

Cabinet Office

The case for Mutuals in Local Government
- A Strategic Perspective

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Chief Executive

South East England Councils (SEEC)

Established in 2009 to represent the views of local authorities in the South East. The majority of the 74 councils across the South East are members.

Aims:

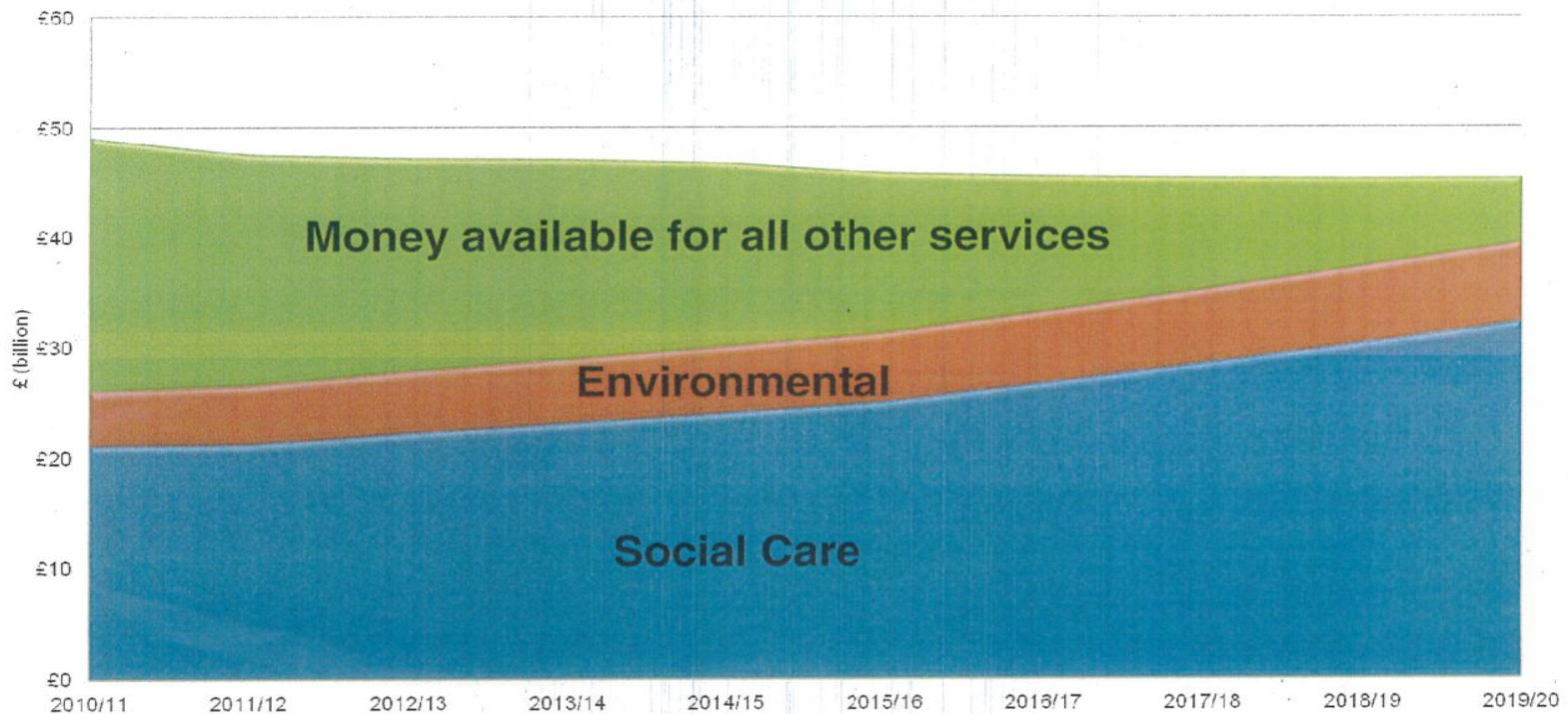
- To strive for a fair funding deal for the South East
- Promote the South East's position as a leading global economy
- Act as a single democratic voice for South East interests
- Monitor the pulse of the South East

The Case for Mutuals in Local Government

- Intense spending squeeze
- Fiscal consolidation in public services (28% reduction)
- Transformation of services
- Mutuals just one option being considered

The Spending Squeeze

Living within our means: The squeeze on service spending



Mutuals in the South East of England

Project Salus, Kent

- Providing services to children and young people around safety, bullying, vandalism and drug awareness.
- A Community Interest Company since 2011
- Employs 32 people with budget of £1.2m

Wycombe Woodland Service, Bucks

- Aim to spin out in 2013 to manage woodland
- Aim to set up a Community Interest Company
- Supported by Mutual Ventures

Mutuals in the South East of England

Thanet Leisure Ltd, Kent

- Hospitality and leisure services since 1999
- Workforce owned and controlled company
- An independent “not for profit” distributing Industrial and Provident Society

First Point, Surrey

- Providing services for the deaf and hard of hearing since 2011
- A Community Interest company contracting with Surrey CC

Mutuals in the South East of England

Safer Milton Keynes, Bucks

- Aiming to provide community safety services

Hazlitt Arts Centre, Kent

- Aiming to spin out to provide services at an Arts Centre
- 40 fte staff with turnover of £1.1m
- Support from Mutual Ventures

Buckinghamshire Learning Trust

- A user led mutual

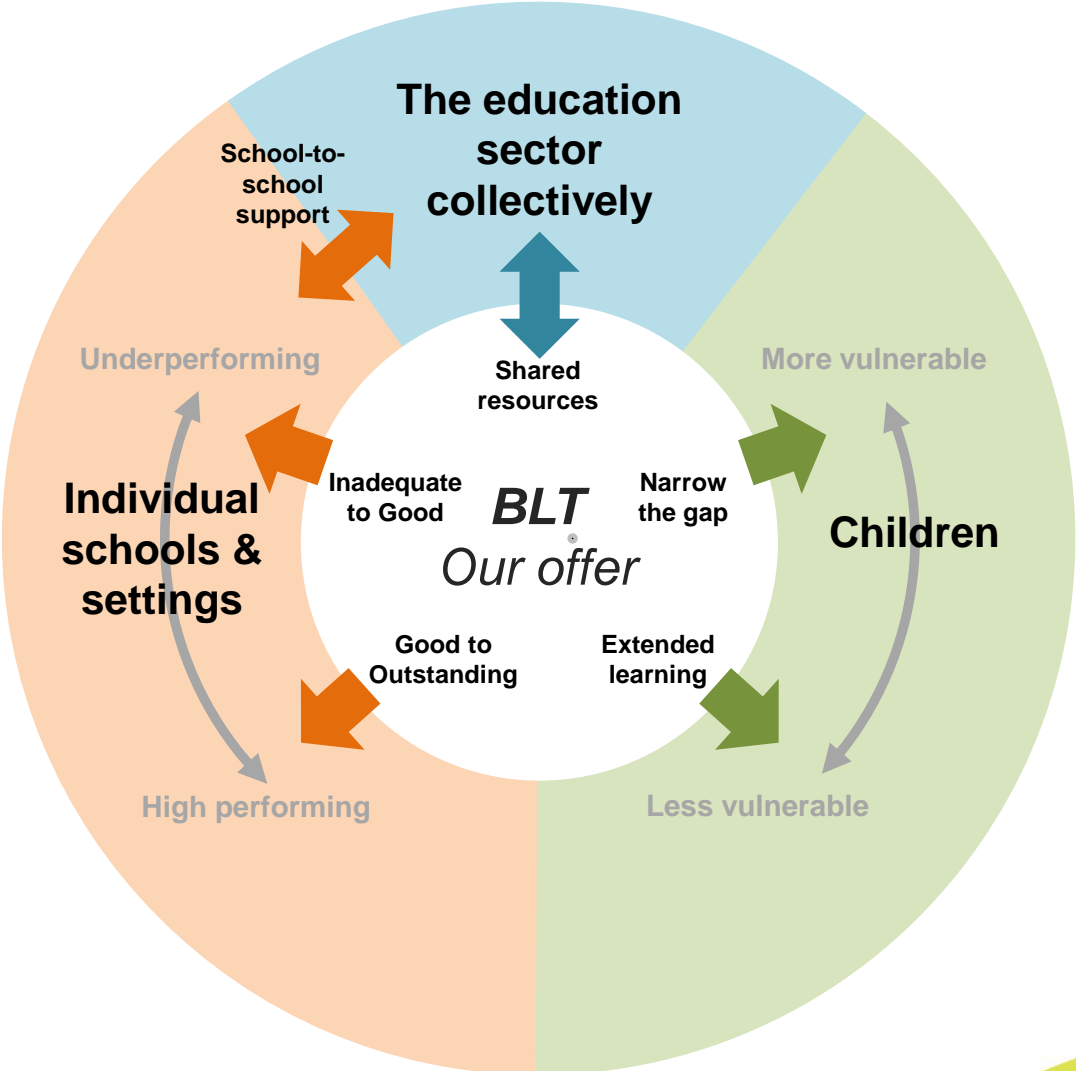
Drivers for Change

- Budget pressures on the Council
- Fragmentation of the education system
- Need to change the relationship with schools
- Losing many of the levers of influence
- Desire to maintain excellent reputation
- Focus on driving up standards and narrowing the gap
- Opportunity to raise income through trading

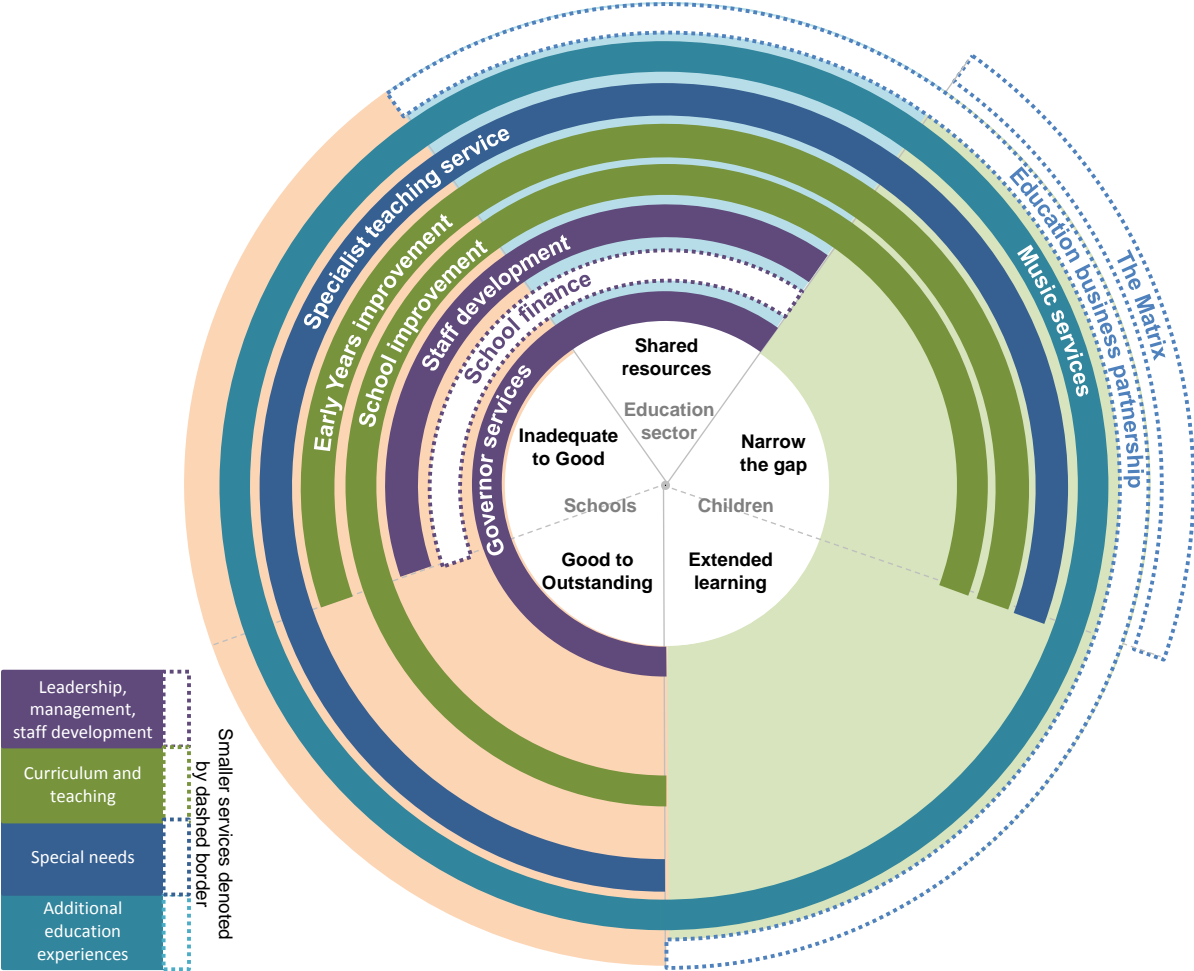
The Buckinghamshire Learning Trust

- Aim to establish as a Charitable Trust in April 2013
- 220 staff - £14.3m income in Year 1, £17.1m in year 5
- Worked with Mutual Ventures
- Providing services to children, schools and the education sector and promoting school-school support

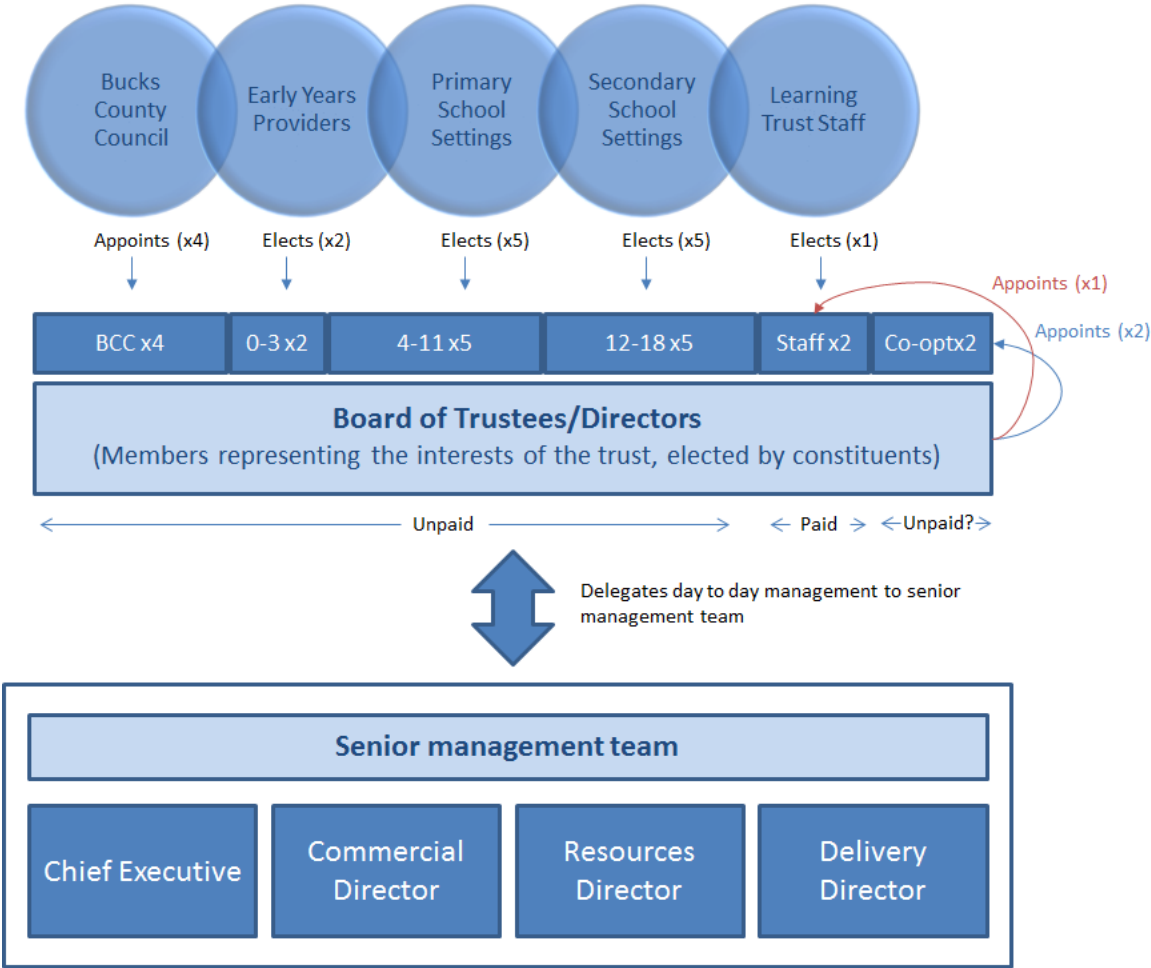
BLT – Service Offer to Partners



BLT – Service Offer



BLT – Governance Structure



Lessons Learned

- There is no clear definition of a “mutual”
- Be clear about the outcomes
- This is about change – not doing the same thing differently
- Procurement, VAT legal issues are a nightmare
- Get expert help to guide you through the minefield
- Be courageous!