

Health and Social Care Committee

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Inquiry into residential care for older people – Supplementary evidence commissioned by Wales Progressive Co-operators from Jean-Pierre Girard



Co-operative models of care for older people

Learning from the Quebec experience 1997-2012

Summary of a report prepared by

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The **co-operative** membership
Cymru/Wales

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Foreword

A thorough understanding of co-operation, its ethics and commitment to reciprocity and democratic participation, and acceptance of its world-wide principles, is surely necessary, especially when in contrast to Quebec, we do not have legal recognition of UK multi-stakeholder co-operatives.

In March 2010 we organised, through WCVA, a study day, funded by The Co-operative Cymru/Wales, to provide foundations for the redevelopment in Wales of just such an understanding of co-operation.

To follow this, as our contribution to the celebration of the United Nations Year of Co-operatives 2012, we have commissioned this report and arranged a visit to Wales of the author, Jean-Pierre Girard, who will be speaking at a seminar, to be hosted by Rosemary Butler, AM, at Ty Hywel, on February 7th 2012. We hope this will help to give impetus to care co-operatives in Wales.

M Girard has been intimately involved with home care co-operatives in Quebec since 1997. He has been a Commissioner and since 2001 a member of the board of the International Health Co-operative Organization (north America region); and a frequent contributor to OECD publications related to social enterprises. He has considerable knowledge of the incentives and decentralised resources for local co-operative development in Quebec.

In the hope that this could translate into positive action in Wales, a two day visit has been organised in a co-operative fashion through voluntary action by the Wales Progressive Co-operators and Cartrefi Cymru: funded with a grant from The Co-operative Cymru/Wales, Public Health Alliance Cymru and the Welsh Food Alliance.

In a context of a rapidly aging population and significantly growing elder needs, we hope to provide a spark to assist in the development of new forms of care in addition to state provision, following modern lines of involvement and participation but building on methods of reciprocity and co-operation that have developed over the past 160 years.

We also see through co-operation a great potential to improve the status and terms and conditions of employment of a predominantly feminised home care workforce. By their very nature, multi-stakeholder co-operatives offer a real opportunity to address this accountability gap.

We hope that Wales can provide a beacon to other parts of the UK in developing genuine stakeholder co-operatives and in so doing help to avert any drift towards less accountable mutuals, which could mask the privatisation of public services.

David Smith, Wales Progressive Co-operators
Adrian Roper, Chief Executive, Cartrefi Cymru

January 2012

Domestic Help Social Economy Enterprises (DHSEEs) in Quebec

1. Establishment of - DHSEEs

Two socio-economic summits were held in Quebec in 1996 bringing together representatives of the provincial government, management, labour and civil society. The women's movement played a significant role in promoting the idea of the government's funding social infrastructure to tackle major unfulfilled social needs, particularly in relation to home care services. This was conceived as a way not only of responding to an unmet need but also as a way of creating a significant number of jobs – predominantly for women. A working group was established to consider this proposal and recommended the establishment of social economy enterprises to deliver housekeeping services to individuals with physical and cognitive disabilities. It was further agreed that these enterprises should avoid duplicating services offered by the public sector. Four main objectives were identified:

- (1) To provide quality domestic help services
- (2) To create quality jobs (especially for women)
- (3) To combat undeclared work (moonlighting)
- (4) To avoid substitution of public sector jobs

These recommendations were agreed and a network of DHSEEs was established in each of Quebec's 17 regions – a total of over 100 across the province. A selection process was established to provide official recognition of these DHSEEs. Some were established by recognising existing services providers, others by an agreed merger of existing charitable organisations whilst others were newly established organisations deemed to have the capability of fulfilling the tasks outlined.

Initially 104 DHSEEs were recognised. Of these, 57 were Non-Profit Associations (NPAs) and 47 were Co-operatives – see Appendix iii. for details of the difference between these two kinds of organisation. Most of the co-operatives opted for the multi-stakeholder rather than the single member category – again see Appendix iii.

2. Services to be provided

The main tasks identified for the DHSEEs in 1996 were:

- (1) Housework – both light and heavy
- (2) Laundry & ironing
- (3) Errands and purchase of groceries
- (4) Preparation of non-diet meals
- (5) Light outdoor maintenance work.

Over time, services have been extended to include:

- (6) Personal hygiene services such as waking, bathing, dressing and assistance with eating
- (7) Civic assistance such as help in venturing outside the home, form filling etc.
- (8) Family relief such as sitting with people to allow free time for carers and longer periods of respite care.

Data for DHSEE activity in 2007 shows that at that time there were 101 enterprises (54 NPAs and 47 Co-ops) which between them provided 5.1 million hours of services to over 76,000 people. They had sales close to \$106 million and employed 6,000 staff (nearly 90% of whom were women).

3. Funding

The Quebec Government adopted a scheme known as “Financial Assistance for Domestic Help Services”. This states “Persons using domestic help services provided by a Domestic Help Social Economy business that has been accredited for program purposes may receive financial assistance applicable against the hourly rate the business charges. There are two types of financial assistance:

- Basic financial assistance of \$4 for each hour of services rendered is granted to any eligible person regardless of family income
- Variable financial assistance of \$0.55 to \$8.25 for each hour of service rendered may be granted over and above the basic financial assistance, and is determined on the basis of the eligible person’s family income and situation,

The person pays only the difference between the rate charged by the business and the financial assistance granted”.

There is also a tax-credit for home support for seniors for persons over 70 “so that they will not have to move to an establishment in the public health and social services network or so that they can delay having to make such a move”.

Most of the income of individual DHSEEs comes from the charges made to service users, but this is backed up by a provincial government grant representing between 15% and 20% of their total revenue.

4. Promotion of DHSEEs

A Federation of DHSEE co-ops was formed at the outset in 1996 offering a forum for exchanging views and providing training and advice for board members, advice on human resource issues, implementation of common management software, setting and monitoring quality standards, business development support, legal advice etc. A similar organisation was established

for NPAs, but that has tended not to be as effective as the Co-op Federation and has since fragmented.

New enterprises also benefit from pump-priming funds including start-up grants and funds from the anti-poverty programme, which are used to subsidise employees' salaries.

For over 20 years the provincial government has also funded a network of 11 Regional Development Co-operatives (RDCs) - covering all 17 regions of the province. These RDCs hire specialists (some 60 in all) to support the grass-roots development of new co-operatives by networking, provision of business and legal advice etc. The RDCs receive additional grants for each new co-op established and for jobs that are either saved or created.

APPENDICES

1. Background in Quebec

Provincial governments are responsible for health and social services in Canada and provision across the country varies considerably. With a population of some 8 million, Quebec is the second largest province in Canada. Some 80% are French speaking whereas the vast majority are English speaking in other provinces.

Prior to 1996, home care for the elderly in Quebec was provided almost entirely by voluntary organisations, which depended largely on volunteer support, for profit organisations (focussing mainly on fee-paying service users whom they regard as profitable customers) and three emerging co-ops. There was a considerable amount of moonlighting (undeclared work) and many unmet needs in the population.

Over the last 100 years, although only three co-ops were providing an element of social care, co-ops as well as private for profit enterprises and public organisations have been a significant feature of the province's economy. Co-ops include large-scale organisations in banking, financial services and agri-food. Co-operatives are also engaged in production (eg forestry and para-medical products) and in retail, housing and funeral services. Legal recognition was given to multi-stakeholder co-ops (see Appendix iii) in 1997 and this has led to the extension of co-operative enterprises in child care, health and social care, tourism, outdoor activities, fair trade, the environment etc.

2. Additional Comments on Questions Jean Pierre Girard was asked to address

How do people gain entry to co-operative models of Residential Care in Quebec? The service is available to all.

Do people become members before they need care? About 5%-10% do – mostly family members of households where a service is already provided. But this is not necessary. On receiving a service most recipients become co-op members as it increases their involvement in decision-making regarding the care provided.

Is there a members “waiting list” or are they referred to a co-operative by professionals of the state following an assessment of need? Recipients of care may be referred by a professional from a public service but many self-refer. There is usually little delay in instigating a service and waiting list have not been found to be necessary.

How does the ability to pay (as a self-funder or recipient of state funds) impact on entry to co-operative care? In view of the funding

arrangement described in the body of this report ability to pay has little impact on the decision to enter a co-operative.

What is the co-op's role in terms of availability and accessibility of alternatives (to residential care) such as reablement services and domiciliary care and possible progression to residential or nursing home care? Some co-operative DHSEEs are investigating the possibility of offering their members a continuum of care: eg home care/housekeeping services – personal hygiene services – nursing/health care - long term residential care facilities.

How responsive is the co-operative care sector in Quebec to the level of demand? Very good.

How quickly can it respond to need/demands? Usually with a week or two.

What is the potential or actual achievement of the co-operative sector in terms of meeting the varied needs of significant numbers of older citizens? See figures for 2007 quoted in main report. Co-ops have proved to be more pro-active and entrepreneurial than other DHSEEs – eg by extending their range of services, providing support services to private residential homes and opening their own residential accommodation.

If services are available to both members and the wider community, what are the benefits of membership? Providing a sense of ownership and involvement by participation in board meetings etc. This enhances their status and staff respect. They would also share in any profits generated.

3. Glossary

Co-operatives

A Co-operative is an organisation with members who have a democratic say in how the enterprise is run and what should be done with any profits/ surpluses. They should conform to internationally agreed principles: ie membership must be open and voluntary, each member must have an equal say in the management of the organisation which must be autonomous and independent of the state, information, education and training must be provided for members, they must co-operate with other co-operatives and they must show an active concern for the community. Co-ops may be user co-operatives, worker co-operatives, producers' co-operatives or multi-stake co-operatives, which combine more than one of the above categories. Multi-stake co-operatives were legally recognised in Quebec in 1997. Most co-operatives in Quebec are now multi-stake co-ops and many, if not most, also have an additional category of Supportive Members. Such members share the aims of the co-op but do not share in its day-

to-day activities. They are seen as particularly valuable in service providing co-ops where they can provide a range of additional experience/expertise.

Social Economy Enterprise:

Following the major Socio-Economic Summits held in Quebec in 1997 it was agreed that a Social Economy Enterprise must:

- Serve their members and the local community instead of prioritising profits
- Be autonomous of the state and have independent management
- Have a democratic process involving users and workers in their operations
- Use any surplus to promote people and work
- Build their activity on the basis of participation, self-help and individual and collective responsibility.

Domestic Help Social Economy Enterprises (DHSEEs)

In practice, DHSEEs are either Not-for-Profit Associations (NPAs) or Co-operatives. Co-operatives are governed by Quebec Co-op Law (more than 300 articles!) and the name “Co-operative” is legally protected in contrast to the position in the UK. In particular, in relation to Multi-stakeholder co-operatives, no member can belong to more than one category of membership and supportive members are limited to a maximum of 33% of the seats on the Board. NPAs are much less restricted. They may decide for themselves who can be accepted as participants in the venture, the composition of their Board etc. The only restriction placed on them is that they must be non-profit making. As such, they cannot address the accountability gap which is associated with private for-profit services and all too often with public services as well. By their very nature, it is only multi-stakeholder co-operatives that can address this accountability gap.