

Inclusive Growth Analysis Unit



**Social care innovation:
learning from the social economy
in Greater Manchester**Ceri Hughes¹**Key points**

- The social economy is well-placed to support innovation in the social care sector, particularly insofar as actors can prioritise community need and good work over short-term profit;
- Examples of innovation from in and around Greater Manchester include involving service users in staff recruitment; peer-review audits to share good practice; and the development of progression routes into skilled work;
- Co-operative networks and other ways of working together are being trialled, with the aim of giving carers and residents more control over their care and work arrangements;
- Greater Manchester has an opportunity to enable further innovation, and to scale up this activity as its plan for the 'foundational economy' develops.

Introduction

Greater Manchester is moving towards a more personalised social care system where services are embedded in the local community, respond to people's goals, and there are links to wider support and opportunities. This is a shared ambition that cannot be delivered by any one organisation, partnership or sector but the social economy could play an important role in helping to achieve it. Rather than focussing on maximising short-term profits, co-operatives and other socially focussed organisations can give priority to meeting community needs and/or offering better terms to staff, with an emphasis on co-operation and collaboration.

This paper describes some ways that social economy organisations are responding to the 'crisis of social care' in and around Greater Manchester. Though by no means a survey of all relevant activity, the examples help to highlight the capacity for innovation within social care, as well as the need to design a system and not just a set of services that support a more relational, person-centred approach to care.¹

¹ This paper draws on a discussion paper – available [here](#) – written by Andrea Westall and Ceri Hughes, and has benefited from feedback from Angela Harrington and Elizabeth Mitchell of Manchester City Council in their capacity as members of the IUC collaboration programme. Any errors are the author's own.

The context for social care innovation

Greater Manchester has an ambition to reform social care in order to improve residents' lives, and to improve working conditions and progression opportunities within the sector. These ambitions are prominent in the narrative around health and social care devolution, in the Greater Manchester Local Industrial Strategy (GMLIS) and in the mayor's manifesto. The GMLIS highlighted the importance of addressing pay and productivity challenges in the social care sector, which is part of the 'foundational economy',² as well as a need to develop an environment in which organisations – including social enterprises and co-operatives – could innovate.³ The adult social care 'transformation' programme is also aiming to improve adult care services in the context of health and social care devolution,⁴ with plans to develop a workforce plan to 'support ethical working and boost recruitment and retention', to develop trailblazer initiatives at neighbourhood-level and train care workers to deliver personalised care and take on 'blended roles'.

Social care is both a challenging, as well as interesting, sector to explore. There is growing recognition of the need to move toward a more relational, community-based understanding of caring as part of a wider system of support that enables people to live full and meaningful lives rather than as a set of services – e.g. a 15 minute visit from a paid carer, a day centre session – which are provided to people (older people, and/or people with a disability) who have eligible, recognised needs.⁵

Yet low levels of public funding mean it can be extremely difficult for organisations that work in the sector, particularly those delivering public sector contracts, to make resources available to try different ways of working and potentially improve on the current situation. This means there is a danger of 'isomorphism' where organisations come to resemble each other, even if they have different motivations and structures, due to similar external constraints. Learning from the roll-out of Local Care Organisations in Greater Manchester suggests a need to move away from transactional relationships and to invest in the capacity of the Voluntary, Community and Social Enterprise sector (VCSE) to support engagement in innovation and service design.⁶

What do we mean by...?

Social economy: encompassing social enterprises, co-operatives, much of the voluntary sector, employee-owned businesses, community enterprises, as well as informal activity and networks or collaborations that do not focus on profit maximisation as an end goal and which have the underlying principles of reciprocity and solidarity, meeting needs through co-operation and collaboration.⁷

Social innovation: encompasses an idea, approach, initiative, service, product, law, or type of organization that offers something new and provides a better and more sustainable solution to a well-defined social need than those already in place. May also be a solution adopted within an institution, organization, or community and that generates a measurable benefit for the community, not just for certain individuals.⁸ It is not the preserve of any one sector or group.

² The concept is explored further in the Manchester Local Industrial Strategy, see MCC (2019) Developing a More Inclusive Economy – Our Manchester Industrial Strategy, Report to the Executive, 11th Sept 2019

³ p.30: GMCA (2019) Greater Manchester Local Industrial Strategy

⁴ Greater Manchester Health and Social Care Partnership (2019) Business Plan 2019/20

⁵ Sharples, M. (2019) Social care and gender equality, Paper 6, Commission on a Gender Equal Economy, Women's Budget Group

⁶ LCO's and the VCSE in Greater Manchester (2018) A summary report

⁷ For discussion of the social and solidarity economy within a UK context, see Vickers et al. (2017) Cities, the social economy, and inclusive growth, Joseph Rowntree Foundation

⁸ As defined in Montreal's social innovation action plan, Ville De Montreal (2018) The Action Plan for Social Innovation: Weaving together Montréal

Some responses to the 'crisis of social care' within the social economy

While social innovation is not the preserve of any one sector, research on mutual and spin-out social enterprises suggests they can speed up and facilitate innovation and improvement in public services.⁹ This section briefly describes some examples of social care innovation in the social economy. They illustrate different responses to the 'crisis of social care' and suggest the need for changes in the way that care is organised, commissioned and regulated.

Example	Some emerging lessons
<p>PossAbilities An award-winning Public Sector Mutual which spun out of Rochdale Council provides services, with a focus on people with learning disabilities, as well as young people leaving care</p>	<ul style="list-style-type: none"> Partnering with similar organisations could realise economies of scale, whilst retaining the benefits of size and locality for both care and employment quality Consideration of outcomes-based commissioning, engaging providers during contract design
<p>Be Caring An employee-owned social enterprise delivering home care services at scale across the North of England. They are exploring ways to increase employee engagement, offer more secure employment, and increase development opportunities</p>	<ul style="list-style-type: none"> Trialling different ways of engaging employees in a sector with high turnover Organisations can develop internal progression pathways if they have a mix of skilled roles – could be thought about in commissioning
<p>The North West Care Co-operative Establishing small multi-stakeholder care co-operatives to arrange and deliver care for people holding personal budgets alongside a service company to enable more people to use personal budgets and to offer employees good terms and conditions terms and conditions</p>	<ul style="list-style-type: none"> The aim is to set up small care co-operatives bringing together people with similar care needs, but the service company needs to operate at scale to sustain Testing the potential to offer good care services and better employment conditions within the current
<p>HMR Circle A membership organisation in Rochdale which enables its members to design and participate in different activities, meet people, learn new things and access practical help</p>	<ul style="list-style-type: none"> Can be difficult to find funding for a 'person-centred' and preventive approach to care like this which is focussed on relationships and community

See the discussion paper for more detail and cases: <https://www.mui.manchester.ac.uk/igau/research/policy-briefings/>

Some opportunities to re-shape the social care system

While there is a great deal of activity already underway within Greater Manchester, there are opportunities in the course of the next few years to lay the foundations to develop a fairer, more rooted and resilient social care system. There could be a prominent role for co-operatives, social enterprises, employee-owned organisations and other business models in moving Greater Manchester toward this vision. Some key policy developments could enable this.

A plan for the foundational economy will be developed for Greater Manchester over the course of 2020, part of the implementation of the Local Industrial Strategy activity. Early indications are that it will be developed in consultation with large employers in sectors such as care, retail, hospitality and tourism.¹⁰ It is not yet clear whether the plan will explicitly consider how services, assets and goods are sourced, managed and controlled to produce social value, though this has been a central concern in previous work

⁹ CEEDR (2014) Innovation Beyond the Spin: Briefing Paper on Spin-out Social Enterprises and Public Services, Centre for Enterprise & Economic Development Research, Middlesex University.

¹⁰ GMCA (2019) GM Local Industrial Strategy Implementation Plan, 25th October 2019

on the 'foundational economy'.¹¹ The plan will need to engage not only with large employers but with those organised along social economy lines if it is to reflect these broader concerns.

The **Greater Manchester Good Employment Charter** aims to support employers across the city region to adopt good employment practices and enable people to progress in work. The Charter is supporting organisational change across all types of employers, but could have a role in identifying wider practices and policies (e.g. commissioning practices) that might be preventing employers from offering better employment opportunities in sectors like social care, and could support collaboration to address these.

What could be done

In 2020 the Mayor and Combined Authority, its constituent Local Authorities, and the Health and Social Care Partnership should:

- Create a learning network to share social care innovation learning, between sectors and areas. Greater Manchester's Local Care Organisations could facilitate this;
- Ensure Greater Manchester's plan for the foundational economy recognises the role of social economy organisations in delivering foundational services, including social care;
- Commit to review Greater Manchester's collective response to the recommendations from the Co-operative Commission one year on;
- Explore ways to support more collaboration between social care providers – e.g. to bid together for contracts, including support to develop secondary co-operative business structures;
- Ensure the health and social care workforce development plan and the Good Employment Charter engages employers of all kinds, including those in the social economy;
- Use engagement around the GM Good Employment Charter to review the enablers and barriers to offering better employment terms and conditions in the social care sector, including commissioning practices and employer practices at firm-level.

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¹¹ p.20; Bentham, J. et al. (2013) Manifesto for the foundational economy. Centre for Research on Socio-cultural Change (CRESC)