



Westminster City Council welcomes the opportunity to respond to the Cabinet Office consultation. Our responses to the questions posed in the consultation document are outlined below.

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

We welcome the Government's objective to open up more public service areas to civil society organisations.

In 2009/10 Westminster City Council contracts to the voluntary & community sector (VCS) amounted to £65 million, an increase of around 24% since 2007/08.

While the biggest service areas that are contracted out are people related services — homelessness, learning disabilities, substance misuse, mental health and older people — the council is currently assessing what services could be divested to the voluntary and community sector.

We agree with two of the key elements for increasing the diversity of provision of public services (payment by results and new rights for communities to run services).

In principle we believe that all services should be open to the market unless there is a strong reason not to be. We are opposed, however, to centrally determined quotas, performance monitoring and red tape. Local authorities should have the discretion to choose the provider that offers the best value for money regardless of the sector. Therefore, we do not agree that the Government should set proportions of specific services that should be delivered by independent providers.

Which public service areas could be opened up to more civil society providers?

Civil society providers are already heavily contracted in people related services. There is not a clear case for government intervention in this part of the market as there is already diversity in provision. Personalisation will also be a key driver which will mean the state can reduce the services it commissions, as people chose for themselves what services they wish to purchase.

There may be opportunities for other public services areas to be opened up to more civil society providers, for example libraries and some street-based services.

Contracting authorities would benefit from best-practice examples and guidance to demonstrate where and how these services have been successfully carried out.

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?

Most assets if transferred would be dependent on a continuing income stream. This has been clearly demonstrated in relation to community facilities secured through S106 contributions. While the facilities themselves have been secured, the restriction in the use of S106 contributions has meant there is no-ongoing income stream for the management of the community space or facility. Attempts to contract out the management of smaller community facilities have not been successful as the costs of managing the facility cannot be recovered from the income received (making it unattractive for both the voluntary and private sectors).

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

Expanding the use of personal budgets is an additional method that could be used to increase opportunities for civil society organisations. Please refer to Westminster City Council's response to the call for evidence on public service reform.

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

A recent consultation with the voluntary and community sector found that the main barriers preventing or hindering civil society organisations from tendering for public contracts was the time to research and identify opportunities; the time and capability to write bids; and knowing who to partner with to compete for larger contracts (and the associated concerns around merging and forming consortia, for example, risk, legal and governance). VCS organisations also thought that these barriers could be overcome if they could seek help from an infrastructure support provider.

We would welcome Government's support in identifying new sources of funding/funding models for infrastructure support. This might include brokering agreements with the private sector, developing community funds or clearer guidance on how the Big Society bank will operate. Infrastructure support is even more important in such challenging times, as organisations will:

- need help to identify who they can partner with to bid for larger contracts;
- need help to merge or substantially collaborate (a consequence of reduced funding);
- need help to identify other sources of funding when the public sector withdraws investment in some services;
- require training on commissioning and how to prepare tender documentation;
- require help with writing bids; and
- require help to complete standard PQQs or supplier databases' such as Compete For.

A number of these services are not included within the standard package of service offered by most CVS organisations, and additional funding will be required to commission the full ranges of services needed.

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

We agree that the strategic decisions should be based on a full understanding of the social, environmental and economic impact. However we do not agree with the measures in the Public Services (Social Enterprise and Social Value) Bill which will require contracting authorities to consider all relevant economic, social and environmental value. We do not think that this matches with the Government's undertaking to reduce the red tape on local authorities and will lead to increased bureaucracy around the commissioning process. It is also not consistent with the recent Government decision to not bring the socio-economic duty in the Equality Act 2010 into force on the basis that it would "just be another bureaucratic box to be ticked".

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

Westminster City Council is committed to involving citizens and civil society organisations in all stages of commissioning.

Investment in VCS infrastructure is the best way to ensure greater citizen and community involvement in commissioning.

VCS infrastructure providers can:

- maintain databases of organisations and citizens who are interested in being involved;
- identify new and emerging groups, including underrepresented groups and citizens;
- communicate opportunities, such as workshops, to feed into the commissioning process;
- conduct elections to ensure formal representation to any statutory and voluntary sector working groups;
- support representatives on these groups to gather the views of the wider sector and community to ensure all voices are heard.

Westminster City Council currently commissions the Westminster Community Network which is hosted within the local CVS to undertake these functions. However, the Network has been funded from the Local Area Agreement Performance Reward Grant. As this funding has been withdrawn it is unlikely that the council will be able to invest at the same level from 2011/12. Additional funding from central Government would enable the council to continue to commission this type of support which has proved valuable in enabling a positive relationship between the voluntary and statutory sectors in Westminster.

ENDS