasises the role of the community.

3. Services provided to direct payment recipients on a contracted basis from an employee-owned co-operative home care provider

Service users would agree to the carer provided by the co-operative and would negotiate the practical arrangements themselves. The home care worker and the service user would be free to negotiate changes to these arrangements within the agreed framework.

Under this model, there is scope for a local care provider that reflects the cultural and ethnic make-up of the community. Surpluses would be retained for reinvestment in that community rather than for distribution to shareholders.

In each model, direct payment recipients have direct control over the day-to-day delivery of their support, but a co-operative with paid staff takes on the organisational and legal responsibilities of recruitment, regulation, employment, training and contracting.

4.0

The Nature, Scope and Diversity of Co-operatives continued

Glasby & Taylor (2006) argue that the models may be suitable for service users that find the 'hiring and firing' approach to direct payments difficult. The models could reduce the administrative complexity of managing staff and provide personal assistants with peer support, more secure employment, and greater opportunities for career development.

A Fourth Alternative Mutual Model

Recently an alternative mutual model, a cluster model of direct payments, was piloted through five case studies on self-managed care. The pilot aimed to establish a multi-stakeholder co-operative based on people living in sheltered accommodation (Co-operatives UK and Department of Health, 2010; see case study 4).

The cluster model allows close relationships to be developed between users and PAs when their own regular PA is unavailable, as service users have access to back up from other in the cluster whom they know and can trust. The model ensures that service users have more control over the services that they receive, but allows the legal, financial and organisational responsibilities (e.g. drafting of rotas) to be handled by a co-operative.

4.4 Direct Payments and the Collective Pooling of Budgets

Another workable co-operative business model of people using direct payments is to pool budgets to buy services collectively (Spandler, 2004; Glasby et al., 2006). Pooling direct payments takes person-centred planning a step further with disabled people working together to agree joint activities and make decisions alongside others. For example;

- + Ealing Centre for Independent Living supported a group of 25 people with learning difficulties to pool their direct payments to pay a lecturer for a theatre course. They had previously attended at a community college, but it was withdrawn.
- + In Derby, a group of disabled people who attended therapeutic art activities at the Rycote Day Centre pooled their direct payments to rent premises. The group hosted social, recreational and educational services determined and controlled by the service users.

Sass & Beresford (2012) point out that pooling helps people to develop and share a vision, skills, and joint interests and to identify and draw on additional community resources.

4.0

The Nature, Scope and Diversity of Co-operatives continued

This chapter has looked at the potential and strong synergies between direct payments, independent living and co-operation and co-operative principles. Chapter 5 will explore six useful and arguably transferable case studies of direct payment use which are based on collective as opposed to individual approaches. The models featured are:

- + A cluster model, Caring Support, in England
- + A social enterprise business, Dewis CIL, in Wales
- + An employee-led co-operative care model, Care & Share Associates, in England
- + A model that pools direct payments, RUILS, in England
- + A service users' co-operative in personal assistance, STIL, in Sweden
- + And, a user-owned and controlled personal assistance co-operative, Uloba, in Norway.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use

5.1 Caring Support (England): The Cluster Model

Origins and Profile

Caring Support is a multi-stakeholder co-operative pioneered by Monica and Michael Ryan. The co-operative was established following their negative experiences with traditional care services that 'failed to provide the kind of high quality personal care and support that Monica and others needed'. The requisite to identify and source good quality support staff and ensure the continuity of carers was critical, though often difficult in practice.

Monica secured a direct payment that allowed her to manage her own paid carers. It also offered a degree of self-directed control for the couple, but as they got older it was harder to cope with employer responsibilities and complex paperwork. In addition, they had serious concerns about the training and pay of personal care assistants so began to search for a more creative solution (Caring Support, 2011).

Drawing on her experience as a direct payment recipient, Monica saw the opportunity for a new kind of service provider that could be owned and controlled by service users along with their carers. This compares well with the

convergence of direct payments, cash transfers and co-operative collective solutions to challenges that require both the freedom to choose, but also the right to belong in a mutually supportive context.

The Cluster Model

As a co-operative, Caring Support is owned and controlled by the service users, their primary unpaid carers, their families and friends, and personal care assistants. The service works on a cluster model (Figure 1) based on small groups of service users (no more than 15) who are geographically matched.

Currently there are a maximum of six clusters in the Croydon area supported by personal care assistants who are trained to work in a person-centred system. This is a new model of home care support based on small local clusters giving practical support to unpaid carers, whilst training and employing local people as home and personal care assistants.

Sheila Kelly, Care Manager at Caring Support said: *'Small is beautiful, an antidote to having a different carer every day and from many miles away'*.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

Below is a diagram of the Cluster Model

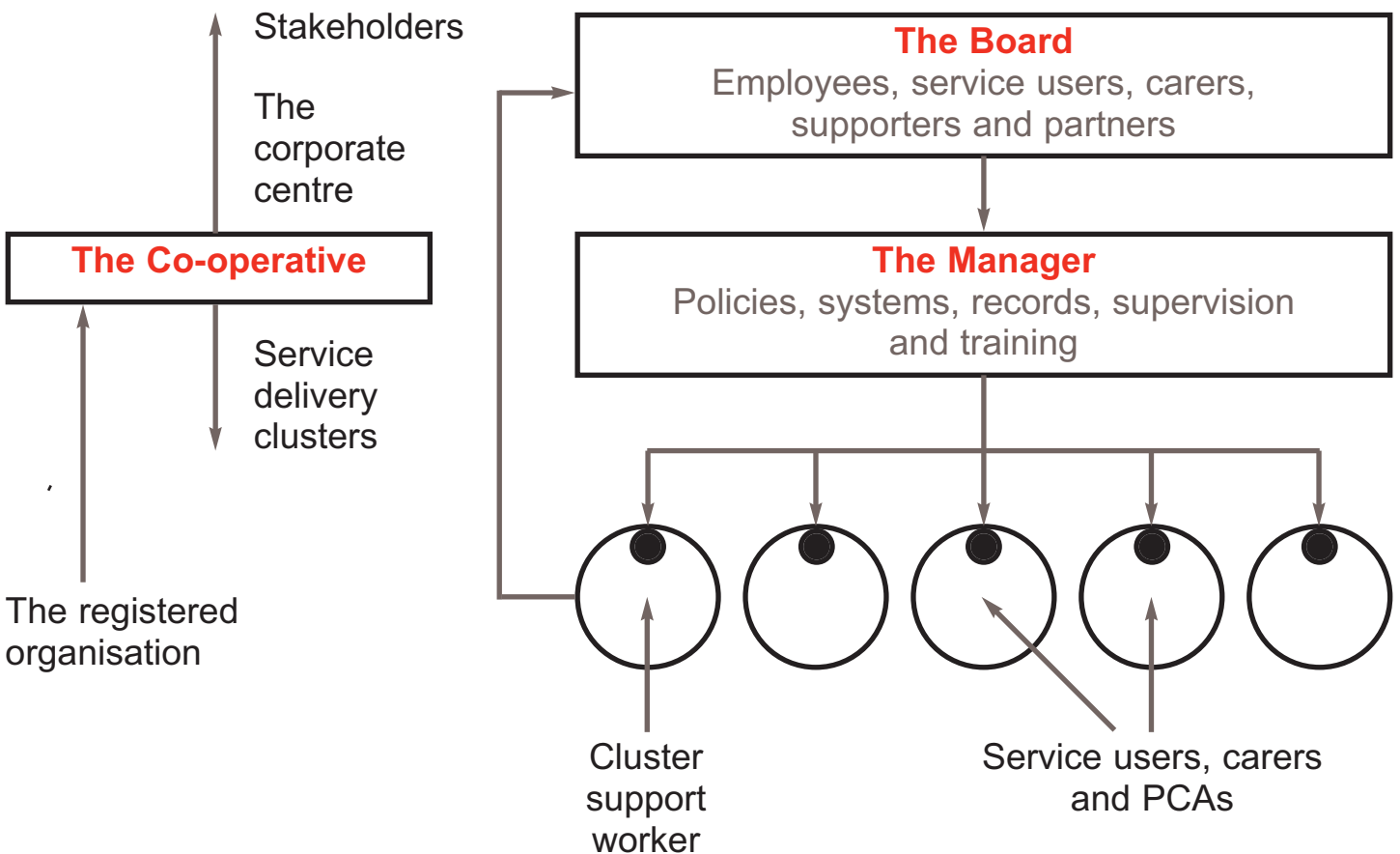
On the left The Co-operative is in a rectangle

- + One arrow points to the rectangle with words registered organisation
- + Two arrows point away describing the different groups in The Co-operative

On the right are interlinked rectangles and circles

- + Five circles describe local clusters
- + Middle rectangle is The Manager
- + Top rectangle is The Board
- + An arrow connects the bottom circles with the top rectangle to show members of the board

Figure1 Cluster Model of Co-operatives²



² Co-operatives UK and the Department of Health (2010) p.19

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

Community is an important aspect of the co-operative ethos and the cluster model aims to foster and encourage circles of mutual support to combat isolation. Indeed one of the main aims of the co-operative is to offer pastoral support to primary informal carers who can often experience isolation. It does this by helping them to develop connections with other unpaid primary carers. The cluster model also helps to reduce anxiety through alleviating the administrative and financial pressures of managing direct payments and employing personal care assistants.

Caring Support is registered as an Industrial and Provident Society Community Benefit Society. Its membership is made up of three groups:

- + People needing care,
- + Their family, friends, supporters
- + Home care assistants.

The Society elects members from each category to sit on the management board to run the co-operative on behalf of its members. Caring Support has exempt charity status which it feels is important for fundraising purposes in order to deliver its pastoral aims.

Impact

Caring Support has recently been registered with the Care Quality Commission and obtained funding to officially launch the business. It has started trading and hopes to increase its membership and the number of working clusters to seven over the next few years. It will work to expand the number of 'introduction to care' training courses on offer locally.

Caring Support is an example of how service users, primary unpaid carers, friends, supporters and paid personal care assistants can come together, to work collectively, in order to make the most of direct payments.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

5.2 Dewis Centre for Independent Living (Wales): Co-operation in Social Enterprise

Origins and Profile

Dewis CIL is a not-for-profit company working in six local authorities: Rhondda Cynon Taf, Powys, Vale of Glamorgan, Newport, Merthyr Tydfil and Blaenau Gwent. Dewis works in partnership with the social services departments of each of these authorities. It is the biggest local authority supported organisation for direct payment use in Wales and is seen by many as an exemplar for good practice.

Dewis started in 2004 at a time when a number of the constituent local authorities did not offer direct payments. It was ground breaking in inviting social workers, a key player in fostering direct payments, to spend time with Dewis to better understand the potential of direct payments and to comprehend the challenges of the voluntary sector.

Co-operative Business Model

Dewis offers a range of services based on user-led and controlled principles. Although Dewis is not a co-operative in the strict sense, and not user-owned, it is controlled by a majority of disabled people, as is customary in user-led organisations (NCIL, 2008).

Dewis aims to foster independent living and challenge collectively barriers to independence. It draws on the values of a classic interpretation of direct payment use, including the use of direct payments by service users, to employ a number of personal assistants.

Like a number of disabled people's organisations, it acknowledges the value of mutual support, advocacy and peer mentoring to help disabled people take up direct payments or changing their use.

Direct payments are not seen as an end in themselves, but as the best means to achieve independence. The mutual support of other disabled people is seen as equally important in making independence possible. Without the tools to meet the challenges of employment law, good employer practice, benefit regulations and direct payment excluded items, only partial independence would be achieved. A Dewis spokesperson notes:

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

“Using direct payments allows people to experiment and to have a go at breaking down barriers to daily life, such as transport, leisure, organising tasks and just getting by. I think direct payments are as much about challenging existing barriers as they are about new services and choice in fact they are two sides the same coin. Experiments take the form of purchasing and doing new things and on your own terms”.

Dewis has in part responded to the limitations of previous local authority delivered independent living support services:

“Dewis prides itself on its independent support service. Local authorities have often delivered these supports, but we see this as holding on to the old dynamics of service-driven ideas. Even if that was not intentional, the result was the same. The continued involvement of local authorities has restricted the autonomy and sense of genuine independence that is possible with a service user-led approach. Such a user-led approach provides a sharing of experiences and ideas that although not a co-operative, in the sense you are talking about, it is a co-operative in the fullest sense of disabled people wanting to share their life experiences of direct

payment options. It allows disabled people and disabled people’s organisations to benchmark or ‘kitemark’ what they mean by independence”.

As a user-led not-for-profit organisation, Dewis positioned itself as a collective approach to fostering independent living, one which is definable in opposition to ‘for profit’ and shareholder-led approaches to disability services.

It is notable that although user-led organisations have increased their presence in the UK, and despite the decline of block grant approaches to ‘adult social care’, large for-profit organisations are still part of the provider landscape. The risk is that large providers will become the new first line of support and advocacy.

A Dewis spokesperson is clear that the not-for-profit ethos and co-operative principle are fundamental in maximising scarce resources into the lives of disabled people:

“We are a not-for-profit organisation; we are notable not just for what we deliver in service terms, but that we have a moral purpose and moral underpinnings... We are a response to the combination of top down local authority tradition, and to

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

block grants, which had a one size fits all mind set. We fear private encroachment. The private sector is slick and will often be able to compete on price, but the emphasis is rarely on quality or sustainability... indeed some charitable providers increasingly speak the language of independence and of user-controlled services. These have a hollow ring to me as organisations built on market share rather than a disability-led approach. What is interesting is if disabled service-users are centrally involved in an organisation, in its running and aims, you get the right ethos”.

Dewis provision includes direct payments training both before application and when in receipt. Dewis also trains personal assistants in delivering independence through direct payments.

Impact

From April 2009 to March 2010, the increase in the number of service users taking up a direct payment rose by an average of 17.5% in the counties in which Dewis works. It believes that control over personal care and support is one of the key components of independent living. This is why they promote the use of direct payments.



What is interesting is if disabled service-users are centrally involved in an organisation, in its running and aims, you get the right ethos.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

5.3 Care and Share Associates (England): Employee-led Co-operative Care Model

Origins and Profile

Care and Share Associates (CASA) was established in 2004, to provide essential support services to older and disabled people, through a franchise network of employee-owned social care providers. It is based on the award winning Sunderland Home Care Associates model that has delivered quality domiciliary support since 1994.

CASA currently operates employee-owned services across six locations delivering over 6,000 hours of personal support per week. This is principally commissioned by the public sector. CASA franchise companies have a track record of providing skilled, compassionate and reliable workers. The franchises are registered with the Care Quality Commission and deliver a range of home care and support services for independent living. CASA specialises in providing customised care packages through direct payments and individual budgets.

Employee-led Co-operative Care Model

CASA is rooted in the co-operative movement. Its ethical not-for-profit standpoint underpins all its work. The way CASA provides care and support is shaped by a belief in mutuality, participation and quality, which is shared across the workforce. Guy Turnbull, Director of Business Development and Investment Finance said:

“Being a social enterprise means being a successful business that is viable and sustainable in a competitive market. We have to be able to adapt quickly and efficiently to local conditions and demands... a better description is to say that we are about ‘more than profit’. We regard ourselves as part of the community, rather than simply coming in to an area to make money for shareholders and owners. We aim to ensure that our social and environmental impact is always positive, for example by targeting areas of high unemployment, working in sustainable ways and using other social enterprises where possible to supply us.”

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

CASA has developed a new multi-stakeholder care co-operative model through a joint venture vehicle, 'The CASA PA Consortium'. The co-operative will support the use and facilitate the pooling of direct payments to encourage the continuation and development of group arrangements. The establishment of this consortium will result in the creation of an arena whereby disabled people, their supporters, brokers, commissioners, carers and personal assistants co-plan to:

- + Develop new products and services
- + Provide employment protection for both disabled people and personal assistants
- + Continue the facilitation of groups and friendship networks.

The consortium will feature the following membership categories: service users, their families and circles of support, personal assistants and CASA. The key purpose of the consortium is to provide an environment where market intelligence incentivises personal assistants/carer members to develop services demanded by the service user members. It is a hybrid joint venture co-operative between service users along with personal assistants and carers with

commissioners. Third sector advocacy/brokerage organisations will provide the 'process glue'.

The consortium would carry out the following functions with its membership portfolio:

- + Pooling direct payments for group activity
- + Develop new services, including developing self-employment opportunities for people with learning disabilities
- + Commissioning channel for the local authority and/or people with personal budgets
- + Co-ordinate person-centred planning activity
- + Brokerage service to its provider members
- + Hot housing/incubation of new services
- + Provide back room services that supports access to direct payments, including payroll, record-keeping, supported accounts service, employment via CASA, training, CRB checks etc.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

Impact

CASA experiences considerably lower staff churns than other providers. Service users benefit from one main support worker/carer rather than a mix of carers, which is often the case in the sector.

CASA continues to look for new locations with a number of interested local authorities in the pipeline. It is also in discussion with funding bodies to explore the creation of a development fund for new Home Care Associations franchises which would significantly speed up the geographic spread of the co-operative model.

CASA is also a founder member of VIVA! CIC, a new community interest company dedicated to the development of social enterprises led by health practitioners. CASA envisages VIVA! in partnership with existing Home Care Associations and other social enterprises to offer 'wrap around care'. This care package would enable people to retain their independence for longer. The two companies aim to establish an organisation akin to CASA to foster local health practitioner-led co-operatives.



CASA experiences considerably lower staff churns than other providers. Service users benefit from one main support worker/carer rather than a mix of carers, which is often the case in the sector.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

5.4 RUILS & Stepping on Out (England): Pooling Direct Payments

Origins and Profile

RUILS, Richmond Users Independent Living Scheme, is an independent, user-led organisation that is run and led by the people who use its services. RUILS registered as a charity in 2001.

Over 50% of the RUILS management committee are disabled, as are the people who use its services. They support older and disabled people, people with learning disabilities, and people who use mental health services, to live independently and to have choice and control over the support they need.

RUILS is largely underpinned by local authority funding. Once direct payments were introduced, RUILS became a peer support group for users of direct payments.

Pooling Direct Payments

'Stepping on Out' is a spin-off social enterprise established by RUILS which uses pooled direct payments to part-fund a card and stationery making company. The company is user-led and owned, but is underwritten by local authority support. Alongside sourcing suitable personal assistants, support with direct payments,

brokerage and person centred/transition planning, RUILS established Stepping on Out as a collective pooling of service user resources. In so doing it made possible options that would not otherwise be available, as the organisation notes:

"When you share your skills, interests, resources or your direct payment money then you are engaged in pooling your assets. By putting some of your resources together with other people you can not only enjoy spending time with others who enjoy similar activities to you, but can make better use of your money. For example, paying one personal assistant to support and organise a group activity can be more cost effective."

RUILS developed the scheme after a period of consultation with learning disability clients who wanted to use their direct payments beyond traditional social care. The local authority, London Borough of Richmond upon Thames, was seen as a progressive authority. The council had previously worked closely with RUILS to review the charity's financial resources and investment options to increase its income.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

One idea was to establish a card and stationery company using direct payment resources. The business has been set up as a social enterprise and although not strictly a co-operative, it is a user-led not-for-profit enterprise that aims to afford real employment opportunities and develop a wider skillset for people with learning disabilities.

It is interesting that the company did not start out to be a social enterprise but, reflecting the zeitgeist of real pay for real work (Lawlor & Perkins, 2009), the move to a trading charity was determined by wages for service users efforts. This also moved the social enterprise further away from the perception of work as a form of distraction activity or sheltering from the mainstream (Spear, 2002). The shift to social enterprise status has obvious implications for sales, but it has also encouraged staff to generate business income.

Parents played a key role in establishing and now in supporting the enterprise. Encouraging service users to embrace the idea of a social enterprise rather than a 'day service', was first a challenge, but parents, RUILS and local authority staff worked together to ensure it launched.

Impact

Stepping on Out is an innovative, community based not-for-profit making social enterprise run by people with learning disabilities. It uses direct payments in an imaginative and flexible way to provide effective and fulfilling opportunities for service users to develop essential skills needed for future employment, in a work environment.

A key part of the Stepping on Out project, as with the Dewis approach, was to educate social workers to better grasp collective approaches to using and/or supporting direct payments. In the case of RUILS and Stepping on Out staff, service users and parents worked with social workers to share knowledge on employment issues including employment law.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

5.5 STIL, Stockholm Co-operative for Independent Living (Sweden): The Service Users' Co-operative Model in Personal Assistance

Origins and Profile

STIL, Stockholm Co-operative for Independent Living, is a personal assistance co-operative run by its service users.

STIL's founder, Adolf Ratzka, noted on moving to Sweden that although a wealthy country, disabled people felt isolated in their daily lives, however, they used their available resources. The origin of STIL lies in eight disabled people feeling unhappy with the quality of their social care support. It has its roots in the global disabled people's movement, as Adolf describes:

"In 1984, I gathered a group of disabled persons who needed personal assistance services to found STIL, in order to establish our very own services. The group was inspired by the principles of independent living, self-determination and 'we are the experts!'. In 1987, we managed to overcome massive resistance from some political parties, the labour unions, traditional service providers and the established disability organisations to start our own co-operative. This was first as a pilot project, but since 1989 on a permanent basis."

STIL was created and managed by disabled people to provide personal assistance to its members. STIL introduced concepts of personal assistance that were largely new to Swedish disability politics and the Swedish welfare state. The new concepts were self-determination, self-representation through organisations run and controlled by persons with disabilities, de-medicalisation, de-professionalisation, de-institutionalisation and discrimination.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

The service users' co-operative model in personal assistance

At STIL, disabled co-operative members pool the funds allocated to them through national insurance, in the form of direct payments, for personal assistance services. The co-operative hires the personal assistants who are supervised by the individual members using their services. Personal assistance services are provided wherever they are needed, including the workplace. Existing members train new co-operative members in how to manage their personal assistance services and on-going peer support helps members solve any problems to become better managers.

The co-operative model allowed the Swedish government to justify to its citizens the use of state funding for disabled people in a way that benefitted both parties. It is worth noting that co-operatives are an integral part of some sectors of the Swedish economy, for example agriculture and building services. STIL is based on a co-operative ownership model where disabled people invest their resources and part-own the co-operative. They have a vested interest as co-operative co-owners in making it both responsive and successful.

Disabled people opt to belong to STIL and agree to a core training scheme which conveys STIL's operating principles. Board membership and control are managed by elections and democratic principles. Swedish by-laws have been changed to support these electoral principles. Flexible tax laws support the co-operative's personal assistance services to function with tax exempt status, whilst gaining maximum income for members to reinvest. Political campaigning work is allowable using any surplus created. Allowing both service and political roles for independent living organisations in Sweden helps keep the movement as a force in motion (compare the Charity Commission constraints in the UK).

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

Ratzka points out how the co-operative works:

“The co-operative charges a price per hour for services. The local government or the national social insurance pays each member a monthly amount to cover the cost of the hours needed. The funds are paid to the individual’s sub-account in STIL. Thus, each member has a budget that he/she has to administer. The funds may be used for personal assistance only and have to be accounted for. The budget covers assistants’ wages, including compensation for unsocial hours, social insurance, STIL’s administrative costs as well as the user’s expenses for accompanying assistants.”

In practice:

- + STIL provides advice and support to gain and use direct payments and once in receipt of a direct payment, individuals have the option of joining STIL as a full member.
- + It provides core training for aspirant personal assistants who embrace the principles of independent living and the co-operative ethos at the heart of STIL.

- + STIL distinguishes between a ‘leader’ and an employer. A ‘leader’ is a disabled person who decides on the key questions of who, what and when of personal assistance.
- + STIL takes care of the administration of direct payments, the taxes due to the authorities, pays out the wages, helps people with labour-disputes and defends the rights of its members in conflicts with the Swedish Social Insurance Agency.
- + STIL, however, does not help with recruitment of assistants because they believe in the principle of ‘growth through personal responsibility’.
- + Access thresholds for entering the co-operative are simply that disabled people are entitled to a minimum level (normally more than 20 hours per week) of direct payment cash transfer from the Swedish authorities.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

Impact

Since 2000, there has been growing competition to STIL from the for-profit sector. In 2012 there were 19,000 disabled people using direct payments in Sweden employing 80,000 personal assistants (50,000 on a full-time equivalent basis). About 60% of STIL members self-direct their personal assistance whilst the remainder use family or brokered direct payment options. The size of STIL affords economies of scale and scope to compete with potential large for-profit competitors.

By the mid-1990s, STIL was influencing wider European co-operative endeavours to use direct payments as many disabled people want to self-direct their care and support each other.



The size of STIL affords economies of scale and scope to compete with potential large for-profit competitors.

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

5.6 ULOBA (Norway): User-owned and Controlled Personal Assistance Co-operative

Origins and profile

Uloba is a social care co-operative that supports consumer-controlled personal assistance. The main goal for Uloba is that each co-owner has the power to control their needs for support and that self-managed personal assistance is a tool to living an independent life.

Uloba works to empower the individual and the co-operative. It has built trust through its position as a unified, democratic and non-profit based organisation and champions personal assistance as a citizen's right, creating a strong political voice.

Founded in 1991, Uloba started with five disabled people keen to join together, to pool their resources and to run their own care co-operative. As they note:

“There was a major scepticism to the whole concept, but of course especially to self-direction. We knew in our own bodies how important self-direction is, we were fighting to get control in our own lives. The municipalities deny some people to gain control over their own lives for some reason. In Norway, we have a Governmental Plan of Action for Disabled People. We managed to get personal

assistance in this plan as a test programme in 1994. This meant that money was given to municipalities that agreed to try this way of organising assistance. That was our first national triumph.”

User-owned and Controlled Personal Assistance Co-operative

Beginning in May 2000, consumer-controlled personal assistance was covered by law in Norway as a direct result of Uloba's work. It is included in a framework of laws covering all social rights.

Traditionally, consumer-control has been limited by the need for a disabled person to have an individual negotiation with local government to decide just how much collective and self-control could be gained. It has been difficult to make professionals and politicians realise that disabled people need to feel in control of their own assistance in order to be in control of their lives.

However, people who have Uloba as an employer have recruited their own assistants, trained them, constructed work schedules and supervised their own assistants and have a key ownership stake in the co-operative. Uloba has 15 peer counsellors who themselves have consumer-controlled assistants spread across Norway. Peer support and peer

5.0

Case Studies in Co-operation and Co-operative Direct Payment Use continued

counselling is a core service rather than add-on part of the co-operative. Uloba has a team of 'disabled experts' who play an important part in the development of consumer-controlled personal assistance.

By 2007, Uloba had 750 disabled people who organised their own assistance, and are employers of 3500 personal assistants.

Impact

Uloba now runs 27% of all personal assistance programmes in Norway and the principle of social care co-operatives is now firmly established in that context. Compared with the UK, the Norwegian way of organising direct payments is more uniform. Uloba is providing personal assistance support effectively and there is obviously a strong link between being collectively organised, user-ownership and the fostering of appropriate support systems and capacity.

Being a co-operative, Uloba has other functions besides its employer role. It is guided in its politics by its members, and takes an interest in the relationships between disabled people and their personal assistants. Uloba and the Norwegian system, show that control of the services is not dependent on a choice of providers but on having a suitable provider committed to social inclusion.



Uloba and the Norwegian system, show that control of the services is not dependent on a choice of providers but on having a suitable provider committed to social inclusion.

6.0

Conclusions and Recommendations

The featured case studies and wider insights from the literature highlight a powerful affinity between co-operative principles, direct payments, and disabled people's organisations.

Co-operatives provide the potential for greater control and collective dynamics, as it is co-operative structures which bring together direct payments processes to offer alternative visions for adult social care support.

Shared ownership, user-control, a concern for better provider and market-led solutions, and a belief that people are experts in their own life characterise both co-operatives and disabled people's attachment to direct payments and citizen control.

Below we offer a number of recommendations for action by the Welsh Government, user-led organisations, public service commissioners and others.

1. The review of social support at the heart of the Social Services and Well-being (Wales) Bill affords an important opportunity for Wales to be distinct in progressing direct payments and fostering collective co-operative options in independent living.
2. There is evidence of successful implementation of direct payments using co-operative organisations and principles. The governance, values and democratic principles match the Welsh policy agenda towards citizen-directed services and support the more structured and shared insights which can make direct payments a more pervasive feature of social support in the 21st century.
3. Welsh Government has a tradition of supporting both individual citizen rights and a broader commitment to social cohesion that recognises communities and the collective nature of effective and sustainable social life. This report suggests a need for more explicit support and infrastructure to help link co-operatives, disabled people's organisations, and collective direct payments use. This would be valuable for Wales, its disabled people's organisations, and disabled people.
4. There is much support for greater co-operation and co-operative approaches within Wales. We recommend establishing a network of co-operative organisations across Wales, with at least one in each local authority area, supporting direct payment take up and use. Implementing this change would

6.0

Conclusions and Recommendations continued

not only meet the needs of the members of the organisation, but also enhance the organisation's ability to reach out to more disabled people in Wales.

5. The current infrastructure of disabled people's organisations, i.e. organisations controlled and developed by disabled people, should be considered as a starting point for establishing such a network.
6. Co-operation offers one of the genuine alternatives to the discredited model of full-scale privatisation and the time-honoured orthodoxy of full state control. The Welsh model of citizen-directed support should incorporate co-operative models of organisation. In these models service users who are recipients of direct payments would be able to exert greater choice and purchaser power as a collective for the purposes of obtaining administrative and other support, and for shaping the pattern of local services. The co-operative model in particular holds enormous potential to empower disabled people and foster social inclusion and solidarity in the community.
7. Welsh Government should seek to establish how funding mainly only available to co-operative bodies, such as that offered by Co-operative and Community Finance and by community share issues, could be utilised to support this network.
8. Concerns voiced about the employment responsibilities of direct payment use (personal assistant employer), can be reduced further by the use of multi-stakeholder co-operative structures which place service users and employees at the centre of the governance of direct payment co-operatives.
9. There is value in replicating the Stepping on Out and Dewis CIL approach to educate social workers to have a better grasp of collective approaches to using and/or supporting direct payments.
10. Work has to be undertaken to ensure co-operatives are understood by the gatekeepers to social care and health services and that longstanding commissioning processes are assessed so that new co-operatives are not prevented from entering the market to deliver direct payments.

7.0

References

- Arnstein, S. (1969). A Ladder of Citizen Participation. *Journal of the American Institute of Planners*, 35(4):216-224.
- Atherton, J., Birchall, J., Mayo, E., & Simon, G. (2012) Practical tools for defining co-operative and mutual enterprise. Manchester: Co-operative UK
- Bidonde, J., & Leviten-Reid, C. (2011) "A Place to Learn, Work, and Heal": an evaluation of Crocus Co-operative, Canada, Saskatoon: University of Saskatchewan.
- Birchall, J., & Ketilson, L.H. (2009) Resilience of the Cooperative Business Model in Times of Crisis. Geneva: International Labour Organization
- Birchall, J (2009) A comparative analysis of co-operative sectors in Scotland, Finland, Sweden and Switzerland. Glasgow: Co-operative Development Scotland
- Birchall, J., & Simmons, R. (2009) Co-operatives and Poverty Reduction: evidence from Sri Lanka and Tanzania, Manchester: The Co-operative College
- Bowman, V. (2001) Home Care, Home Support, Personal Assistance: the Co-operative Model in Context, Canada, Victoria: British Columbia Institute for Co-operative Studies.
- Caring Support (2011) Website available at <http://www.caringsupport.org/> Accessed 22nd October 2012.
- Carini C., Costa E., Carpita M., Andreaus M., (2012), The Italian Social Cooperatives in 2008: A Portrait Using Descriptive and Principal Component Analysis, Euricse Working Paper, N.035 | 12, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2062407 Accessed: 27/11/2012
- CICOPA (2011), World Standards of Social Cooperatives, <http://www.cecop.coop/World-Standards-of-Social,1068> accessed: 21/11/2012
- Cooperatives UK (2004) Mutual Solutions: new models for Direct Payments, <http://www.uk.coop/resources/documents/mutual-solutions-new-models-direct-payments>

7.0

References

continued

Co-operatives UK and the Department of Health (2010) *Self-managed care – a co-operative approach*, Manchester: Cooperative UK

Department for International Development (2010) *Working with Co-operatives for Poverty Reduction*. Glasgow: DFID

Disability Wales (2009) *Shaping the Future of Care Together-A Consultation Response from Disability Wales/Anabled Cymru*.

Disability Wales (2010) *Manifesto for Independent Living*. Available at: <http://www.disabilitywales.org/1168/2209> accessed 22nd October 2012

Disability Wales (2011) *Submission to the Joint Committee on Human Rights inquiry into the implementation of the right to Independent Living for disabled people, as guaranteed by Article 19, UNCRPD*. Available at: <http://www.disabilitywales.org/independent-living/direct-payments> Accessed 22nd October, 2012

Drakeford (2012) *Framework for Action on Independent Living Consultation Response*. Details of the consultation are available at: <http://wales.gov.uk/consultations/equality/frameworkforactionconsultation/?lang=en> Accessed 15/01/13

Fisher, J., Baines, S., & Rayner, M. (2012) *Personalisation and the Co-operative tradition*. *Social policy & Society*, 11(4): 507-518

Fisher, J., Rayner, M., & Baines, S. (2011) *Personalisation of social care and health: a co-operative solution*, Manchester: Cooperative UK

Glasby, J. Glenndinnig, C., & Littlechild, R. (2006) *the future of direct payments* In J. Leece & J. Bornat, *Developments in Direct Payments*. Bristol: the Policy Press, pp.269-284

Glasby, J., & Taylor, M. (2006) *It's all at the Co-ops, Community Care*, 2nd February, pp34-35.

Hall, E. (2009). *Being in Control: Personal Budgets and the New Landscape of Care for People with Learning Disabilities*. *The Mental Health Review*, 14(2):44-53.

7.0

References

continued

International Cooperative Alliance (2012) Blueprint for a Cooperative Decade. <http://2012.coop/> (accessed 14/1/2013)

Jans, L. (2007) Personal Assistance Services Cooperatives: a final report http://www.pascenter.org/documents/FINAL_Report_PAS_Coops.pdf accessed: 30/11/2012

Lawlor, J and Perkins, D (2009) Integrated support to overcome severe employment barriers-Adapting the IPS approach Social Policy Working Paper No. 9.

Langlois, G., & De Bortoli, P. (2006). The case of La Coop de solidarité en soins et services de Saint-Camille (the Saint-Camille Care and Services Solidarity Co-operative) and its impact on social cohesion. Canada, Saskatoon: Centre for the Study of Co-operatives.

Lemon, C., & Lemon, J. (2004) Community-based cooperative ventures for adults with intellectual disabilities, *The Canadian Geographer*, 47(4): 414–428

Lund, M. (2012) Multi-stakeholder Co-operatives: Engines of Innovation for Building a Healthier Local Food System and a Healthier Economy, *Journal of Co-operative Studies*, 45(1): 32-45

NCIL (2008) Review of Adult Social Care. London: National Centre for Independent Living

Nasioulas, I. (2012) social cooperatives in Greece: introducing new forms of social economy and entrepreneurship. *International Review of Social Research*, 2(2):151-171

Priestley, M., Riddell, S., Jolly, D., Pearson, C., Williams, V., Barnes, C. and Mercer, G. (2009) Cultures of welfare at the frontline: implementing direct payments for disabled people in the UK, *Policy & Politics*, 38(2): 307-324

Rasmussen, P., & Krogh, K. (2000). Our Story: A case study of developing a cooperative from the location of living with a disability. Crofton, BC: the Cowichan Community Economic Development Cooperative.

Rayner, M. (2009) What difference can co-operatives make to local service delivery? <http://www.cles.org.uk/wp-content/uploads/2011/01/LW86-Co-ops-and-local-service-delivery.pdf> accessed: 27/11/2012

Roulstone, A (2011) Conference Keynote: Genie out of the bottle: Service user and carer involvement in social work education in Wales. Cardiff. September 21st, 2011.

7.0

References

continued

Roulstone, A., & Morgan, H. (2009) Neo-Liberal Individualism or Self-Directed Support: Are We All Speaking the Same Language on Modernising Adult Social Care? *Social Policy and Society*, 8(3): 333-345.

Roulstone, A., & Prideaux, S. (2012) *Understanding Disability Policy*. Bristol: Policy Press.

Sass, B., & Beresford, P. (2012) Building on the 'lived experience' of disabled and older people– the most under-used resource in social care, <http://www.disabilityrightsuk.org/userdrive/ncommissioning.pdf>

Scope (2012) *Individualism versus Collectivism in Care: can direct payments help build stronger communities?* Cardiff: Scope

Social Interface (2007) A survey on the implementation of the current Direct Payments Scheme in Wales-Final report.

Spandler, H. (2004) Friend or Foe? Towards a Critical Assessment of Direct Payments, *Critical Social Policy* 24 (2): 187-209

Spear (2002) National Profiles of Work Integration Social Enterprises: United Kingdom. EMES European Research Network.

Sutherland, K., & Beachy, T. (2004) Innovative Co-ops in the social service sector: a research study to benefit people with developmental disabilities and mental illness. Vancouver, British Columbia: Prepared for the Cooperative Secretariat, Government of Canada.

ULOBA Uloba's History. Available at:<http://www.uloba.no/english/Sider/Uloba%27s-history.aspx> Accessed 22nd October 2012

Unison, (2012) Mutual Benefits? www.unison.org.uk/acrobat/19946.pdf

Wales Councils for Voluntary Action Network 3 (2010) Shaping the Future of Care, <http://www.cooperatives-wales.coop/wp-content/uploads/2010/11/Shaping-the-Future-Oct-Final.pdf>

Wales Progress Cooperators (2012) Wales Progressive Co-operators Social Co-operatives Briefing 26th November 2012

Welsh Government (2007) *Fulfilled Lives, Supportive Communities: A Strategy for Social Services in Wales over the next Decade*. Cardiff: WAG.

7.0

References

continued

Welsh Government (2011) Direct Payments Guidance Community Care, Services for Carers and Children's Services (Direct Payments) (Wales). Cardiff: WAG.

Welsh Government (2012a) Social Services (Wales) Bill-Consultation Website. Available at: (<http://wales.gov.uk/consultations/healthsocialcare/bill/?lang=en>). Accessed 13 January 2013

Welsh Government (2012b) Social Services (Wales) Bill, Cardiff: WAG

Welsh Government (2012c) Framework for Action on Independent Living, Cardiff: WAG

Welsh Government (2012d) Social Services Statistics Wales 2010-11, Cardiff: WAG

Zeuli, K., & Cropp, R. (2004). Cooperative: principles and practices in the 21st century. Madison, Wisconsin: University of Wisconsin Extension

8.0

Appendices

8.1 Appendix A: Research Methods

This study was made up of two core components: a literature review and case studies. A desk-based literature review was undertaken to explore published (isbn/issn) and grey literature which together provided a comprehensive picture of the roll out of self-directed and user-controlled social support in general and more specifically direct payments. Particular attention was paid to the question of co-operative and collective approaches in the development of direct payments. The following databases were searched: Medline, EMBASE, Science Citation Index; PsycInfo, CINAHL, DARE, HTA, CENTRAL, Campbell, HMIC – Kings Fund database Conference Paper Index, and Research Registers, SSCI, Sociological Abstracts, Caredata, Leeds University Disability Studies Centre Archive. In addition, Internet-based searches of the grey literature were conducted using SIGLE and Google TM. The search was guided by accepted recommendations and search strings of the Cochrane Review group and the Centre for Reviews and Dissemination at York. Information was extracted and appraised using standardized forms which allows the funders to revisit the source data at a later point for other or related purposes.

The following search terms were used singly and in combination (string truncated for brevity):

Search Term 'Strings'

Direct+payments+organisations+cooperative/s+co-production+joint working+disabled+involvement+participation+control+citizen+mutual+social firm + social enterprise + user led/controlled + citizen directed + collective + pooled + non-profit + collaboration + involvement + independent living+ Co-designing social enterprise + service delivery+ user-centred design (UCD)

Case Studies

The variation in relationships and outcomes from direct payments schemes requires a range of direct payments schemes to be presented in case study format. This is further mandated by the need to explore both co-operative approaches to direct payments. The differential levels of buy-in to direct payments and self-direction in England, Wales and Scotland to date is a case in point (Roulstone & Prideaux, 2012).

8.0

Appendices

continued

Such variation first suggested that case study sampling required both the core principles of direct payments and local variation to be accounted for where possible based on:

- 1) population density to comprehend both urban and rural populations
- 2) length of time direct payments have been operating
- 3) relationships between local authorities, user-led organisations and wider advocacy and brokerage
- 4) degree to which innovative user-led principles underpinned the design, implementation, review and outcomes measures for direct payments-cooperative and collective underpinnings for local direct payments.

Such 'maximum variation' principles were seen as best able to inform the Welsh Government and the Social Services and Well-being (Wales) Bill in a way that can provide an evidence base for better policy decisions and direction in identifying best practice in fostering co-operative principles in direct payment services. In reality the initial scoping exercise for projects suggested a much smaller number of innovative direct payments focused projects which approximated to co-operative approaches. This then required a more fully purposive

opportunity sampling of those projects that were most explicitly operating co-operative approaches to direct payments and wider independent living philosophies.

To compensate for the narrower range of organisation projects than first anticipated it was agreed that the project team would interview the appointed spokesperson in each case the CEO (or equivalent) of 4 of 6 chosen case studies projects.

The case studies and wider literature review are each mindful of the literature on degrees of depth participation in the delivery of direct payments scheme (Arnstein, 1969; Priestley et al, 2009). In addition to the above, the review of provision was also mindful of the importance and role of good commissioning, accessible information and responsiveness to impairment diversity in supporting cooperative working with disabled people's organisations.

The literature review paid particular attention to degrees of citizen control in the roll out of direct payments (Disability Wales, 2009, 2010). The case studies also aimed to highlight the mechanisms, policies and people involved in best supporting citizen-led developments in independent living projects. From these a

8.0

Appendices

continued

set of practical recommendations are formulated for the Welsh Government highlighting the benefits of greater choice and control in supporting the economical and inclusive redesign of independent living in Wales.

The recommendations aimed to highlight the best future link up of government, agencies, third sector and co-operative organisations in best delivering responsive and affordable support to disabled people across Wales.

8.2 Appendix B: Classification of Cooperatives

There are many different types of cooperatives and many different ways the cooperative label is used. Co-operative labels may refer to the ownership structure, the product or service the co-operative offers, or the activity people engages in collectively and just about any co-operatives can have more than one label. In spite of diversity, co-operatives are classified in one of three ways:

- 1) Ownerships structures;
- 2) Market area;
- 3) Primary business activity.

In this review, we will not be going through all the types in the same amount of detail, but focus on distinctions between types based on ownerships structures and primary business activity in the UK. Apart from the investors of capital, there are three main stakeholders in a cooperative business: consumers, the producers/enterprises who supply inputs to or take the outputs from the business, and its employees/workers (see Birchall, 2009; Atherton et al., 2012).

8.0

Appendices

continued

Consumer Co-operatives

Consumer co-operatives provide people with consumption goods at the lowest possible price and with a guarantee of good value, and so make their income go further. The individuals can be collectively the owners and governors of the company. By organizing a co-operative, consumers are able to achieve prices and quality not available from for-profit businesses. Most consumer co-operatives, even if they are not as complex or heavily regulated as credit unions, elect boards of directors who hire managers to run the daily operations. Consumer member-owners may serve on committees, run for a seat on the board, or take another active part in the co-op. But as often as not, their primary involvement in their co-operative is in the consumption of its goods or services.

Producer/enterprises co-operatives

Producer co-operatives are owned by people (separate business owners) who come together to purchase items, hire staff, process items or provide services to benefit the whole collective. Such co-operatives will often operate shared facilities for processing or distribution. Producer co-operatives operate in ways that resemble consumer co-operatives. Members elect a board to govern the co-operative and appoint a manager, the manager hires the staff, and the staff

serves the members. The specific advantage of Producer Co-operatives is that it enables self-employed people and family businesses to gain the strength in numbers they need to survive in the market (Birchall & Ketilson, 2009).

Worker co-operatives

Worker co-operatives are businesses which are owned by the employees. This is one of the most versatile of cooperative forms, and key mission is to create and maintain sustainable jobs in a local area (Birchall & Ketilson, 2009). Their members are the employees of the enterprise, who thus jointly decide on the major entrepreneurial decisions and elect and appoint their own leaders (boards of directors, managers, etc.). They also decide on how to share the profit with a twofold aim: i) to provide a fair remuneration, in the form of returns based on the work done (in fact an adjustment of the price of remuneration), and ii) to consolidate the enterprise and its jobs over the long term by building reserves. Finally, the co-operative spirit promotes employees' information and training, a prerequisite to develop the autonomy, motivation, responsibility and accountability required in an economic world which has become increasingly insecure. Although this structure often does not give democratic control to the employees. Many worker co-operatives

8.0

Appendices

continued

are fairly small and have no separate boards of directors. Every member can take a direct role in policy making and other governance functions.

Other types of co-operatives are:

Multi-stakeholder co-operatives

The multi-stakeholder co-operatives, known as “solidarity co-operatives” in Canada and “social co-operatives” in Europe, brings together different member categories such as workers, consumers, producers, and/or community members who have an interest in the co-op’s economic or social purpose (Langlois & De Bortoli 2006; Lund, 2012). Therefore, multi-stakeholder co-operatives are most often used as a tool for community and social development based on the input of diverse groups such as employees, service users, community organisations, local authorities, government agencies or investors.

Social co-operatives first emerged in Italy (Carini et al, 2012) but today they can be found in various EU countries (e.g. Nasioulas, 2012), often regulated by specific legislations. A social co-operative in Italy is defined in the law (law 381/91). This law recognised social co-operatives as organisations that primarily benefit the community, or groups of disadvantaged people. There are two types identified in

the law: Type A is care co-operatives with workers, users and others as members. Type B is employment inclusion with permanent employees as members and temporary training members. A majority or a large proportion of directors are elected by workers but their self-interest is tempered by user representatives and others from funders, trade unions etc. Social Co-operatives are particularly specialised in the provision of social, health, educational or environmental services or in the reintegration of disadvantaged and marginalised people (CICOPA, 2011).

New Generation Co-operative (NGCs)

NGCs have generated substantial interest in these cooperatives as a model for agricultural, cooperative, and rural development. NGCs, which generated a lot of interest in the 1990s, have three distinctive characteristics (Zeuli & Cropp 2004): i) they limit the number of members and they allow based on the size of their business. ii) they tie membership shares to delivery rights. Members purchase shares that give them not only the right, but the obligation to sell a certain quantity of product to the cooperative. iii) the membership shares can be sold by members to other patrons, meaning member equity may increase or decrease in value over time.