The Big Society: Mutual Social Enterprises
Re-shaping of Public Service Delivery
A SES White Paper

Mark Heskett Saddington

Summary

The term ‘Big Society’ was first coined by David Cameron when the Conservative Party was still in opposition. It has now become a key principle of the Coalition Government. The Big Society has four main elements:

• Empowering and shifting power to local communities and businesses, to tailor approaches to meet local circumstances.
• Encouraging people and business to take an active role in their communities
• Transferring power from central to local government
• Opening up public services, including enabling mutual social enterprises to engage more actively in the delivery of public services

The combination of the recent financial crisis, reducing budget allocations and active policy support for the creation and development of social enterprises or ‘mutuals’, makes it inevitable that local authorities and other public bodies will need to consider the options for switching public service delivery from ‘in-house’ to autonomous mutual organisations. This paper explores how we define a social enterprise or ‘mutual’ in terms of its governance structure and common principles.

There are mutual social enterprises at work – small and large throughout the UK’s social fabric. There are 16,005 independent mutuals, owned by more than 64,907,749 million members. Within the North East Region there are many successful mutuals; the majority of these are social enterprises operating across a range of different sectors – and some of these have been recognised with national social enterprise awards.

The governance principles of mutuals, and the manner in which they relate to stakeholders, make mutual social enterprises a vehicle particularly well suited to public service delivery. In choosing an appropriate governance model, the key issues to be considered are:

• Who will be the members, and what structure is most likely to enable their democratic and economic participation?
• What will be the sources of capital for these mutual social enterprises? Which models will be the most likely to support the raising of the capital required?
The paper concludes by describing five action steps to be followed when considering the mutualisation of public services, whilst addressing key questions. A list of websites is also provided to offer information and advice.

**Mutuals**

The recent financial crisis has called into question many of our core assumptions about economic structures, governance and institutions. But there has been little attention paid to the basic unit of economic collaboration and production: the firm. This crisis is a chance to ask deep questions about our firms: how can they meet social as well as economic goals? How can firms be modelled so that not only shareholders, but employees, the economy and society profit?¹

Many of these mutual business models already exist; many are very successful businesses, they often have longer term horizons, achieve higher levels of performance and greater customer satisfaction. Examples include mutual, social enterprise, co-operative and employee owned models of firms. Most important, these mutual firms nurture greater power for individuals over their economic lives, increase the accountability of managers and place customers, employees and investors on a more equal footing; at the same time they achieve greater financial rewards and better business results². It is time to bring these business models out of the wilderness and into the debate.

A mutual social enterprise is a business that requires a market, product and/or services, labour, finance, governance, an entrepreneur driver, possibly premises, and a clear business strategy or plan that monitors and manages business performance.

The ‘Mutual Movement’ brings together over 800 million people around the world. The United Nations estimates that the livelihood of nearly 3 billion people, or half of the world's population, is made secure by mutual co-operative or social enterprise. These enterprises continue to play significant economic and social roles in their communities. Mutuals create and maintain employment; over 100 million jobs around the world are created by mutuals, 20% more than by multinational enterprises. In the United States, 4 in 10 individuals are members of mutuals, whilst 30,000 mutuals provide more than 2 million jobs, have assets of $3 trillion, and generate over $500 billion in revenue.

Nearer to home, mutuals in Scotland account for 4.25% of the Scottish Gross Domestic Product, have an annual turnover of £4 billion and assets of £25 billion. According to the Mutuals Yearbook 2008 the UK has 16,005 mutuals with a membership of 64,907,749. These mutuals employ 844,208 people, whilst having revenue streams of £83 billion and assets of £476 billion.

**The Big Society**

‘The Big Society’ was first mentioned by David Cameron in November 2009 when he was Leader of the Opposition.³ Now in Government, David Cameron and colleagues have gone on to promote the ‘Big Society’ as a key principle of public policy.

Big Society policies will transfer powers to communities and encourage people to take more active roles in their communities. The Government has declared its intention to support the creation and development of mutuals (co-operatives, social enterprises, employee share ownership) including spin-offs and management buy-outs from the public sector. The Big Society has four main elements:
• Empowering and shifting power to local communities and businesses, to enable places to tailor their approach to local circumstances.
• Encouraging people and business to take an active role in their communities
• Transferring power from central to local government
• Opening up public services, including enabling mutual social enterprises to engage more actively in the delivery of public services

The Government has made a commitment to give public sector workers a new right to form employee-owned co-operatives and bid to take over the services they deliver. This is aimed at empowering public sector workers to deliver better services and control their organisations.

During the summer, the Prime Minister announced the first Big Society Communities - Sutton, Windsor and Maidenhead, Eden Valley (Cumbria) and Liverpool. Communities in these four areas will receive help to overcome ‘bureaucratic barriers’ and to take greater responsibility for their localities.

The Communities Secretary, Eric Pickles, added that the Government would ‘trust communities to know what they need’. The four chosen communities had already shown an interest in budgeting at street level, energy generation, piloting open-source planning, taking on community assets and encouraging volunteering.

In the Comprehensive Spending Review (October 2010), the Big Society was closely allied with reform of the public sector. The Government believes in funding essential services, but does not see that the public sector has to be the sole provider of these services. It wants to stimulate innovation and competition.

The Government is exploring the role of independent providers including social enterprises that are mutual organisations, to share in public service delivery. The Spending Review suggested areas for potential reform including adult social care, early years support, youth services and community health services. Funds from dormant bank accounts will be used to establish a Big Society Bank to supply finance to mutuals and non-governmental bodies wishing to tender to deliver public services.

The Government’s plans for the reform of public service delivery are still in development and there will be further consultations with public sector staff, individuals and communities on how to deliver better public services. A White Paper will be published early in 2011. The proposed devolution of power to communities, combined with less ring-fencing of local authority funding, will give opportunities for mutuals such as mutual social enterprises, as suggested in the Cabinet Office paper, Building a Stronger Civil Society.

The combination of reducing budget allocations and active policy support for the creation and development of mutuals makes it inevitable that local authorities and other public bodies will be asked to consider the options for switching public service delivery from ‘in-house’ to autonomous mutual organisations.

In August 2010, the Minister for the Cabinet Office, Francis Maude, announced the first wave of Mutual Pathfinders. These pilot schemes will permit entrepreneurial public sector staff to take control of service delivery.
"The new models will show us how we best support mutuals, tackling problems when they first arise, not expensively managing them over many years ....This is a Big Society approach, decentralising power so people can deal with the issues that concern them" (Francis Maude)

The chosen Pathfinders will be mentored by a range of mutuals including the John Lewis Partnership, PWC, KPMG, Tribal, Baxi Partnership, Sunderland Home Care Associates, Central Surrey Health, Local Partnerships, Godrevy, Greenwich Leisure and The Office for Public Management. The twelve projects were selected as trail-blazers to show how public sector workers can take more control over delivering services.

The Government’s 12 Pathfinder Mutuals are:

- An awarding body to be set by a consortium of FE colleges
- The London Partnership – a Community Interest Company (CIC) aimed at reducing multiple disadvantage, involving a group of Department of Health, local authority, Primary Care Trust and NHS staff
- The Department of Health’s London and SE Learning Disability Team forming a regional CIC
- Hammersmith and Fulham Children's Services
- North East Essex PCT
- A social enterprise for delivery of housing support services to vulnerable people in Mansfield
- The Lambeth Resource Centre supporting people with physical and sensory impairment
- NHS employees forming a social enterprise to provide services for homeless people in Leicester
- Teaching and administrative staff to set up a Trust to run Newton Rigg Agricultural College, Cumbria
- Borough of Kensington and Chelsea to examine different models of employee-led youth support services
- Integration of Community Health and Adult Social Services in Swindon into a co-operative
- Westminster City Council working with employees towards creating an arms-length mutual organisation.

Mutuals are both an embodiment and enabler of the Big Society. Whether in public services, private businesses, or volunteering, recreation and sports, mutual social enterprises will make help to make the Big Society a reality. They are practical mechanisms for mass action and participation, from nurses taking over services to deliver more responsive local health outcomes, to communities coming together to save their local pub or post office.

Local Enterprise Partnerships (LEPS)

The new Local Enterprise Partnerships (LEPs) will have a critical role to play in ensuring that the right operating environment is in place to enable businesses to take full advantage of the opportunities that are opening-up. The Regional Growth Fund will be used to encourage private sector enterprise, including mutual social enterprises to create sustainable jobs; bids are invited from the private sector (including social enterprises) and also from private-public partnerships.
Local authorities will also have a vital role to play in encouraging and supporting the growth of all kinds of enterprise in their area, including social enterprise. Some local authorities have already demonstrated their willingness to take a lead and to innovate in this regard.

**Governance & Stakeholder Control**

The governance principles of mutuals, and the manner in which they relate to stakeholders, make them a vehicle particularly well suited to public service delivery.

The International Co-operative Alliance recognises the following seven governance principles for mutuals: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; co-operation among co-operatives; and concern for community. In some instances individuals may choose to become members of a co-operative to support the wider common good, e.g. members of a community supporting the co-operative ownership of a village store or a community wind farm.

In the context of delivery of public services, it is the second, third and seventh principles which have particular relevance. The democratic control of a mutual lies with its members, rather than with the providers of investment capital. Members also have the opportunity to share in the economic return of a mutual (in the form of a members’ dividend) and mutuals are established to operate for the benefit of an identified community of interest. ‘Re-inventing the Firm’ – a paper from the policy think-tank Demos – argues that employee ownership can temper the pursuit of short-term financial return and contribute to stable corporate governance and sustainable enterprise.

Traditionally in the UK, mutuals have been established under the Industrial and Provident Societies Act – now regulated by the Financial Services Authority. An Industrial and Provident Society (IPS) permits withdrawable share capital from members, but is currently limited to a maximum of £20,000 per member. However, mutuals are not restricted to the IPS legal form – many social enterprises that are mutuals exist as companies limited by shares, companies limited by guarantee and as Community Interest Companies (CICs). In choosing an appropriate governance model, the issues to be considered are:

- Who will be the members, and what structure is most likely to enable their democratic and economic participation?
- What will be the sources of capital for these mutual social enterprises? Which models will be the most likely to support the raising of the capital required?

The principal types of mutuals are:

- **Consumer** – the members are the mutuals customers
- **Worker** – the members are the mutual’s workers
- **Secondary** – the members are mutual businesses
- **Consortium** – the members are non mutual organisations
- **Multi-stakeholder** – the members are a combination of customers, workers and other organisations
- **Housing** – the members are tenants of the houses
- **Credit Unions** – a financial mutual where members save and borrow from it.

Not all social enterprises operate strictly as mutuals or co-operatives. Where is it advantageous to operate with charitable status (e.g. for funding or tax reasons), the form chosen may be a charitable company limited by guarantee (e.g. a leisure trust). The Trustees (directors) of the
A company will normally be elected by members, but they will be publicly accountable for the pursuit of the company’s charitable objects, and members will not normally be eligible to share in any trading dividend.

A range of factors combine to make mutuals and employee owned businesses an asset to the UK economy:

- Independent research suggests that a combination of shared ownership and employee participation delivers superior business performance.
- Because they are ‘co-investors’, staff in mutual social enterprises tend to be more entrepreneurial and committed to the company and its success.
- Because they are run in an open way, mutuals tend to have a strong commitment to corporate social responsibility and involvement with the communities they operate in.
- The mutual, social enterprise business sector adds to the diversity of Britain's economy – by offering a different, vibrant model for achieving business success.
- Because they have high employment standards, involve staff and give everyone a stake, employee owned social enterprises are good at recruiting and retaining talented, committed staff.
- Mutual (particularly employee owned) companies are good at innovation because managers go out of their way to consult, share information about the company, and give staff responsibility.

An independent and impartial summary of the evidence about mutuals has been prepared by Matrix Evidence. There is a landmark study on the performance of mutual and employee-owned businesses over economic cycles by Cass Business School.

Examples of Mutuals at Work

There are more than 16,005 independent mutuals within the UK, with a membership of 64,907,749; these mutuals employ 844,208 whilst having revenue streams of £83 billion and assets of £476 billion. Some of the better known examples nationally include the Co-op Group (a consumer co-operative embracing banking, insurance, farming, retail, pharmacies, travel and funeral care), the John Lewis Partnership (an employee based worker co-operative with more than 70,000 partners) and the Nationwide Building Society. Already there are more members of mutuals than listed owners of shares, and the turnover of mutuals increased by 16% in 2009 – compared to a drop of 4.9% for the economy of as a whole.

Within the North we have successful mutuals and social enterprises operating at different scales and across a range of different sectors. The following provide an insight into the diversity of scale and business activity of some of the mutuals and member controlled social enterprises in the North East and UK.

Gripple: The successful launch in 1988 of a wire joining and tension device called a Gripple not only gave the company producing it its name but also provided the impetus for employee ownership. The award-winning Sheffield company has since developed over 500 new products and its operations now span Europe and North America, with an office near Strasbourg and another just outside Chicago. Turnover went from £2.5 million in 1994 to £21 million in 2006 and the company’s aim is to grow by at least 40% a year for the next five years.

Around 58% of the initial 20-strong workforce bought shares, now 78% of current employees, who number 220, own some equity. To ensure employee share ownership remains high, since 2004 new employees have been required to buy £1,000 worth of shares one year after joining.
the firm. The firm offers loans at the prevailing Bank of England rate to enable employees to purchase equity.

Central Surrey Health is a not-for-profit, limited liability company under contract to provide community nursing and therapy services on behalf of the NHS Surrey. The contract is similar to those held by GP surgeries. Central Surrey Health employs around 770 co-owners who formerly delivered community nursing and therapy services from within the PCT, for instance, district nurses, community hospital nurses, school nurses, specialist nurses, health visitors, nursery nurses, physiotherapists, podiatrists, dieticians, speech and language therapists and occupational therapists. On transferring to Central Surrey Health all staff were presented with a single share in the company. As co-owners, they are responsible for delivering patient services and shaping the company’s future. This model of healthcare providers is endorsed by the Department of Health.

SES (Sustainable Enterprise Strategies) is a social enterprise company with over 28 years of practical business experience in supporting and developing social and community enterprise, and the growth of self-employment within North East England. The development of enterprise skills, the growth of self-employment and successful social enterprises all offer people alternative routes out of inequality and poverty. SES has an annual turnover of more than £1.2 million and employs 22 staff. The vision of SES is: “To use enterprise in all its forms as a vehicle for the creation of a fairer society through the alleviation of inequality and poverty and to underpin our work by taking an evidence-based approach”.

<table>
<thead>
<tr>
<th>Traditional Enterprise</th>
<th>Social Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Created 249 new businesses</td>
<td>• Created 22 new social enterprises</td>
</tr>
<tr>
<td>• Turnover of £7.34 million</td>
<td>• Supported 141 SES social enterprises</td>
</tr>
<tr>
<td>• Average investment worth £1,093 for each</td>
<td>• Raised £3.9 million in investment</td>
</tr>
<tr>
<td>• Survival rate 80% @ 12 months</td>
<td>• 38 successful tender applications worth £8.7 million.</td>
</tr>
<tr>
<td>• Survival rate 64% @ 18 months</td>
<td>• Combined turnover £26,305,000</td>
</tr>
<tr>
<td>• Survival rate 63% @ 24 months</td>
<td>• Employ 1,373 staff (most from deprived areas)</td>
</tr>
<tr>
<td>• 78% were workless before engagement with SES</td>
<td>• Financial impact £7.64:£1 (SROI)</td>
</tr>
<tr>
<td>• Average turnover after 2 yrs £21,090</td>
<td>• Average turnover after 2 yrs £186,565</td>
</tr>
<tr>
<td>• Majority director/ownership gender Male 68% Female 32% (national Female rate 14%)</td>
<td>• Majority director/ownership gender Male 48% Female 52% (national female rate 24%)</td>
</tr>
<tr>
<td>• Average number of staff after 2 yrs 1.36</td>
<td>• Average number of staff after 2 yrs 7.3</td>
</tr>
</tbody>
</table>

Loch Fyne Oysters’ is an employee owned business as result of the death of one of the original owners, the Baxi Partnership, which was starting to fund employee buy-outs provided an investment route that could provide a way of paying the deceased owners estate his share of the business without selling the company. Loch Fyne Oysters now has a worldwide reputation as a producer and retailer of high-quality meat, shellfish and game, and supplies some of the world’s most exclusive restaurants and hotels. The co-owned company employs 150 staff in an oyster bar and shop, mail order service, smokehouse and on the oyster and mussel farm at the head of Loch Fyn, the business turnover is in the region of £11m

Sunderland Home Care Associates (SHCA) Associates had an initial contract for 450 weekly hours of care from the Council enabled the business to recruit its first 20 employees. SHCA now provides 6,500 hours of care per week and employs 350 staff.
Care & Share Associates (CASA) is a co-operative consortium company limited by guarantee. CASA is the UK's leading employee owned homecare social enterprise, and, with its founder organisation Sunderland Home Care Associates (SHCA), was Social Enterprise of the Year, 2006. With five CASA units in operation, providing over 10,670 hours of care per week employing over 539 staff, CASA is viewed by the Department of Health and others as a trail-blazer in health/homecare social enterprise franchising and replication.

### SHCA Milestones

<table>
<thead>
<tr>
<th>Social enterprise</th>
<th>Paid hours – per week</th>
<th>No. employed</th>
<th>Turnover (July '09)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunderland HCA (Inc South Tyneside HCA)</td>
<td>6500</td>
<td>350</td>
<td>£3,300,000</td>
</tr>
<tr>
<td>North Tyneside HCA</td>
<td>2000</td>
<td>70</td>
<td>£ 780,000</td>
</tr>
<tr>
<td>Newcastle HCA</td>
<td>850</td>
<td>47</td>
<td>£ 514,000</td>
</tr>
<tr>
<td>Manchester HCA</td>
<td>670</td>
<td>29</td>
<td>£ 442,000</td>
</tr>
<tr>
<td>Calderdale HCA</td>
<td>650</td>
<td>41</td>
<td>£ 456,000</td>
</tr>
<tr>
<td>CASA</td>
<td>2</td>
<td></td>
<td>£  95,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>10,670</strong></td>
<td><strong>539</strong></td>
<td><strong>£5,587,000</strong></td>
</tr>
</tbody>
</table>

Independent Futures is a partnership venture with SHCA and Sunderland’s Health and Adult Services. It is helping to bring people with learning disabilities out of long stay units and into their own homes. Most of this work is highly specialised and provided on a 24 hour basis. To date the company has 10 people living in their own homes supported by well qualified and committed staff. It plans to add another 200 staff over the next three years.

Seaham Harbour Investment Project CIC (SHIP) The regeneration of Seaham North Dock in the North East over the coming years will provide a valuable and attractive asset that will be managed for the benefit of the people of Seaham. The Seaham Harbour Investment Project Community Interest Company (SHIP-CIC) will enable the partners (The Victoria Group, the Council & Friends of Seaham Dock) to pursue business objectives whilst keeping their eyes firmly on the ultimate social and community benefits. SHIP will be able to raise finance in ways a charity may not; it can trade; it is likely it will be able to access development funds through investment such as European and Lottery funds; it will allow the port to remain working. It may help in any negotiations over planning issues and is the most likely way of preserving the Victoria Group’s interest by bringing in significant development funding. SES prepared the business case for £3.4m investment in order to construct a workshop and marina development, whilst preparing all associated legal/governance arrangements.

Eaga is based in Newcastle, is one of the UK’s leading providers of energy efficiency solutions, and the leading deliverer of UK government fuel poverty programmes. Last year it had a turnover of £750 million. Established as an employee-owned social enterprise, it has more recently floated on the Stock Exchange. However, 50% of its share capital is still owned by its 4,500 employees, together with a stake in the company held by the Eaga Partnership Trust which is Eaga’s largest single shareholder.

Community Campus ’87 is a community-based social enterprise established to address the emerging crisis of youth homelessness in Teesside. Community Campus ’87 has grown and developed to offer a broader range of services including:

- Housing, support and resettlement services
- Personal development, learning and training opportunities
- Construction training and building services
It is a value-driven organisation, committed to being accountable to its membership and the local community for its social, economic and environmental impacts. Community Campus ‘87 is registered under the Industrial and Provident Societies Act.

**Shared Interest** - is a social finance co-operative which had been active in the North East for 20 years. It works in 36 countries, lending to fair-trade importers and farmers/handicraft makers in the developing world. Boasting a balance of more than £25 million and some 8,500 investor members, Shared Interest is a leading provider of finance to the Fair Trade movement, including local importers like Tradecraft and Tropical Wholefoods. Registered as an Industrial & Provident Society, Shared Interest has received national recognition as an innovator in the field of social finance, including a Queen’s Award for Sustainable Enterprise in 2009.

**FISCUS (FISCUS North Limited):** Based in the North East of England, FISCUS is a social enterprise established in 2004 which promotes enterprise and jobs as a way out of poverty and financial exclusion. FISCUS provides a full welfare benefits, Tax Credits and Debt Advice service including ‘In-Work’ and ‘Into-Enterprise’ Better-off Calculations. FISCUS clients are pre-business start-ups, social enterprises, job seekers and the unemployed. Money Advice Workers at FISCUS also enable clients to consolidate and reduce their debt at every stage of their journey towards work and enterprise. FISCUS proactively targets its clients via reciprocal referrals at 26 outreach sites that are co-located within Enterprise Agencies, Job Linkage Organisations, Housing Associations/Social Landlords and Credit Union premises. During its last financial year, FISCUS provided advice to 1841 clients, identified £1,302,909 in unclaimed benefits and consolidated £1,397,285 in client personal debt. FISCUS success is based on consortia and partnership delivery mechanisms which enable a more strategic approach, reduces cost by avoiding duplication and provides a holistic range of locally based services to support clients into jobs and enterprise.

**Summarising the key messages...**

- Social enterprise mutuals will be a growth area over the next five years. This trend is gathering momentum and has political support.
- There are a number of impressive social brands now established to act as role models on a national and regional level – there is also a social enterprise charter which is a recognised quality mark.
- Social enterprise mutuals have yet to become a household term (both among the general public and policy makers, key decision makers and funders) – there is now a great opportunity to get people excited about social enterprise.
- New government policy on the economy, the provision of business support and the growth of the Big Society, are combining to dramatically change the operating environment for organisations providing support for enterprise and social enterprises.
- New opportunities are opening up for all kinds of enterprise, including social enterprise mutuals.
- Redundancy and unemployment will ensure a continuing supply of potential entrepreneurs who need appropriate help and support.
- Tackling worklessness must remain a high priority, especially in the most deprived areas and social enterprises have a real role to play in this area.
Action Steps towards Successful Mutualisation of Public Services

**STEP 1**

Identify services to be mutualised
- Is a transfer consistent with the sponsoring body’s strategy?
- Is the delivery of a service financially viable as an independent enterprise?
- What public procurement regimes will apply?
- What fixed assets/capital will be needed?
- Focus, values and aspirations

**STEP 2**

Consult fully with staff
- Will staff be briefed on mutualisation?
- Is a majority of staff willing to transfer to a mutual?
- Will the transfer be best as an employee ‘buy-out’ or can/should it involve partnership with an existing social enterprise / mutual?

**STEP 3**

Identify sources of advice
- Who can help to advise on legal structures and business planning?
- Business plan preparation
- Who can mentor staff?
- Does the project need to identify potential external directors/advisors?
- Governance / entity options

**STEP 4**

Compile a fully costed business plan
- Allowance for transfer of staff under TUPE
- Skills gap analysis and action plan
- Financial plan and cash flow
- Kick-start / capital funding
- Create entity / trading structure
- Model service contracts and terms
- Sensitivity analysis

**STEP 5**

Sign contracts and begin transfer
- Obtain final consent from sponsoring body
- Secure contracts for service delivery
- Transfer staff to new entity (where applicable)
- Transfer legal responsibilities to new Board
- Begin trading
Some issues to consider

The mutualisation agenda is bound to raise concerns for both the decision-makers and staff involved, and professional advice and support may prove invaluable. Some of the issues that may be raised include:

- What benefits can a local authority expect from running its services as arm’s length mutuals?
- Mutualisation should not be seen as a way of getting services ‘on the cheap’, of lowering standards or as constituting an attack on staff working conditions.
- Will staff really be freed-up to be more motivated and flexible, and to innovate?
- Are mutuals the most appropriate structure for the proposed social enterprise, or could others structures like CIC’s better meet the needs of that particular initiative?
- What will the local authority manager/commissioner’s role be?
- How will democratic accountability be safeguarded?
- Where will the push to mutualise come from? Will it be from management or staff – or both?
- Will it be necessary to inform/educate both these groups about what would be involved so they can choose?
- What new skills will management and staff need to acquire?
- How long is it likely to take to implement any change, i.e. to transfer a service?
- What support will be necessary to effect the change?

Contact: Mark Heskett Saddlington  Mark@ses.coop  Tel 0191 5650476

Some Useful Websites

Sustainable Enterprise Strategies (SES)  www.ses.coop
Employee Ownership Association  www.employeownership.co.uk/
Cabinet Office (Civil Society Consultation)  www.cabinetoffice.gov.uk
Co-operatives UK  www.uk.coop
Financial Services Authority  www.fsa.gov.uk
The Big Society Network  http://thebigsociety.co.uk
The CIC Regulator  www.cicregulator.gov.uk

Endnotes

1 Reinventing the Firm by William Davies, published by Demos, 2009
2 Matrix Evidence - The employee ownership effect: A review of the evidence 2010, Model Growth: Do employee-owned businesses deliver sustainable performance? Professor Joseph Lampel, Dr Ajay Bhatta & Dr Pushkar Jha; Cass Business School 2010
  * www.cabinetoffice.gov.uk/media/426261/building-stronger-civil-society.pdf
  * Local Growth: realising every place’s potential Cm 7961 HM Government 2010 page 34
  * See, for example, the work that the Young Foundation has been doing with partner local authorities, on behalf of the Department for Communities and Local Government.
  * www.ica.coop/coop/principles.html
  * Reinventing the Firm by William Davies, published by Demos, 2009
  * www.cicregulator.gov.uk
  * Matrix Evidence - The employee ownership effect: A review of the evidence 2010
  * Model Growth: Do employee-owned businesses deliver sustainable performance? Professor Joseph Lampel, Dr Ajay Bhatta & Dr Pushkar Jha; Cass Business School 2010
  * Mutuals Year Book 2008