

Dear colleagues

This is mainly a copy of the note sent to your colleagues at the Treasury, as our evidence is largely the same for both your consultation and the public service reform consultation. The only difference is that I have added a very brief summary of the research (and gaps in research) on the extent and health of micro-enterprise within the UK. It is our work with micro-enterprises within social care, many of them examples of the kind of employee-owned/led enterprises to which your consultation document refers, which are most relevant to your consultation.

NAAPS is the UK network for Shared Lives, Homeshare and micro-enterprises in social care. Our Shared Lives members take a radically different approach to delivering support to around 15,000 older and disabled people. Shared Lives combines paid and unpaid care, matches participants within lasting relationships rather than professional/ client transactions and allows people to live within ordinary families in their communities. It is cheaper and far more highly rated by regulators than alternative forms of care, such as residential and domiciliary care. The attached report, *Cuts or Putting People First?* sets out how councils can create efficiencies whilst delivering personalised support through Shared Lives.

Homeshare is another form of matching which brings together older people who need support and younger people who need accommodation. It is tiny in the UK but significant in other countries. This is also outlined in the above report.

Micro-enterprises are very small enterprises providing support and/or employment to older and disabled people. Many are set up and mutually owned by ex front line social care workers and people who have personal budgets or spend their own money on support. Many operate entirely independently of the state, others with minimal state intervention. Via our social enterprise, Community Catalysts, we support councils to create the conditions in which many more people can set up and sustain very small scale enterprises. We have identified a number of regulatory and commissioning barriers to this happening and these are set out in the relevant word document. The solutions are set out in the document entitled "roles of local and national government in creating the big society".

We would be very happy to provide more information or discuss these issues with you.

All the best,

Alex Fox

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