

Measuring cost and the real price

Sandwell Community Caring Trust (SCCT) has undergone huge growth in turnover and staffing while running an efficient business through a strong focus on the social value it creates.

Since 1997 SCCT has grown from employing 85 people to over 600, from caring for 62 vulnerable adults to over 700 and increased turnover from £1m to £14m. Much of this has come from council and NHS TUPE transfers.

SCCT competes on price against other providers and has continued to improve and transform the quality of services provided.

It has maintained the substantial commitment it made as a result of its TUPE obligations, to fund pensions in particular.

These hefty commitments have been maintained not by cutting front line services but by having a major impact on the areas of unproductive costs at the point of service and personnel transfer.

For example sickness has been reduced from an average of 25 days per employee pre transfer to SCCT to just under 1 day lost per member of staff. Similarly, management and administration has been reduced from 22% of expenditure to just 6% annually with staff turnover reduced from over 30% per annum to less than 10%.



S A N D W E L L

Community
Caring Trust

Avoiding spend on things that don't add value allows the Trust to spend more on rewarding staff well and delivering more personalised services for customers.

Most importantly, as a social enterprise, SCCT does not have to generate shareholder value which would be diverted from improving the quality of services.

Geoff Walker, chief executive of Sandwell Community Caring Trust, said: *"We have a unique proposition that can return better value for public money and SCCT is a great illustration of what is possible by working together."*

"A private sector business could be taking upwards of a 20% profit margin from a contract to fund shareholder or owner value, whereas a social enterprise like SCCT takes 10% which is reinvested into the business. It is clear that the customer will get more from us."

"The Social Value Act gives all commissioners the chance to look at the real cost of the contract and this is where we can give greater added value."

