

A federative approach to care - exploring how Co-operative Care Colne Valley can scale the impact of its model, and influence the wider sector

Summary briefing note, 29 June 2021

[Co-operative Care Colne Valley](#) (CCCV) has been supported by [Power to Change](#) to help develop a better understanding of, and explore how, local community co-ops can offer a model that will lead to a more empowering, impactful, and sustainable approach to providing care. And additionally, how the creation of a future federated organisation of local community co-ops might also contribute to this and address the issue of being to offer care at larger scale.

This piece of work has taken place during 2020-21, and taken the form of desk research; identifying and interviewing other co-op federations; reflective discussions; and open forums and facilitated plenaries at events.

This summary paper offers an overview of the findings from this work (*a fuller version is available separately*) and is shared for the benefit of any community co-operative, or other type of community business, considering and exploring how it might replicate its service to benefit other areas, and the potential benefits of doing so through a federated structure.

THE CASE FOR CO-OPS IN CARE

As a sector, care is increasingly being recognised as being in ‘crisis’ due to a combination of poor employment opportunities, and financial pressures caused by austerity within public services. This has led to the support and services people need, and wish to have, not being available within local communities throughout the country. Care is also increasingly recognised as being a sector where community businesses, and enterprises with alternative ownership and governance models, are able offer clear advantage and ability to mitigate these crises.

THE BENEFITS OF USING FEDERATIONS vs. TRADITIONAL APPROACHES TO GROWTH

Traditionally, the success of a service or organisation is recognised by how far it is growing in size. But growth usually brings with it risks and pressures through the need for greater bureaucracies, and the associated loss of human capital in the relationships between those giving and those receiving care. Although without scale, a service will have less resilience and financial stability.

A federated structure would seem to be an ideal resolution to these competing tensions in the aspirations for care and the role of community businesses in delivering it - through such

a model, services could be owned and managed locally but offer a range of benefits that include the simultaneously sharing 'back office' functions, joint procurement, and arrangements to second staff between them to manage any absences.

SUCCESS FACTORS FOR A FUTURE CARE CO-OP FEDERATION

Whilst other outputs from CCCV's exploration and development of its future structure are concerned with how the care services are managed and assured, this note focuses on the experiences of a range of other federated models (*both co-operative and charitable in legal status, and across a range of services and sectors*).

These suggest that for any federated structure, there would appear to be a number of success factors:

- A sense of shared purpose alone is insufficient to fully engage separately structured providers of the same service in multiple locations: there needs to be a clear business case that justifies their investment and involvement in a federation;
- As different member groups will vary in size and focus according to local circumstances, a federated structure needs to be designed to allow all to feel they have an equitable voice and influence in it, but without larger groups feeling they are being 'sidelined' in favour of smaller members;
- The question of legal structure within which a federation is incorporated is something of a 'red herring': federated co-ops that were explored and interviewed as part of the wider research have a variety of legal statuses, yet for each, their respective form was found to be fit for purpose in each instance - this reinforces the need to prioritise the governance and operating model and structures over registration processes.

IMPLICATIONS FOR CCCV AND THE FUTURE CARE CO-OP FEDERATION

For CCCV, this research and the outcomes to it have highlighted the need to better understand its members' motivations, and the nature of the relationship they would like to have with the co-operative into the future.

Such mapping will help to better clarify the realities and pre-conditions needed for future successive care co-ops to be established using CCCV's model with regards to their individual governance, and their ability to engage with each other through a federated structure.

It has also identified the opportunity for a federation to act as a pro-active catalyst in encouraging and supporting the development of future care co-ops rooted in their local communities - this is through the federation acting as a sponsoring body with regards to registration and regulatory processes, and also brokering access to resources and investment more than might be possible for communities otherwise.