

Creating a social enterprise with Greenwich Primary Care Consortium (GPCC)



The business

Big things come from seemingly small ideas and all transformation begins with the first step.

GPCC is a social enterprise that began in a church hall meeting in 2009, when local GPs got together to find ways of improving healthcare outcomes in one of the most deprived boroughs in England. They were also looking for a not-for-profit alternative to challenge a private provider for a new contract being offered by the local PCT.

As the service experts, the GPs felt that they should lead in developing the service and delivery mechanisms to drive local healthcare outcomes. They developed an innovative model that included running a health centre conveniently situated near a major transport hub that operates 12 hours a day servicing both registered and drop-in patients; out patient treatment accessible to patients of all the GP practices within the GPCC collaborative; and education and resource sharing to assist local clinicians and health care professionals to respond quickly to healthcare issues.

It was important to create a mechanism that would promote quality and help all stakeholders share, collaborate and develop. This would be the pathway to an improved service for all and a better work experience for local doctors.

At the same time, our Business Advisory Services team were becoming excited about the possibilities offered by social enterprise. Many members of the team have experience of running departments within the public sector and realised that social enterprises offered a way for the people who deliver services to implement their best ideas around service delivery and efficiency - ideas that may need the catalyst of creating a new organisation to become possible.

We also knew that the biggest risk to the social enterprise sector taking off was the difficulty of establishing them as a credible alternative to in-house delivery. In a classic chicken-and-egg scenario, setting up a trading social enterprise requires time, money and business skills that would not transpire until after the social enterprise started trading.

The business challenge

The GPs soon came to appreciate that their passion and ambition was not matched by their ability to deliver the strategy they had designed.

At this point, they approached RSM Tenon, looking for commercial assistance that would preserve the integrity of the original concept.

RSM Tenon's approach

Our offer was simple - to support the GPs in the areas where they needed help. We would run the commercial side of the company, secure contracts, find premises, manage the working capital, employ people to deliver the services and manage those services to generate surpluses for reinvestment.

Commercially, we could not charge for the service: the company had no cash because it was not trading. Our response was to secure an agreement that in the event of the company successfully trading, we would provide all the business support the company needed at commercial rates for a minimum period of at least five years. This included the provision of the CEO, Finance Director, accountancy, business development team, human resources, information systems and risk management. This gave us the opportunity to recover our initial investment, GPCC the benefit of expert support without the difficulty of recruiting to a start-up organisation, and both of us the opportunity to turn the concept into reality and deliver real social benefits to the community.

The GPs were delighted with this offer as it provided a lifeline for the company. Without this element of the partnership, there is no doubt that the company would have failed.

We agreed the service contract with the Primary Care Trust and negotiated capital funding to allow the surgery to be built. This funding comprises support from the PCT and the NHS Social Enterprise Investment Fund which together amounted to £1m. We then recruited a team to deliver the service, trained them and designed the working methodologies and procedures.

Now that the service is open and trading, we manage the company and the entire back office. We are very proud of what we have achieved together. We now have a fantastic GP surgery that is playing a key role in improving health outcomes in a deprived area of South London. A total of 15 jobs have been created and GPCC is playing a part in the regeneration of the whole area. These are benefits that go beyond those identified in the initial exploration of options that could not necessarily have been foreseen but are very, very real.

Together, we have learned about the possibilities and pitfalls of developing a social enterprise. We are currently working with a number of other social entrepreneurs in a range of sectors and are looking for more social enterprises that could benefit from partnering with us to develop their services.

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