



Modernising Commissioning BTCV response, December 2010

1. Introduction

BTCV is an environmental volunteering charity, and is a strategic partner of the Cabinet Office. Our response to the *Modernising Commissioning Green Paper* and the observations set out in the following document stem from our experience in public service delivery. BTCV has been involved in providing public services under contract with the Department for Work and Pensions, with local probation services and under service level agreements with local authorities.

With a substantial portion of BTCV's charitable objectives being achieved through public service delivery, we are clearly in strong support of the Government's plans to increase the role of charities and social enterprises in public service delivery. BTCV advocates for a level playing field in which all providers have a chance to prove their worth.

We have elected not to respond to each individual question contained within the consultation document. Instead we have concentrated on questions that fall within our area of expertise.

2. New Opportunities

In which public service areas could Government create new opportunities for civil society organisations to deliver?

Sub- Question: What are the implications of payment by results for civil society organisations?

The implication of expanding the use of payment by results depends on what is meant by "results". Is a "result":

- An output delivered?
- An output delivered to a quality standard (eg Ofsted, Green Flag, ISO 14001 etc)?
- An output delivered to a value for money standard (eg unit cost measure, or SROI measure)?
- An output delivered to a targeted geographical area, or socio-economic group?
- An output delivered to a deadline?

The greater the conditionality applied to the output, the harder it will be for civil society organisations to comply. That is not to say that "results" should not be closely specified. BTCV fully supports the idea that the taxpayer should get best quality and value for money, and that commissioners should state clearly where and by when results should be achieved.

But the fact is that many small local community organisations – and, indeed many large national charities – are not equipped to deliver services to demanding contract specifications. Many would

not meet stringent standards such as Ofsted. Few have any skills or experience in contract and supply chain management, and so could not deliver large scale contracts requiring achievement of results by multiple delivery partners. And many would not be sufficiently financially robust to be able to cashflow their service delivery until such time as results were demonstrated and payment from the state was released.

Government cannot realistically contract directly with dozens, if not hundreds of small providers for any one service – this would be inefficient, bureaucratic and costly. To open up public service contracts, the state will almost certainly have to follow the DWP model of letting large scale contracts to Prime Contractors, and enabling them to subcontract provision to a range of smaller providers.

This means that the state has a basic choice:

- Invest heavily in building sector capacity, in the hope that more civil society organisations are able (or, indeed, willing) to get themselves to a point where they can meet rigorous contractual requirements in terms of how "results" are defined, or:
- Recognise that public service delivery is likely to remain the preserve of a limited number of civil society organisations that are sufficiently commercially-minded, financially robust, and familiar with contract culture. With this option, the state resigns itself to the fact that the majority of CSOs will only be involved at subcontractor level. There will need to be some impetus or motivation to ensure that private sector (or indeed large voluntary sector) organisations holding the prime contracts, seek out and develop partnerships with CSOs.

3. More accessible

How could Government make existing public service markets more accessible to civil society organisations?

Sub- Question: Which public services areas could be opened up to more civil society providers?

What are the barriers to more civil society organisations being involved?

And ...

What issues should commissioners take into account in order to increase civil society organisations' involvement in existing public service markets?

Green space management is an area that has significant potential – but it is also an area in which there are significant barriers, as follows:

a) Cultural and attitudinal barriers

A series of green space strategies and related documents such as biodiversity action plans have, for at least a decade, stated the importance of voluntary and community involvement in green space management. In spite of this, a major barrier experienced by BTCV has been that Defra and its agencies have repeatedly stated that community and voluntary engagement is not "core business". There is entrenched prejudice in the state environment sector, prevalent throughout Defra and its agencies, National Parks, and local authorities, and covering issues such as:

- Quality: Volunteers are seen as being unable to deliver good quality results – even though the Green Flag national quality standard for parks and green space management features a widely recognised Community Award

- Risk: Volunteers are seen as a health and safety risk, even though accident rates within organisations such as BTCV are negligible, and even though BTCV is able, year after year, to secure insurance for nearly 2,000 small independent voluntary environmental groups.
- Job substitution: There is a fear that volunteers will take jobs, even though there is absolutely no evidence that this has ever happened.
- Inability to recognise value. The value of an environmental volunteer workday (for in-kind match fund purposes) has been pegged at £50 for over fifteen years. We know of no other economic indicator that has remained static (and therefore consistently fallen in real terms) over the last decade and a half.

Public sector antipathy towards volunteer engagement is compounded by a lack of skills and experience among public sector staff in recruiting volunteers and managing community environmental projects. Some sections of the community consequently find themselves consistently excluded from participation.

The 2005 Countryside Agency Diversity review, for example, found that *"There is an evident lack of clarity and confidence in using the existing language of diversity, with little understanding or consistency in its use by service providers"*. (What about us? Diversity Review Evidence Parts 1 and 2 Countryside Agency 2005). This is in spite of the fact that minority communities may actually be more keen to participate than is generally realised: *"Environmentalists commonly report that members of minority ethnic communities do not tend to volunteer for involvement in public space projects. However, CABI's evidence shows that, while twenty-three per cent of black and minority ethnic people want to be more involved, only nine per cent of white people do"*. (Decent parks? Decent behaviour? The link between the quality of parks and user behaviour. CABI Space 2005).

If government wants greater civil society involvement in green space management, it must take steps to promote a more community friendly culture within Defra and its agencies.

b) Lack of joined-up and imaginative commissioning

In the health and social care field, recent literature suggests that: "in many ways commissioners and providers may have much more in common with each other than they often suggest and that engaging in dialogue outside normal negotiations about contracts can prove beneficial" (IPC and Oxford Brookes (2009) *Transforming the market for social care 3: perspectives on market facilitation – commissioner/provider views*). In health and social care a commissioning revolution is already afoot, with a shift in who acts as the purchaser via direct payments and personal budgets. There is clearly a need for commissioners in other fields to adopt this market shaping mindset.

In health and social care, increasing participation in delivery by CSOs has been stimulated by the promotion of choice, competition and by looking for care solutions in the round. This is quite different from BTCV's experience in the green space sector. Here, (and especially when times are hard) commissioners often perceive the need as a simple exercise in basic land management and so draw up large-scale contracts for least-cost and lowest-maintenance management regimes. Experience has shown that this often turns parks into barren "green deserts" – unattractive, unwelcoming, and often unsafe.

People who use parks and green spaces have no say in provider selection. We suggest that the imagination that now surrounds health and social care commissioning should be migrated to other sectors. Green space management should be commissioned with the primary consideration being

local value and use. Green spaces should be treated as local assets, whose value can be increased by positive use, including:

- Physical activity (reducing the costs of heart disease, diabetes and other conditions arising from sedentary lifestyle)
- Youth action and engagement (reducing the costs of dealing with anti-social behaviour)
- Environmental volunteering (encouraging Friends of... groups who can help to manage the green space, while simultaneously building stronger community spirit).

Considerations of grass mowing, litter picking and general grounds maintenance would of course still be part of the commissioning mix. But a more imaginative and holistic commissioning process – focussed on local use and value, would create better opportunities for civil society engagement than a commissioning process that starts and finishes with grass mowing.

What are the main barriers that prevent civil society organisations taking over asset-based services?

The Government has emphasised communities' new right to challenge - enabling civil society organisations to challenge local authorities where they believe they could provide services differently or better. We suggest that civil society organisations should also have the right to challenge non-departmental public bodies over the services they deliver.

When the Coalition first set out a commitment to enable greater independent delivery of public services, BTCV responded with offers of divestment for two key services:

- **Green Flag (DCLG):** The national quality standard for parks and green spaces. With Keep Britain Tidy and GreenSpace, we accredit over 1,000 green spaces with a visible symbol of quality and public satisfaction. BTCV's strand – the Green Flag Community Awards – has shown a 40% year on year growth since we took over the delivery.
- **Health Walks (DoH/Natural England):** Proven routes towards engaging the general public in outdoor physical activity – helping to reduce illnesses and costs arising from sedentary lifestyles (particularly heart disease and diabetes). BTCV's Management Information System underpins the monitoring and management of a highly dispersed network of many hundreds of local walking groups.

Our offers fit strongly with the Big Society agenda – but procurement and state aid rules are making it difficult for relevant departments to respond swiftly and decisively. It would appear that the political will to open up public service delivery is being frustrated by the inability of the state machinery to respond. The right to challenge is a good idea in theory – but there seems little point in pursuing it if the result is a time-consuming and energy-sapping bureaucratic process.

3. Value

How could commissioners use assessments of full social, environmental and economic value to inform their commissioning decisions?

BTCV supports commitments that will enable commissioners to focus on social, environmental and economic value. The questions we would put are as follows:

- How will value be assessed? In section 2 above, we have made the point that the value of an environmental volunteer workday has been pegged at £50 for over fifteen years. There is little benefit in having values ascribed to our activities if those values are archaic.
- How strongly will assessments of value inform commissioning? In hard economic times, cash is king, and there is the risk that lowest price tenders for services will win out – regardless of wider value. It is important that assessments of value carry real weight in influencing commissioning decisions.

The Demos report "Measuring Social Value" (November 2010) assessed thirty charities, including BTCV, for their ability to measure and communicate social value. BTCV was described as having "the most thorough measurement and reporting of social value of all the organisations reviewed". We are happy to share our learning and our methods with government.

4. Conclusion

We welcome the opportunity to comment on government's plans for Modernising Commissioning. We are happy to provide further information or clarification if required. For follow-up to this response, please contact:

Tom Flood CBE,
Chief Executive
BTCV,
Bridgewater House,
11 Crinan Street,
Kings Cross,
LONDON,
N1 9SQ