

Case Study – Suffolk County Council

BWB recently assisted Suffolk County Council on the successful spin out of its training, careers advisory, supported factory and community learning and skills development service provision into Realise Futures CIC.

We provided advice on the options around the legal structure and governance for the new entity (both face-to-face and written) to ensure that the most suitable platform would be chosen. As part of this, we considered the particular requirements of the business model, including the proposed funding streams (by way of service provision, with no need for future equity investment) and the desired level of staff engagement (no desire for the payment of dividends, but potential for contractual incentive schemes).

As a result of this process, we established Realise Futures as a community interest company to enable it to operate flexibly as a business – including incorporating appropriate mechanisms for staff engagement – while ensuring protection of the social mission to support people with disabilities and disadvantages re-engage with employment, learning and skills. We drafted the Articles of Association for the new community interest company and managed the process, working with service staff, of incorporating and registering it at Companies House and with the CIC Regulator.

Following the establishment of Realise Futures, BWB worked closely with the transferring service staff and lawyers at the Council to negotiate and finalise the transfer agreement to transfer the assets and liabilities of the relevant services to the CIC. This was an involved and lengthy process, requiring detailed advice on and assistance with the negotiations in a number of areas, including around the transfer of employees and pensions, the treatment of transferring assets, State Aid, procurement and property issues and complex sub-contracting arrangements. Our advice included preparing for the Council and negotiating contractual documentation to transfer particular services under the Transfer as well as assisting with specific contractual issues arising.

Sarah Sharlott, CEO of Realise Futures CIC said that

“Realise Futures greatly valued the support, help and assistance it received in a wide range of areas during its divestment from Suffolk County Council.

We were impressed with how quickly BWB staff grasped the complexities of our business and ensured that we had appropriate advice and options outlined clearly to us at all stages of the process. We could not have achieved our divestment without their support.”