

REPORT TO WEST AREA PEOPLE BOARD
11TH December 2013

ENTERPRISE & PERSONALISATION – PROGRESS AND OPTIONS FOR DISCUSSION

1. Background

- 1.1 As part of its priorities for the year 2013 - 14, West Area People Board identified Job Prospects as a priority and wanted to build upon the success of the previous enterprise scheme funded through Area Committee.
- 1.2 The People Board in looking at the transformation of Adult Social Care considered the link between enterprise and the Personalisation agenda and how the establishment of new enterprise may assist in not only creating new employment opportunities but also offer greater choice and control to Sunderland residents requiring support and assistance to maintain their independence.
- 1.3 In considering these priorities jointly there may be an opportunity to meet Committee's priorities around Job Prospects, Health and Wellbeing and the transformation of Adult Social Care and support the Council in achieving efficiencies by ensuring the right level and types of services are being used.

2. Enterprise in Sunderland

- 2.1 In Sunderland we have :
- Below average business density
 - Low business start up rates
 - Low self employment rates
 - Low numbers of women in business
 - Low survival rates
 - Low levels of innovation
- 2.2 Strong and vibrant levels of enterprise are essential to provide increased employment opportunities. This is needed in order to diversify the local economy and reduce the City's dependence on large scale employers who are vulnerable to external factors such as globalisation and economic recession.
- 2.3 A comparison of economic activity between Sunderland, the region and the nation shows: -
- a relatively high level of economic inactivity of men and women
 - a relatively high level of unemployment
 - a relatively low level of self employment
- 2.4 Employment prospects can be improved by doing two main things reducing the unemployment rate whilst at the same time increasing the employment rate, focusing on both those that are unemployed and those who are economically inactive to offer opportunities for employment and self-employment.
- 2.5 Self – employment, particularly small business based self-employment , is a key driver of job creation, and this in turn supports wealth creation. It can also offer a style of working and flexibility that can enable some economically inactive groups e.g. those with caring responsibilities, people with work limiting skills to work.
- 2.6 There is added economic impact when the self-employed individual and the

activity takes place within a deprived area. This happens because the self-employment activity is providing goods or services which may not have been previously available in the deprived area, additionally it also creates wealth as the goods or service is delivered and money is made from it.

2.7 Entrepreneurialism is crucial for economic growth and tends to come more from small firms, who have such an important role in the provision of discovery and insight. However there is no magic formula or critical success factors list which determines which small firms make it big. It is likely that only one in every thousand start-ups will grow to become large.

2.8 Therefore initiatives to support start-ups and increase opportunity in Sunderland should centre on reducing barriers which are typically:

- Lack of knowledge of the business support that is available
- Low equity, debt and poor credit ratings making raising finance difficult
- Low skills, especially business related skills
- Low aspirations
- Lack of confidence
- Fear of failure
- Employment limiting disabilities
- Inability to work standard hours

3. Link to Social Care

3.1 The role of social care is to support vulnerable people to live as independently as possible in the community, maintaining or regaining the skills and abilities they need to do so. Recently social care has been undergoing a transformation in response to the demand for more personalised services, tailored to meet the needs of the individual, moving away from segregated, institutional settings towards fully integrated and independent living.

3.2 Personalisation is an approach based on the principle that each individual should be facilitated to manage their own support and the money required to pay for the services they need.

3.3 This shift in the way social care services are delivered and paid for has created new business opportunities which are either directly focused on social care needs or are more mainstream business activities that people may choose to help with daily independent living.

3.4 Under the personalisation agenda social care staff work with residents to assess their needs and agree the outcomes they want to achieve in order to stay independent. This discussion is used as the basis to develop a personal support plan. In some parts of Sunderland there are many options available for individuals to meet their needs. In other parts there are clear gaps in services.

3.5 This information can be used as part of the development of a business support programme that will break down barriers and offer entrepreneurial individuals the opportunity to start a business to fill the identified gaps in the city which will service the wider personalisation agenda.

4. Need and Market

4.1 The proposal has been developed and informed by the Personalisation Manager, Enterprise Manager, Older Person's Team Manager supported by the Area Community Officer.

- 4.2 A meeting has also been held with Christine Bendall, Development Programme Manager at Housing 21, to discuss provision of services such as maintenance, hairdressing, catering etc at the extra care scheme currently in development and potential scope for working with our programme to provide such services into the Extra Care Scheme. Housing 21 would advertise business opportunities connected to the scheme during construction. Interested applicants then have to be interviewed to assess suitability for the client group and also for business viability. Our proposal would potentially offer a pool of already viable businesses who had received additional accredited training which could be recognised with a certificate. Further meetings will be arranged to discuss this in more detail once some firm proposals have been agreed.
- 4.3 The main aims and outcomes of the proposal are the creation and building of enterprise to create focused, needs based self-employment opportunities in the West. The added value will come from the contribution made towards the health and well-being agenda, transformation of adult social care and potential efficiency savings that could be achieved.
- 4.4 Currently many people directing their own support through a personal budget are supported mainly or wholly through a registered home care provider. They deliver personal care in addition to elements of help with independent living. If there were greater diversity in the market place a proportion of their support needs could be met through less formal and costly approaches.
- 4.5 Personal care services must be delivered by a registered provider, it is not proposed to develop businesses that offer services requiring registration and training would be provided to new businesses to understand what they are not qualified or competent to deliver.
- 4.6 The self-employment skills needed in order to effectively deliver services which support the personalisation agenda will be embedded into self-employment start up support. This will comprise a package of tailored training and support to include (but not limited to):
- Engaging, dealing with and providing services to vulnerable groups
 - Enhanced communication skills.
 - Safeguarding
 - Health and Safety
 - Dementia awareness
- 4.7 Businesses created by the project will have recognition, including certificates to demonstrate they have completed the additional accredited training.
- 4.8 The types of services delivered through self-employed individuals that that would be most suited to support the personalisation agenda have been identified as:
- Tackling social isolation and loneliness
 - Managing life at home
 - Brokerage and one stop shop services
 - Time banking
 - Specialist support (medication support, maintain a healthy diet and appetite etc)
- 4.9 As at March 2013 there were 3,299 customers receiving community based services, of these 2,537 are receiving self directed support. 635 of these individuals reside in the west area of Sunderland.

The annual values of the 2,537 individuals are:

- 9% below £1000
- 33% £1000 - £5000
- 28% £5001 - £10,000
- 30% above £10,001

4.10 The government target for 2012 – 13 was to achieve 70% of customers receiving community based services (excluding permanent residential/nursing care) during the year to be on self directed support. In 2012-13 Sunderland achieved 71.9% of customers and carers receiving community based support services. The national average was 55.6% and the north east average was 51.9%.

4.11 In addition to those people who qualify for a personal budget there are significant numbers of people who are seeking some help but whose needs are not eligible for a formal social service through the council. For this group a wider range of readily available and affordable, informal services will help them maintain independent living and support family carers in their role to avoid crisis situations.

4.12 There are people who require a level of social care support but whose financial circumstances mean they must pay the full cost themselves. For many people in this group it is preferable to make their own arrangements and to approach businesses and voluntary agencies directly, either with or without the advice and guidance of council staff.

4.13 The market for these types of services can be evidenced through the over reliance on registered home care provision, both on a city and individual basis.

4.14 The People Directorate and its partners would be in a position to refer potential customers to alternative enterprise/self-employment services, assist individuals in developing more flexible and varied support plans and encourage more independent arrangements. The council is seeking to develop the “e-market place” which will provide an online resource for individuals to plan their support and identify providers who can meet their needs and could include the new businesses.

5. Resources

5.1 The average cost (based upon previous schemes) of bespoke business support and additional upskilling to provide the certification would be £1500 per individual.

5.2 The typical cost to provide training per module (dementia awareness, health and safety, safeguarding etc) is £15, although this varies according to the length and complexity of the sessions required.

5.3 As previously identified a barrier to establishing self-employment is finance and debt. A start up loan of £500, which would be paid back would remove such a barrier and enhance the opportunity.

5.4 The cost to support an individual if all elements were included would be £2100

(with £500 being paid back within and agreed period)

6. Recommendations

6.1 Consider and agree whether the proposal proceeds, which financial elements are included and the number of self-employment opportunities supported