

Modernising Commissioning: Increasing the role of charities, social enterprises, mutual and cooperatives in public service delivery

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

GreenSpace is a registered charity, civil society organisation which works to improve parks and green spaces by raising awareness, involving communities and creating skilled professionals. As such, our organisation has not had the capacity to develop knowledge and informed position regarding the involvement of civil society organisations in the delivery of public services in the wider context. The Modernising Commissioning document does not provide a breakdown of which public service areas have low levels of non-state provision where opportunities to benefit from civil society innovation have not been realised. It is therefore hard for our organisation to provide a direct response to this question.

Local authority provided parks and green space services are non-statutory and as such, have historically often been subject to disproportionate cuts in revenue funding during periods of public spending pressure. Across the last ten years, substantial effort has been dedicated to addressing the decline in parks and green space quality which occurred across the previous 20-30 years. This sector wide effort has involved local authority parks teams, central government and its agencies, civil society organisations and the community led voluntary sector. Civil society and voluntary sector involvement and innovation have been created within extremely limited resources and as such, the parks and green space sector offers an opportunity to become an exemplar for service delivery within the Big Society, Localism and public service reform agendas.

The parks and green space sector is aware that it is again potentially vulnerable to excessive and disproportionate cuts across the challenging times ahead. Service delivery within local authorities is often highly fragmented; delivery frameworks can be dispersed across environment, leisure and cultural services, street cleansing or waste management. There may be a department that covers parks development, another for horticultural maintenance and another for cleansing. As services are being scrutinised to support the development of more efficient delivery models there is a great danger that fragmented parks services will be overlooked by decision makers within each of the different departments; their priorities will lie with the larger more dominant contract areas for their division.

There is therefore a willingness within the sector to explore new models for service delivery which can better protect the services from the ravages of ill-informed decision making, better recognise the value of the service and further expand the involvement of communities and civil society. Parks services can be made more accessible to civil society organisations by encouraging partnership approaches and providing opportunities to develop new model frameworks for delivery. The critical

factor is their ability to maintain good access to high quality green space services for all of their communities especially the most disadvantaged.

Single body service delivery has the potential for substantial economy of scale efficiency savings. Whilst more diverse delivery models have many potential merits, it would seem counterproductive to develop models that lose these economy of scale savings.

What are the implications of payment by results for civil society organisations?

The Government quite rightly points out that whilst payment by results may allow for greater innovation and flexibility, it 'may also bring challenges in terms of the need to access working capital'. The ability for civil society organisations, the voluntary sector and new social enterprise partnerships (including management led buy outs) to play a part in delivery of public service areas will often be determined by the financial resources available to them. The proposed civil society bank may offer some solutions to this issue through relatively cheap loans. However, many of these potential organisations may feel nervous about their potential for long term sustainability if their delivery business model is from the outset dependent upon taking on a substantial loan.

Consideration should be given to the civil society bank's potential as an investor in such enterprises. The bank could then become a shareholder that would then only receive a dividend once the enterprise had moved beyond a financial break-even point. This would mean that the bank would share the risk with the enterprise and remove some of the financial pressure during the initial establishment period. It might also yield greater return on investment for the bank where successful business models are formed and established. Alternatively, where financial support is given by the bank in the form of a loan, the repayment terms should provide for a period of grace or be based on repayments only occurring after financial break-even has been reached.

To a high degree the idea of payment by results relies on the establishment of measurable outcome based criteria; something which is notoriously difficult to do in a reliable and objective way. Many of the outcomes delivered by public services are not immediately and obviously tangible and in some cases the tools and processes required to measure outcomes have not necessarily been established. The parks and green space sector through providing access to high quality green spaces is known to impact on public health and wellbeing, quality of life, environmental quality and social capital. Internationally there are models available which provide methods of measuring these impacts but very few have to any degree been applied and established within UK cities. Their initial establishment is likely to be resource intensive and in some cases, the resulting evidence base (particularly the criteria addressing quality of life and social capital) is likely to be qualitative or anecdotally based. Government should be prepared to accept this type of data as appropriate evidence to support outcomes based payment by results models.

Civil service organisations may be nervous about taking responsibility for delivery of public services on the payment by results remuneration approach. Most of these organisations will have little surplus financial capacity operating with minimum available reserves. Any potential variance in financial returns will be difficult for them to absorb and will increase their vulnerability. Such a system will rely on really accurate and realistic initial setting of expected targets. Many of the targets developed to support such a payment system are likely to be untried and tested. If they prove overly ambitious, resulting in reduced payment, they could easily kill off a delivery model that might otherwise eventually have become highly successful. In some cases a delivery organisation's ability

to meet the outcomes within the payment by results framework, may not be fully within its own control; it may be dependent on other third parties and their successful delivery of linked activities. Care should be taken to only link payments to outcomes that are entirely within the control of the delivery organisation.

The HMP Peterborough Social Impact Bond example provided in the consultation document does little to reassure the reader of the usefulness of the payment by results approach. Re-offending rates are likely to be strongly linked to prevailing national socio-economic factors such as unemployment levels and these are subject to changes which are beyond the control or influence of the prison and its programmes. A 13% return on their original investment after 6 years dependent upon reducing reoffending rates by at least 7.5% perhaps doesn't represent a particularly attractive investment opportunity.

Which public services areas could be opened up to more civil society providers? What are the barriers to more civil society organisations being involved?

The consultation document provides insufficient information for us to be able to comment on civil society involvement across all public service areas. However, within the parks and green space sector there is the potential for further expansion of civil society involvement. The direct management of publicly owned green spaces by bodies other than local authorities is well established but there may only be limited additional capacity for community based examples. The transfer of assets to community based organisations (Friends groups or resident groups) can't be rushed; it needs to take place at the communities pace. It is also often resource intensive with substantial support and capacity raising development work prior to the handover and during the first few years.

There is perhaps greater potential for local authority teams to further engage and involve groups as contributors to overall management rather than as replacement deliverers. Feedback from our networks of community groups suggests that most groups are happier to support and add to local authority led management than to replace it. They have concerns about their capacity in terms of time, finance, skills and knowledge; they are worried about failing in their endeavours and about taking responsibility with the associated liabilities that entails. There is scope to use greater numbers of community volunteers to help run individual facilities within parks and green spaces, such as cafes and pay to use facilities like tennis courts. They can supplement the councils work helping to retain quality levels despite diminishing resources.

Of more interest may be the creation of green space service trusts where all of the service is delivered by an arm's length trust organisation in partnership with the local community. Such trusts may need to operate across a wider geographic area in order to achieve the necessary economies of scale, support the retention of specialist developmental staff and successfully compete for sufficient financial support from local businesses through CSR and benevolent contributions. They will also need to receive appropriate levels of financial support. Most will base their financial models on selling back services to the local authority, purchasing on behalf of residents. The trouble here is that local authorities won't necessarily be in a position to commit to stable long term funding arrangements and may too quickly after the establishment of the trust seek to reduce its financial contribution. In many cases the trusts will also inherit long term capital improvement liabilities which the local authority won't wish to contribute to.

Alternatively there may be partnership arrangements where civil society organisations undertake key developmental aspects on behalf of the local authority which would continue as partners to provide basic maintenance functions. Community consultation, engagement and volunteer involvement, sports development and work with young people, advocacy and business engagement, events, marketing and promotion, may all benefit from increased involvement of more specialist organisations that are integrated within the local community. The problem is there is a danger that all of these areas of work may be perceived as luxury services by ill-informed decision makers and much of the support previously provided by local authorities to develop these areas may have already been sacrificed within the recent budget cutting measures. From our organisation's point of view these are not the luxury services, these are instead the aspects of green space management that are essential to ensuring that green spaces realise their full potential as contributors to health and wellbeing and social cohesion agendas.

Several years ago the parks and green space workforce was examined and found to be ageing and suffering from low morale. Most of the specialist skills were within the older segment of the workforce. It is likely that during the recent period of redundancies and non-recruitment to vacant posts, many of the best, most qualified, older, more skilled and experienced members of staff will already have left local authority services. It is these staff that could perhaps have been of most use in developing and establishing new more effective and sustainable delivery models. Depleted teams are perhaps already struggling to provide more than a basic maintenance service and already don't have the capacity to think strategically and develop and implement new local models. There is now a danger that decisions about the future of local parks services and the way in which they might contribute to cross cutting agendas will be made by senior managers with little or no knowledge about their value to people, communities and places.

Most civil society organisations are already working to their full capacity; it is in the charitable nature of these organisations to seek to do more than their resources allow. Faced with doing more within their local communities or at a national level, the first issue is securing the additional financial resources. Even if these can be secured, many will then need to consider expanding their staff base and therefore their office accommodation and their administrative and IT infrastructure. For many recruiting and inducting staff with the necessary skills will be a challenge.

Should Government explore extending the right to challenge to other local state-run services? If so, what benefits could civil society bring to these public service areas?

The consultation document does not provide sufficient information to allow us to comment on the first of these questions.

The use of civil society organisations to deliver public services could potentially release innovation and create new delivery models. By taking service delivery out of the 12 month financial cycle which currently hampers entrepreneurship within local authority teams it will allow organisations to retain surplus income and build up reserves to support investment. This is a great incentive for innovation and encourages efficiency and savings.

Locally based civil societies may be able to engender greater community buy-in than local authorities, especially where they are perceived as part of and representative of the local community. Local people and businesses may be more willing to offer voluntary support, financial

support or help in kind to a local charitable or not for profit organisation than they are to the local council.

Where these organisations are embedded within and representative of the local community they may be better able to translate the aspirations of the end users into service delivery. They may also be more effective at communicating the limitations of the service and available resources whilst retaining community support and trust.

Nationally based civil society organisations may have the potential to generate greater economy of scale savings. The pool of skills and specialisms within the staff base may be more usefully deployed across their entire area of responsibility. Their ability to advocate effectively, engender local and national political support and engage with and gain the support of national businesses and corporations may increase.

The Right to Challenge and Right to Buy aspects of the Localism Bill offer both potential opportunities and potential threats in terms of public access to decent high quality services. Perfectly well run services may find themselves frequently defending their operations from ill-informed challenges, especially as the current budget limitations are likely to create more occasions where end user aspirations cannot be met. Alternatively teams that feel they are prevented from doing a better job because of a lack of political or senior level support may be able to more easily set up arm's length or independent delivery bodies.

Are there types of assets whose viability, when transferred to civil society management or ownership, would be particularly dependent on a continuing income stream from service contracts or public sector tenancies? What are the main barriers that prevent civil society organisations taking over asset-based services?

Parks and green space services would rely on a continuing income stream; effectively re-charging local authorities for the benefits provided to people, communities and place in terms of health and wellbeing, environment and social cohesion. They are of course remarkable value for money when measured against levels of use and the benefits provided. The amount of income generation potential within the average community green space is very limited and usually at the cost of participation levels and therefore social benefits. It is far better to consider green spaces in terms of the return on investment realised through reduced health service costs, the cost of sustaining environmental quality etc. Ultimately a city bereft of green space incurs far greater costs than one that is rich in green space.

We would look for assurances that the Right to Buy provision retains a clear distinction that it is a right that only applies in relation to imminent closure or loss of community assets. There is a real danger that the original intention is diluted as single interest groups may decide that it would serve their specific purposes (regardless of the merits of the purposes it already serves) and then aggressively use the provision to acquire an asset for their more limited use. Groups with genuinely altruistic intentions but with no connection with the surrounding community (and their aspirations for the asset) present one set of problems, but there could also be groups bidding for an asset whose intentions are much less altruistic. Some of the potential new social enterprise initiatives are going to need to be pretty ruthlessly business focussed if they are to be viable and may look to acquire assets purely for their income generation potential; they may not be able to afford the luxury of any further relationship between the asset and the surrounding community. In summary, it

is issues around the suitability of the group and their intended purpose for the asset, connectivity with the surrounding community or existing community of users, and then also criteria for choosing between more than one potential bidding group, what would the selection criteria look like for choosing between competing proposals? These should include an assessment of the on-going community access and inclusion.

There are also some potential issues of legal structure; do groups have to be constituted, not for profit, social enterprises or full registered charities, or could a less formal collection of local residents acquire the asset? We also worry about the need to test the viability of community led proposals; that in many cases community groups with great intentions will simply underestimate the resources needed to take over and successfully manage the asset. What measures will be in place to safeguard the groups from taking on a liability that is beyond them and what measures will there be to safeguard the asset should the group fail? Is it acceptable that the asset should then just revert to the free market? Should some form of interim holding mechanism kick in at this point so that the asset only becomes available for the next community initiative? We have real concerns that in many cases community owned assets will through this process eventually end up in private ownership. With this in mind, should community based bids to acquire assets due for closure get preferential treatment in terms of the price they are expected to pay? We think that in genuine cases of communities coming together to try and retain an existing asset faced with its imminent loss, there is justification for transferring to the community at greatly reduced costs; it shouldn't be led by pure market value. How will a suitable cost be derived? The ability to offer the asset to the community at a reduced cost will have huge implications for the viability and sustainability of the community's proposal.

Having said that the provision should only be available in cases of loss or closure, there are also some interesting dilemmas around declining or underused assets that the local authority may not be willing or able to adequately invest in. Is there a case for applying the provision where quality is becoming so badly eroded that under continuing local authority ownership the community asset can only further decline and continue to fail to meet local need; it's still there but effectively lost because it's no longer fit for purpose? Perhaps in these cases some form of 'Right to Lease' rather than Right to Buy might be appropriate. Generally we are much more supportive of the use of lease agreements than full disposal of land whereby the asset would come back under local authority control in the event of the civil society enterprise no longer being able to continue to manage the asset.

We would be concerned to ensure that nothing in the Community Right to Buy provision acts as a catalyst to encourage less scrupulous councils to engineer a closure situation. Should some form of test exist to check that the council's actions are genuinely based on strategic need? We wouldn't want councils closing green spaces just to save money and then relinquishing responsibility because the community were unable, or didn't want to, buy or maintain the asset. Should there be an assumption that in the event of disposal, the council will actively seek a community partner able to acquire the asset for community purposes and only when this route is exhausted should the asset become more widely available?

How can we encourage more existing civil society organisations to team up with new employee-led mutual?

There are a range of issues that may prevent a really substantial expansion of community led or volunteer organisations working with employee-led mutual (similar to those limiting increased volunteering generally), most civil society organisations would welcome the opportunity to play a valid role provided there are resources available to increase their capacity. Our organisation could provide a range of cost effective services to support the work of employee-led mutuals, but we are not in a position to provide them freely. We would like to provide consultation and engagement services and apply methodologies for measuring the value of the service and its outcomes. Additionally we would use this evidence base to advocate for the service and encourage local philanthropy. The obvious relationship seems to be one that is contract based, however local authorities report that they have no funding available to buy in services and are already cutting budgets back to the minimum. There may be some potential to provide these services for a group of authorities whereby economies of scale could reduce individual authority costs.

What other methods could the Government consider in order to create more opportunities for civil society organisations to deliver public services?

We are unclear as to whether under the Right to Challenge rules and modern commissioning arrangement, local authorities will be able to bias some contracts specifically towards civil society organisations. Assuming that this is not the case and civil society organisations will be in direct competition with the private commercial sector, there are issues around the scale of contracts. Civil society organisations are less likely to be able to competitively bid for very large contracts as most would need to invest in order to scale up their operations, increasing their capacity in order to meet the contract requirements. This lack of readiness to deliver larger contracts would be difficult to accommodate within a competitive tendering process.

Government is considering setting targets for the 'proportion of services to be provided independently' as a method of increasing the diversity of provision of public services. It may be more useful for civil society organisations if Government were to consider ensuring that where services are to be contracted out, a range of contract sizes are made available. Local authorities will be inclined to group together services into larger contracts, rationalising the number of contracts that need to be managed and potentially releasing economies of scale. If there is a predominance of large scale contracts, public services will continue to be delivered either by large private sector commercial companies or by local authorities.

There is also a danger here that through combining work to create larger contracts many of the more specialist elements of delivering quality services will be lost or homogenised. It is often these specialist areas where civil society organisations can provide expertise. It is also often these specialist areas that add real value to public service delivery and actually ensure that desired beneficial outcomes are achieved. The proposed focus on outcomes rather than outputs may help to encourage local authorities to recognise the value of civil society specialisms. For our sector, we first need to establish different methods of auditing and assessing the social, environmental and economic value of green space service delivery. There is a need to establish a robust evidence base, to inform decision making and demonstrate the true rate of return derived from green space investment and the real cost resulting from disinvestment.

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

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

The Government correctly identifies that many of the issues that restrict civil society organisations' ability to secure public service delivery contracts also affect small and medium enterprises. They will also affect the viability of any potential management led mutual. The barriers identified by the Public Administration Select Committee, summarised as:

- Unrealistically short periods to complete tenders
- Disproportionately long and complex legal contract
- Transfer of excessive levels of legal risk, and
- Onerous charges and bureaucracy to establish the financial status of the organisation

We would argue that the scale and breadth of contracts is also a major obstacle. Many local authority parks teams would consider creating a management-led mutual and would look to create innovative partnerships with civil society organisations and with the voluntary sector. They will be prevented from doing so through the incorporation of delivery of green space services within much larger and more general contracts around Waste Management, Street Cleansing, Environmental or Cultural Services. The fragmentation of green space service delivery and the failure to recognise the specialisms required to ensure they deliver their full range of beneficial outcomes looks likely to continue under the new commissioning arrangements; it may indeed get worse.

Green space services provide a unique offering in terms of health and wellbeing, environmental quality and social capital, this is evidenced by the range of civil society organisations specialising in delivery of positive social and environmental outcomes through green space services. The dumping down of this unique public service represents an incredible lost opportunity to deliver major beneficial outcomes. Modern commissioning arrangements must provide a system that better recognises true service values and objectives and better distinguishes between general and specialist services. Parks and green spaces are continually the poor relation of other bigger or statutory services and yet their social value is immensely greater.

In addition to Government seeking to ensure that 25% of government contracts go to SMEs, and we presume within the definition of SMEs small and medium size civil society organisations are included, Government could also look to ensure that a percentage of the work contained within larger contracts is delivered in partnership with civil society organisations and SMEs. In this way the larger companies and local authorities would have to work in partnership with smaller organisations. A 25% share of larger contracts should be delivered through smaller partners.

In the implementation of the abovementioned measures, what issues should Government consider to ensure that they are fully inclusive of civil society organisations?

The condition that major suppliers guarantee sub-contractors are paid within 30 working days should also be extended to Government itself and to local authorities. Some local authorities in particular have very poor records for prompt payment of invoices.

Where certain criteria are met, Government should consider reserving some contracts for civil society organisations only. The types of criteria that would justify this action would address the delivery of specific social or environmental outcomes where charitable organisations can add value to delivery for example by engagement of vulnerable social groups.

The Contracts Finder system should be freely available to civil society organisations as well as SMEs.

What issues should the Civil Society Red Tape Task Force consider in order to reduce the bureaucratic burden of commissioning?

Consideration should be given to extending the proposed use of a standardised pre-qualification questionnaire to local government as well as central government.

Central and local government contracts should meet specific standards in relation to their general structure, their use of plain English, clarity of contract requirements and legal complexity. This would allow smaller organisations to more quickly become familiar with contract structures, understand their contractual requirements and more effectively bid with more confidence and less reference to specialist legal advisory services.

How can commissioners achieve a fair balance of risk which would enable civil society organisations to compete for opportunities?

Where civil society organisations or SMEs perceive a contract is written with a disproportionate share of risk that favours the larger commercial organisation, they should be able to challenge the commissioning process without prejudice. An independent arbitration service would need to be available to adjudicate. Potentially the only way to ensure that an organisation that submits a challenge isn't then unfairly discriminated against is to allow the challenge to occur after the contract has been let. This would enable small organisations to bid for the work in confidence that should they win the work the level of risk they will undertake will be fair.

Government could also consider offering some form of state insurance policy which underwrites risk for smaller civil society organisations at a more affordable cost. This would enable them to bid for larger and more challenging contracts than they might otherwise be prepared to consider. This facility could perhaps be reserved for smaller, more local, community led voluntary organisations.

What are the key issues civil society organisations face when dealing with TUPE regulations and what could government do, within existing legislation, to resolve these problems.

Government is right to recognise that within existing legislation the only area where government can assist SMEs and civil society organisations is the area of accurately costing their bids. Is it possible for contracts to be let with a declared TUPE cost included in the specification? The contract specifications could identify the unavoidable TUPE obligations and their costs and assess bids on the basis of approaches to the elements of the contract that fall outside the TUPE obligations. The specification would need to include current workforce size and cost, numbers by pay band/salary scale, other TUPE costs such as pension.

Government could also consider methods for increasing the understanding of TUPE obligations within SMEs and civil society organisations who might be considering bidding for central or local government work. Does a simple guide to TUPE exist?

What issues should Government consider in order to ensure that civil society organisations are assessed on their ability to achieve the best outcomes for the most competitive price?

We strongly support the suggestion that looks at price and value of a provider rather than the costs. All charitable civil society organisations will have relatively high overheads and will use income from contract delivery to support their broader charitable objectives. In competitive bidding processes, civil society organisations are likely to be best placed to deliver contracts with lower direct costs incurred but with a higher contribution to general overheads built in to the final contract price. Commissioning bodies should only consider the total contract price alongside the proposed methodology in relation to delivery of required inputs and outputs and more importantly, the delivery of beneficial outcomes.

What issues should Government consider in the development of the Big Society Bank, in order to enable civil society organisations to take advantage of public service market opportunities?

The Government rightly recognises that access to finance is a major issue for civil society organisations. It is an issue that has for many become more pronounced as central and government spending has reduced. Many civil society organisations are already highly dependent on income raised from delivering services to Government, its agencies, and local authorities and their larger suppliers and beneficiaries.

Many civil society organisations are now having to adapt, develop new areas of activity, retrain staff and invest in infrastructure if they are to carve out a new financially sustainable role within the new political and economic landscape. New partnerships, collaborations and mergers may all require additional investment. The Big Society Bank needs to make available small, medium and large scale loans across the short, mid and hopefully longer term. Loans need to be relatively easy to apply for and the bank needs to be capable of taking risks beyond those of most commercial banks so that unsecured loans are available to organisations that lack reserves or assets. Loan repayment terms need to be generous, with repayment terms based around the point at which investment initiatives reach break-even points.

In addition to providing affordable, unsecured loans, consideration should also be given to the Big Society Bank investing in Mutual companies and Social Enterprise initiatives. Long term investment will be hard to acquire for these newly established operations and for more established charities that have not previously acquired assets or reserves. Many of these initiatives will, if supported, go on to thrive as semi-commercial success stories, generating steady long term continuous profit. As an investor the bank could receive dividends from successful schemes which could then be used to support more schemes, reinvested in civil society. For Big Society to work through civil society and the local voluntary sector, the Big Society Bank needs to be the most flexible, accommodating, accessible and affordable bank to ever exist.

It is concerning that the scale of funding available to the Big Society Bank is dependent upon the number of banks participating in the scheme. The UK banking industry owes its survival to the Government and the UK tax payer. Participation should under natural justice be mandatory.

What issues affecting civil society organisations should be considered in relation to the extension of the Merlin Standard across central government?

The following comments are provided without detailed knowledge of the Merlin Standard and the requirements it puts upon prime contractors. They are provided in the acceptance of the Government's description of the Merlin Standard as a suitable and sensible example of excellence and good practice in supply chain management.

There is the potential for the Merlin Standard to work against Governments stated objective of ensuring that larger commercial contractors share delivery more with SMEs and civil society organisations. Provided this objective can be achieved and Government can establish deliver in partnership as an unavoidable and normal method of working, the Merlin Standard will do much to encourage the larger organisations to develop reasonable and responsible relationships with the smaller partners. As long as larger organisations are allowed to choose whether or not they deliver in partnership with SMEs and civil society organisations, the Merlin Standard will be seen as an inconvenience which larger organisations will seek to work around rather than embrace. We feel that it is important that Government is consistent in its approach and message and therefore all departments should adopt the standard.

What barriers prevent civil society organisations from forming and operating in consortia? How could they be removed?

The creation of consortia represents an investment of time and effort that is too often proved fruitless. Consortia are often assembled in response to a potential contract that is too big for any one single organisation or where a wider range of complementary skills are needed. The problem is that creating the consortium is no guarantee of winning the contract. Unsuccessful consortia might have to wait a long time before another suitable contract becomes available. The Governments actions are likely to lead to greater numbers of public service contracts becoming available and this may in turn provide greater justification for the creation of more consortia and a greater variety of consortia compositions. This may be the solution to civil society organisations securing some of the larger contracts in competition with larger commercial organisations and indeed may encourage more consortia that include both civil service organisations and private sector organisations.

There could be potential to allow collections of organisations to bid for contracts on the basis that should they be successful, a formal consortium will then be formed. In this way, joint bids could more frequently be developed without the requirement for time, effort and legal costs at the bidding stage. A shared memorandum of understanding or similarly simple document of intent could be sufficient.

The problem for many consortia is that they may never have worked together before and their first experience of dealing with their new partners is through the delivery of a high pressure contract. There is also a tendency for consortia with large numbers of partners to quickly hit problems when one or more members breach the rules, for instance bidding for contracts individually instead of as part of the consortium. This is a particularly difficult issue for civil society organisations – where being part of a consortium increases competitiveness the organisation will be committed, but when the individual organisation can fully meet the needs of the contract without the rest of the consortium there is an immediate desire to go it alone and reap greater benefits from the contract.

Again this is an issue that would decrease if many more contracts and more diverse contracts started to become available.

The alternative to a consortium is often a joint bid, with one of the organisations taking the lead role and legal responsibility, effectively subletting to the remaining partners. Not all contracting organisations are happy with this approach, some specifically exclude it. This approach also often leads to one of the partners dominating the partnership (usually the larger organisation) leaving the other organisations sometimes feeling less fairly treated or less advantaged by the contract terms. Contracts that share the responsibility proportionately between the partners are sometimes preferable and lead to a more equitable sharing of power and control between the organisations.

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

What approaches would best support commissioning decisions that consider full social, environmental and economic value?

We represent a sector that has in recent years done much to develop a better understanding of the social, environmental and economic value it offers. Parks and green spaces are not just parks and green spaces, their contribution to health and wellbeing, environmental sustainability, quality of life and social capital is truly immense – beyond compare – and of enormous economic value; parks services save far more money than they cost. Unfortunately the methodologies that demonstrate the return on investment haven't yet been fully applied to UK cities. These need to be established now to provide the evidence that will inform financial decision making and create the actions that will save on health, environmental maintenance and other costs. We support Governments shift towards commissioning decisions being based on value and outcomes, but have concerns that the necessary principles processes and data are not yet available to support this process in relation to parks and green spaces. A true understanding of the contribution made by a city's green spaces requires audit and assessment of quantity, quality and use.

Without first establishing a reliable system for assessing value at the service level, it will be difficult to truly assess the value of any particular given approach to delivering green space services. This is a situation that appears to be recognised within the introduction to this section.

What issues should Government consider in taking forward the Public Services Bill?

As an organisation we suggest that for many other culturally and environmentally based services there isn't yet an established method of truly understanding and quantifying their social, environmental and economic value. Developing a cost benefit analysis based model to assess and effectively evaluate services, such as parks and green spaces, to ensure a better understanding of the service provided.

We believe that the best models lie within the expertise of the specialist civil society organisations. They have access and understanding of international best practice and many have sought to establish these models in the UK for many years. UK Government and local government have often acknowledged the validity of such models but have been unwilling to fund their application and establishment as common practice. Now, more than ever, during this very difficult period of public spending restrictions, the evidence that these evaluation methods could provide would be vital to the strategic commissioning process and financial decision making. Many of these evaluation methods do not necessarily need to be applied across all cities. The principles of the approach and the benefits that they examine are in general generic and transferable across all cities. Piloting the models across example cities would establish the arguments and the scale of true benefits delivered. It would then enable the creation of suitable and reliable metrics that could be used for assessing outcomes and results.

We would urge Government to support the third sector to pilot appropriate evaluation methodologies and develop the metrics to support informed decision making and a better understanding of real value for money. While this work may have taken place in some public service

areas, many have been missed and as a consequence their true value is now being grossly underrepresented. Opportunities for saving public money and developing innovative delivery methods are being overlooked. In the case of parks and green spaces this is perhaps because they are wrongly seen as a relatively unimportant service and relatively little is spent on them. In fact, the savings that investment in quality green space could release in public service areas such as health are immense.

We welcome greater involvement of communities and intended beneficiaries. Green spaces are amongst the most used and valued of public services and feature highly in the public's list of priorities. We wish to make available the tools and knowledge that will allow communities to better understand the value of their local green spaces and to build on the already substantial commitment and involvement of the voluntary sector in green space management.

Citizen and Community Involvement: How could civil society organisations support greater citizen and community involvement in all stages of commissioning?

What role and contributions could civil society organisations place, through Local HealthWatch, in informing the local consumer voice about commissioning?

Much of the work that has already taken place to involve, inform and engage citizens and communities in their local public services has been led or supported by civil society organisations. Our organisation maintains and services a network of around a 1,000 community organisations active in green space management. The information and advocacy we have provided, together with toolkits and other resources, has helped them add real value to the work of their local green space teams and raise political awareness and support locally.

Part of the problem for local authorities will be the challenge of increasing citizen involvement and power during a period when they are perhaps least able to quickly respond to community aspirations. Communities have a natural tendency to want what is best for their immediate local area. It is less natural for them to 'see the bigger picture' and commit to strategic and balanced dispersal of resources. The greater the engagement and involvement i.e. the more genuine to devolution of power, the more likely it is that citizens think more broadly and strategically. Third sector organisations can add a lot to facilitating this process. As stated many times in this consultation, the ability of civil society organisations to fulfil this role does depend on the resources available to them (this is what largely determines capacity), many of which have already disappeared.

What issues relating to civil society organisations should the government consider when refreshing the Joint Strategic Needs assessment Guidance?

One of our major priorities is to work with communities and local authority partners, to establish a method of assessing the health value of their green infrastructure. We believe access to good quality green space makes a major contribution to health and wellbeing and would wish to mobilise local communities to measure, evaluate, quantify and monitor local impacts and outcomes. We would look to dovetail this approach with the new public health structure as outlined in Health Lives, Healthy People.

We seek greater integration between health commissioning and the quality of peoples' environments. We want to expand on existing GP referral schemes, Walking for Health, and Green Gyms. We want to establish and monitor good practice methods for measuring green space contribution to health outcomes particularly in relation to obesity, mental health and independent living. We want to work with green space teams to ensure that a range of solutions to these substantial burdens upon the health service are available through a range of quality local green spaces and we want to promote their use to GP Consortiums and to demonstrate and evaluate the outcomes.

How could civil society organisations facilitate, encourage and support community and citizen involvement in decision making about local priorities and services commissioned?

It is vital that citizens and communities are well informed if they are to have a leading say in where Government funding is spent. A little bit of knowledge is almost as dangerous as knowledge which is biased and not impartial when it comes to such strategic decision making. Civil society organisations can broaden the knowledge base and expand the views of citizens to allow them to make more informed decisions. They can provide the tools and techniques for more subjective testing of outcomes and value for money.

It is also imperative that as broad a cross section of the community as possible is involved in the process and that each section of the community is able to express their view and for their view to be treated equitably. Again civil society organisations can do much to engage and involve more vulnerable and harder to reach members of the community.

Our organisation helps disparate green space volunteer groups to come together at a city wide, regional and national level. Instead of working in isolation, relatively powerless and with little influence, the groups collectively develop a powerful and influential local voice as they work together to form jointly agree positions, share resources and knowledge and collectively raise awareness of their local green spaces. Collectively they are better able to develop innovative approaches and ideas and to identify where waste exists and efficiencies can be created. By pooling resources they are able to contribute to greater challenges that would be beyond the individual group. This coordination and facilitation role is best undertaken by civil society organisations.

What forms of support will best enable statutory partners and civil society organisations to improve their working relationships?

Regrettably our organisation is not well enough informed about the details of the Partnership Improvement Programme to provide meaningful comment but trust that the pilot being delivered by Local Government Improvement and Development will adequately address this question.

What issues should the government consider in the development of the future programme of training public service commissioners?

Important that they properly understand the true social and economic value of all services including those traditionally overlooked, or dismissed as of minor importance, such as parks and green space services.

**What can civil society organisations contribute to the roll out of community budgets?
What barriers exist to realising this contribution? How can these barriers be removed?**

We have concerns that this process retains a focus on addressing causes of problems and retain a holistic view to development of solutions. By starting the pilot for Community Budgets around ‘families with complex needs’ there is a danger of getting drawn into the specific individual practical problems of these families (welfare, child protection, housing, education and employment) rather than thinking about how we create towns and cities where fewer families end up with complex needs and reducing the extremes of the complexities. Often these complex needs are based around health issues, social isolation and education. Quality green space, accessible from early years, can contribute positively to all of these areas. Civil society organisations can provide this more holistic and less specific view on a set of issues and their inclusion can broaden perspectives and innovation.

Many civil society organisations represent specific sections of the community, often the more vulnerable, disadvantaged and harder to reach. They can facilitate the dialogue between the range of groups represented and Government. They can ensure that all views are heard and treated equitably. They can provide their groups with the information they need in order to confidently contribute to the debates.

What can civil society organisations contribute to the roll out of Local Integrated Services? What barriers exist to realising this contribution? How can these barriers be removed?

We welcome the potential of the LIS approach which may potentially highlight that parks and green space services cut across many different service areas and provide a real breadth of social, economic and environmental benefits. They are potential contributors to all sorts of shared issues. However, this interlinking across service areas sometimes needs to be explained and civil society organisations with their specialist knowledge and access to good practice case study examples are well placed to highlight interrelationships which are not always visible or obvious to the community or beneficiary.

What contributions could civil society organisations make to the extension of personal budgets across a range of service areas? What changes do both commissioners and civil society organisations need to make to adapt to an environment where citizens are commissioning their own services?

The effectiveness of personal budgets may depend upon individuals having access to quality information that enables them to make informed decisions. Civil society organisations are good advocates for their areas of interest and can provide information that is accessible and useful. Where capacity exists they may be able to offer direct help and guidance, talking through options with individuals and highlighting activities of potential value. They can provide wider perspectives and access to good practice and success stories from further afield. They can act as facilitators, linking different opportunities and creating bespoke packages of support.

Many civil society organisations are used to dealing with commissioning agents who are effectively bulk purchasing their services for a block of end users. Their clients will now be the end users rather than the commissioning agents and they will have to manage a different interface much more focussed on individual needs, aspirations and responses. Commissioners will need to be more focussed on ensuring that the ranges of interventions they can offer individuals best meet their needs. They will need to be more flexible and accommodating and more careful about involving and listening to the end users.