

The Development of the Suffolk Circle

This paper has been prepared to assist county councillors and interested partners or stakeholders to contribute to the development of the Suffolk Circle. This paper is a public version of the report taken to Suffolk County Council's Cabinet of 25th May 2010. This report is not restricted and does not include commercially sensitive information or areas of intellectual property included in the original Cabinet report.

The Cabinet:

i) endorsed the County Council's support for the development of a Suffolk Circle Community Interest Company; and

ii) agreed to the business development plan and financial plan reports attached to the report. The business development plan requires a total investment of £680,000 from the County Council over three financial years into a strategic partnership agreement with Suffolk Circle Community Interest Company.

1. Background

- 1.1 Suffolk's population is ageing. By 2021 the number of people aged 65 and over will have increased by 49% against 2001 figures. This means that by 2021 a quarter of Suffolk's population will be aged over 65. Within this timeframe it is projected that over 75 year old populations in Suffolk will grow by 54% and over 85 year olds by 90% (source: EERA 2006). There are two aspects of this demographic movement to consider in relation to this report.
- 1.2 First, that ageing represents an opportunity to build upon the enormous contributions that older people make to communities and the economy as workers, volunteers, and unpaid carers. Research findings from Participle report that nationally older people account for £239 billion in consumer spending each year and that older people hold around 80% of the nation's wealth.
- 1.3 In contrast an ageing population brings pressures to the funding and delivery of public services. The expectation is that demand for public services will grow and in particular for the care of older people. Resources to meet care needs for an increasing population, dependent for longer and with more complex needs are under pressure within the current system.
- 1.4 The County Council has, in line with our new strategic direction to build stronger communities, been in dialogue with Participle, an organisation leading a new approach to the issues of care and ageing. The outcome of this dialogue is the development of the Suffolk Circle, a model to test a new focus and approach to meeting the needs of people and families to live life with purpose as they grow older. The core principles of the Circle model aim to prevent the onset of high level care and health solutions and include:
 - Moving from a system focused on "needs" to one concerned with developing and maintaining "capabilities"

- Moving from services that are “targeted” to a preventive model “open to all”
- Relaxing the absolute focus on the “individual” to include a focus on “social networks”
- Moving from a narrow financial focus to a broader resource base.

1.5 Suffolk Circle represents a new way of viewing ‘older people services’. It focuses direction on people’s capabilities (ie. what can they do, as well as what do they need?), which in turn helps residents to re-assess their own needs. Membership is open to all residents over the age of 50, without any financial or needs assessment required. As membership grows, individuals and communities rediscover their ability to be “each others’ solution.” Responsibility is placed in the hands of the residents. A key part of any Circle is to keep people connected to each other. Research shows that if this is in place, people ‘do better’, which is good for them, and lowers the need for costly care when health (mental or physical) deteriorates.

2. What is Suffolk Circle?

2.1 Suffolk Circle is a membership organisation open to anyone living in Suffolk over the age of 50. Members get together to teach and learn new things, get out and about and enjoy themselves. Members also get flexible help with life’s practical tasks through a network of Helpers.

2.2 Helpers are handy, local people who help out with a wide variety of practical tasks. Some Helpers are paid a fair hourly rate (in London ‘Circles’ this is the London Living wage), while other Helpers are also members and earn tokens for their contribution. All are CRB and referenced checked. Members can also get recommendations for vetted, local trades people, carers and local businesses that offer discounts. The key components underpinning the Circle model are that:

- the service is designed to meet people’s recurring and periodic needs, offering help in regular cycles and on demand to meet fluctuating needs;
- the service makes it easy for people to get help without asking for help;
- it is a membership organisation with built in opportunities for members to connect with other members;
- there is a focus on informal and local resources that provide small bits of practical help in a neighbourly way;
- the service promotes a “concierge” approach, which means that the Circle is the only place members will have to go for a wide variety of services;

- the service provides opportunities for members to give as well as get, encouraging contribution and participation from members at the level they chose.

2.3 A key objective is facilitating interactions and building social capital in communities and the Circle's unique delivery model is based on two essential, operational components to contribute to this:

- A distributed, local delivery network – people as 'each others solution';
- The Circle technology platform – integrated, bespoke software connecting our website, web-based back office and contact centre.

3. What will a Suffolk Circle provide?

3.1 In its simplest form the Circle will:

- connects its members (aged from 50 years and upwards) to get everyday things or practical tasks done, through matching up neighbourhood helpers and other members to supply "on-demand" support services (similar to a time bank model);
- create social networks to build relationships, develop groups and friendships, learn, travel and simply go out;
- make reliable recommendations for more significant services like plumbing, electricians and cleaners;
- provide expert advice and information on a range of practical issues from personal finance to technology;

4. How much does it cost to join?

4.1 Members can join up for only £10 a year, this includes:

- a) Subscription to the Suffolk Circle monthly newsletter and member calendar, with handy tips and what's on each month.
- b) Access to any of the 'get togethers' on the member calendar and introductions to other members.
- c) Free phone number to call for practical advice on anything - from finding a good, local hairdresser to the best mobile phone offers.

4.2 Members then buy tokens at any time for Neighbourhood Helper visits or for transport to and from a 'get together.' Each token is equal to about one hour's worth of time from a Neighbourhood Helper, and they never expire. Tokens can be purchased for roughly the price of £45 for five tokens.

5. How does it work with existing services?

5.1 The voluntary and community sector currently carry out significant activity to support older people in their communities and homes in Suffolk. It will therefore be important for the developing Suffolk Circle to engage and explore opportunities to collaborate with the third sector, and provide complementary services.

5.2 The Circle model is based on collaboration with other organisations and existing schemes to offer the full range of resources that are available to its members. As a social enterprise, it is committed to achieving its social mission, not the highest market share possible. The flagship 'Circle' in the London Borough of Southwark collaborates with a number of voluntary sector organisations. Suffolk Circle will seek to build on this learning and accelerate the partnership opportunities in Suffolk, working to complement as many valuable, service providers as possible.

Examples include:

- the Peabody Trust run a Southwark Council-sponsored project called SEASONS, which offers intensive 3-month support for older people in crisis and look to Circle for a longer-term, sustainable offer
- Southwark Carers Centre feels Circle membership is a value-add to Carers and has referred many current members (approximately 15% are carers)
- Southwark Pensioner Centre has an employment scheme which has recruited Helpers over the age of 50, and referred members.
- Age Concern Southwark offers a well-respected toenail-cutting service, Southwark Circle refers people to this.

5.3 The Participle team has already met with users and managers from numerous third sector organisations such as Suffolk Carers, and Age Concern Suffolk, as well as representatives from a number of Good Neighbours schemes. This work is planned to continue.

6. How much does it cost?

6.1 Suffolk Circle is a lean operation that delivers services through a distributed network of people, not a large centralised organisation with many employees. The main costs are to keep it going until the level of membership is high enough for it to be self-sustaining. The main bulk of the cost is the 5 employees, the technology hub that enables the whole enterprise, the general cost of the office and the set-up costs.

6.2 The Suffolk Circle will be a legally structured Community Interest Company, supported initially by the County Council through the strategic partnership grant process. Suffolk County Council's financial contribution will total £680k over the next three financial years.

6.3 The grant funding represents initial seed investment supporting Circle management and recruitment costs, technology and marketing. The business plan and grant agreement commit the Suffolk Circle to become self-sustaining by September 2013. Any surplus that the Community Interest Company achieves operationally before or after this period must be reinvested into the Suffolk communities that the Suffolk Circle is serving, under the grant agreement.

7. What are the cost savings?

7.1 As the community starts to deliver its own support, the Council, NHS and the whole system will be able to reduce the level of purchased and grant funded services. Cost savings from the Circle are based on three calculations:

- a) Actual savings that the council or NHS will potentially be able to directly achieve from implementation
- b) Preventative savings that can be potentially 'indirectly' achieved by preventing certain costs from occurring in the future and
- c) Better Value savings relate to being able to more effectively coordinate and streamline existing services and infrastructure.

7.2 The cost savings and preventive efficiencies across the whole system supporting older people are projected to reach £773,000 by the end of year 3. The accumulation of efficiency savings and preventative savings grows more rapidly as the membership network expands. The Suffolk Circle proposition projects a take up of membership during the first three years of 3,500. This represents just 2% of people aged 60 and above and this membership level represents a sustainable social enterprise.

8. Launching Suffolk Circle

8.1 Partner development:

The Suffolk Circle, with SCC support will carry on an ongoing analysis and development of the potential collaborations with existing services.

8.2 In addition over the last few months, members of Participle have been spending time with people in Suffolk. As a result, Suffolk residents and their families, representative of the coastal hubs, rural villages and market towns of Suffolk County, have helped shape the emerging Suffolk Circle. They have shared their desires, aspirations, family stories, local history, their 'wants' and needs, and what they feel they can contribute (or what they already contribute) to their communities. They will continue to shape the Suffolk Circle as they become co-designers and, eventually, early adopters of the service.

8.3 Technologies:

Suffolk Circle already has a holding page website www.suffolkcircle.org.uk and Circle HQ have a web development team in place, ready to move over basic 'brochure modules' one-by-one to replace this holding page. Circle HQ will support Suffolk Circle from day one with the bespoke CRM system, which enables interactions with members and helpers. There will be a focus on building and connecting with existing initiatives and technologies that will enhance the Suffolk Circle, for example Info Link and Customer First.

8.4 Recruitment:

Suffolk Circle CIC will make three key appointments in accordance with the launch plan and business model. These are for the Managing Director, Head of Operations and Head of Propositions. All three roles

require motivated 'doers' who will be supported by Circle HQ and other 'Circles' on an ongoing basis.

8.5 In terms of support, Circle HQ is committed to developing 5 new Circles in 2010, and many more beyond. Circle HQ is a social enterprise set up by Participle. Circle HQ has committed to offering support, mentoring, training, shared business processes and a community of likeminded people aiming to reach the same goal. As a minimum, the acting Managing Director of Circle HQ, or equivalent, will offer 6 days support per month for the first 3 months after launch, and 4 days per month thereafter, for a least a year.

8.6 Operational Set-up:

Suffolk Circle has been set up at Companies House as a Community Interest Company (CIC). Circle HQ will provide an operations manual that will cover all enterprise processes involved in running a Circle, including CRB and volunteer safeguarding procedures, Helper booking and troubleshooting processes, member interaction guides and Helper recruitment materials and processes, among others. In addition, licensing agreements will be put in place with Circle HQ.

8.7 Suffolk Circle CIC will maintain insurance cover through Market (UK) Limited, a leading specialist Insurer for social enterprise and community organisations in the UK. This includes Public and Employers Liability, as well as Professional Indemnity Insurance, at adequate levels in accordance with the provisional funding agreement.

8.8 Marketing:

All marketing material and a marketing strategy will be ready for launch of Suffolk Circle. Circle HQ has developed a dynamic approach to marketing Circles. All materials and approaches have been developed with the help of older people, and are tried and tested.

9. Governance arrangements

9.1 Suffolk Circle as a Community Interest Company (CIC) provides a legal framework to ensure that the enterprise operates in service of its founding social mission and achieves the community benefit that it was incorporated to generate. The key features include an annual 'Community Interest Test', an 'asset lock' and a 'dividend cap.' The crucial point is that Suffolk Circle CIC is a social enterprise that, in accordance with its by-laws, will re-invest any profits made back into the community.

9.2 Furthermore, Suffolk County Council and Suffolk Circle CIC have reached agreement to establish a 'Suffolk Circle Board' which, in accordance with the proposed funding agreement: will include the Managing Director of Suffolk Circle CIC, at least one director of Suffolk Circle CIC, the Chief Executive of Suffolk Council (or nominee) as well as the Portfolio Holder and Director of Adult and Community Services.

The Board will guide the overall strategic direction of the CIC and serve a performance monitoring and evaluation function.

10. Rolling out the Suffolk Circle

10.1 The business development plan, building on the learning from consultations and local focus groups, proposes a three phase Circle expansion across Suffolk with the objective of countywide coverage within 5 years. The local audit process carried out by Participle has demonstrated that the core Circle offer will fit well within Suffolk's towns and villages. The proposed roll out strategy is illustrated at the end of this report and will be finalised and agreed by the Suffolk Circle Board.

10.2 Suffolk Circle will launch in two different towns in September 2010. These will both meet the criteria of the 'big town' situation types, and will be close enough together in proximity so that one core team can manage the take up, service delivery, outreach and network building required. This approach considers criteria including the size of the 60 plus population, the range of commercial areas and prominent local businesses, frequency of public transport networks, the critical mass of local amenities, and the representative group of 'new movers in'. The Circle strategy is also to capture the 'Satellite' villages located between the two towns.

10.3 There are three additional considerations in selecting the towns in phase one:
'Adult Children' living close by their parents or older relatives;
Possibility of partnerships with complimentary services and organisations;
Proximity to 'satellite villages' & throughput of people from surrounding area.

In phase 2 there are three streams of work

- 'Word-of-mouth' marketing in the existing area (area one) to penetrate the local population at a drastically lower acquisition cost;
- Launch in another town (area two) that meets the same criteria as in phase one.
- Grow organically in the in-between locations between the first area and the second area; thereby connecting the two by the end of phase two.

10.4 By the start of phase 3, Suffolk Circle membership is projected to number in the thousands, with approximately two years of experience delivering operationally. In this phase, the Circle will expand to another area, in order to continue covering new areas of the County, while also growing the membership in the existing areas. It is in this phase that the enterprise model will reach a financial breakeven point.

11. Proposition Development

11.1 There are three further propositions identified from the local audit for the Suffolk Circle. The development of these propositions will occur in parallel to the enterprise development detailed above.

- A proposition to 'adult children' could be delivered locally tapping into very compelling motivations for sons and daughters to sign up their parents as members, mostly around the 'social' offer of Suffolk Circle.
- The local audit work has also demonstrated the opportunity for a more developed proposition in transport.
- Learning from the experiences of past projects in the field of rural development, it is best to begin to implement the model from a position of strength, whereby members are 'pulling' the service as opposed to receiving it via 'push' marketing.

SOURCES OF FURTHER INFORMATION

- a) http://www.participle.net/about/our_mission/

Participle is a social enterprise, launched in 2007 with a focus on designing and developing large scale projects that demonstrate the next generation of public services.

- b) <http://www.southwarkcircle.org.uk>

Southwark Circle was the first 'Circle' to be piloted and launched in 2009. It has grown ahead of membership targets during its first year and drawn national and regional interest for its unique service offering and transformative community engagement model.

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