



Children England response to the Supporting a Stronger Civil Society Consultation

Introduction to Children England

Children England is the leading membership organisation for the children, young people and families' voluntary sector. With member organisations working in all parts of the country ranging from small local groups to the largest household names in children's charities, Children England is in a unique position to use the collective voice of the voluntary sector to achieve positive change for children. Children England provides capacity building, support and information to its members and the wide range of voluntary sector organisations working with children, young people and families. It does this by building active networks, promoting good practice, stimulating policy debate and ensuring that the issues that matter most to its members are taken up with decision makers.

Children England has already submitted a response to question nine of the consultation both individually and in partnership with the National Council for Voluntary Youth Services (as part of the Cabinet Office funded Speaking Out project).

Question 1: How can online services for frontline groups be improved?

For professionals delivering vital services to children, young people and families, time online is time away from the frontline. They therefore place a premium on web-based information that is easy to find, readily understandable and relevant to their roles. Unfortunately, the vast amount of information available online has resulted in a degree of information overload. Whilst most organisations and individuals will muddle through, some can find themselves overwhelmed and paralyzed. In both cases, vital information may be missed and opportunities lost.

In these circumstances, frontline groups (or frontline workers within larger organisations) will benefit from online information being filtered to suit their needs. This can either happen internally, through an

intermediary or at source. The most appropriate option will depend on the organisation and the information they need. Larger organisations will have the resources either to maintain an internal information service or buy in support when necessary, whereas smaller groups are more likely to rely on free online services or low cost intermediaries. Detailed technical information will be most appropriately filtered by an expert internal or intermediary service whereas generic sector information can be accessed directly online. In both cases, the decision is essentially a trade-off between cost and accuracy.

Having said this, our experience in running the Safe Network Web site in partnership with NSPCC shows that there is real value in bespoke web support, delivering tailored products for a particular market, in a cost effective and accessible way. This site is well used by a huge variety of voluntary groups and is valued because it is the only site specialising in safeguarding information and advice for the VCS. The web content is backed up by professional and authoritative telephone advice and the site provides comprehensive signposting to a wide range of resources.

As a national infrastructure body, Children England acts as a trusted intermediary between our members and government at a national and local level. Through our website, a weekly email newsletter, monthly policy update, quarterly magazine, regular briefings, discussion papers, national conferences and regional seminars we keep our members up to date with the latest developments. Our expertise in children, young people and families' issues means that our output is easy to understand, relevant to people on the frontline and arrives directly in people's inbox or letter box. A sliding membership fee ensures that all our members, from multi-million pound national charities to micro organisations run on a shoe string, can access this high quality information at a cost that is proportional to their resources. Our regular member surveys show that the information service consistently ranks amongst the highest valued services we offer.

It is essential that the information available on Government support websites is relevant and easy to access. However, as the consultation document acknowledges, there are a large number of these websites and the reality is that most frontline workers simply don't have the time or the inclination to search for the one most appropriate for their needs. In addition many sites "compete" for audiences, leading to further confusion. In our field for example, SCIE, C4EO, NIACE and Community Care all claim to have the most up to date best practice in children and families social work and disability issues.

Rather than allocating more resources to centralised, government run/sponsored websites or online communities that are only used by a handful of engaged frontline staff, it makes more sense to invest in, and disseminate information through, the trusted intermediaries that have already been subscribed to by frontline agencies as their preferred source for timely and accurate information and advice appropriate to their needs.

Question 2: What can Government do to forge more effective links and transfer skills between small civil society organisations and businesses or larger charities?

Our experience shows that civil society organisations both large and small recognise the value of coming together to share skills and work collaboratively. The key is providing convenient, suitably resourced and

well facilitated fora. Children England has nine Regional Groups which have worked on a voluntary basis for over 20 years, bringing children's charities together to learn from and support each other. They have been particularly effective at aiding peer support; helping organisations to share good practice on work with complex families and developing core competencies such as child protection, quality assurance and workforce development.

In more recent years Children England has also employed part time Regional Development Managers (RDMs), through funding provided by the DfE, who coordinate our members and the wider sector at a more local level. Voluntary groups have become more aware of each others' work as a result of the programme, leading to greater collaboration on existing programmes as well as the building of consortia for future projects, joint learning on commissioning and the establishment of ongoing networks to further support cross sector knowledge exchange.

Our experience, and the programme's evaluation, shows that this exchange of knowledge at a regional level is still local enough to be relevant to those working at a sub-national level but is removed from the often competitive and 'too close' relationships at local level. Networks and training provided at this level are cost effective too, enabling particularly small groups and services to share in high quality training and support tailored to the nature and realities of their work and sector, which they could simply not afford if sought out on their own basis.

For example, in the North East region our RDM has run a commissioning and capacity building project. Working collaboratively with local infrastructure organisations, the regional infrastructure organisation and the regional local authorities, the project brings together small, medium and large charities to develop impact assessment, marketing, business planning and partnership working skills. This has led to the formation of four consortia bidding for public service contracts. The project has been particularly beneficial to small and medium size VCS organisations, many of which were previously dependent on grants to fund their programmes.

However, we have also found that the smallest civil society groups sometimes lack the capacity to engage a regional level. These organisations therefore rely on local infrastructure bodies to link them into their community's voluntary networks. Unfortunately the capacity of councils for voluntary services (CVSs) and other local infrastructure bodies varies greatly from area to area. Our RDM's have therefore also provided a forum for infrastructure workers to come together and learn from each other, which in turn has allowed them to improve their support offer and better facilitate peer networks for the smaller civil society groups within their localities.

For example, in London our RDM has been working closely with CYP Together, the regional network of CVS development workers, to develop their capacity through a number of joint projects. This has included reviewing the representation of VCS organizations on Children's Trust Boards and Local Safeguarding Children Boards, providing training sessions on improving representation and evaluating the impact of their representation.

Given the importance of local coordination, we welcome the Government's plans to train 5,000 community organisers. It is likely that they will need to work in a very similar way to our RDMs but at a

neighbourhood level; encouraging diverse groups to come together and learn from each other, building self-reliance, developing capacity and fostering a sense of collective responsibility for their area. However, it is important that community organisers build on, rather than duplicate or undermine, the work that has already been done by CVSs. Whilst it is true that the effectiveness of CVSs has been patchy, this is primarily a result of extremely limited resources rather than a failure of the CVS model. In addition most CVS's are unable to facilitate the exchange of learning between national and local charities, since the national's tend not to join local infrastructure groups. Facilitating this exchange is a vital role for specialist infrastructure organisations such as Children England, working closely with local networks.

It must be acknowledged that this task has been made more difficult since the adoption of competitive tendering as a primary funding mechanism for the VCS. Larger charities now guard the competitive advantage they create through their innovative work programmes, and smaller groups fear their local knowledge and intimate connection with a neighbourhood will count for little when set against the economies of scale of larger providers, so are less open about their needs and willing to learn from larger organisations which may compete with them in the future.

These fears are based in the reality of local commissioning practice and the Government will need to give much stronger messages as well as sustained arguments on the value of the social capital created by neighbourhood groups to counter the understandable prioritisation of price by local commissioners at a time of reducing resources. The Government should also consider positive incentives for local commissioning and funding support for subcontracting models which safeguard the unique contribution made by neighbourhood groups.

Question 3: How could brokerage of pro bono support be improved?

We applaud the Government's commitment to increase links between business and civil society. At present, business support often amounts to little more than companies providing workers for unskilled volunteering jobs such as painting a youth club. This is especially wasteful given that these same workers will often have highly developed professional skills that could help strengthen voluntary groups' core capabilities. Indeed, this is where pro bono support is most helpful, not in delivering frontline services but in bolstering back office functions in order to improve long term sustainability. For this reason legal, financial, business development, human resources and to a lesser extent communications professionals will be of most use to the voluntary sector in seeking to sustain and potentially grow their activities.

Unfortunately, currently only the legal profession has a developed pro bono tradition. This has led to the creation of LawWorks, a specialist broker, which through partnership with infrastructure bodies like Community Matters allocates free legal services to civil society groups. For voluntary groups seeking legal support this is a proven effective model and we think that the Government should work with other professional groups to help to develop similar sector brokers.

Given that smaller businesses often want to offer pro bono services only to voluntary groups based in the same community, it is essential that a national, sector based broker service is complimented with a local, generic broker service. CVSs, with their in depth understanding of local civil society needs, are best placed to direct support to where it is needed most. The Government therefore may want to consider providing funding for CVSs for this purpose.

Question 4: What support might your organisation need to become more resilient?

Question 5: What do you think should be the priorities for a bursary fund?

Question 6: How could any bursary fund be delivered simply and fairly?

The combination of reduced funding (both in year and from April 2011 onwards) and increased demand for services (due to reductions in statutory provision) will severely test the resilience of many civil society organisations in the coming months and years. In general, the strong backbone of staff commitment and a clear sense of mission will ensure that most organisations survive, though some will inevitably fold despite their best efforts. During this difficult transition period, what the sector needs most is some certainty over funding, even if it is much reduced, investment in core functions and a coherent vision from Government about the future role of civil society in the delivery of public services.

The resilience of a voluntary organisation is determined not just by how *much* but also *how* it receives money. We agree with the Government that the sector needs to develop new funding streams other than individual giving and statutory sources if it is to be sustainable in the long term. As such, we are excited about the role that the Big Society Bank can play both in familiarising civil society with social finance and leveraging greater investment from the private sector. However, with voluntary groups likely to become increasingly involved in the delivery of public services, we can expect statutory funding to remain a principle source of income. This is especially so for the children, families and young people sector (over 50% of our member's income come from statutory sources). Unfortunately, existing commissioning processes are having a significant detrimental effect on the resilience of civil society groups.

In 2009, Children England commissioned a two year study to provide evidence on the impact of current commissioning and procurement practices on the sector (we have included a copy with this submission). The report has revealed the hidden costs associated with the competitive tendering process. Many managers in the voluntary and community sector now spend 80% of their time managing various contracts and the burdensome reporting which comes from them, rather than managing actual projects and in larger VCS organisations, new contract managing posts have had to be created. Voluntary organisations have found themselves in a catch 22 whereby they are forced to become more top heavy as a result of the additional bureaucratic burden associated with commissioning yet are unable to secure sufficient funding to pay for these additional core costs due to funder preference for supporting frontline services. Rather than focussing almost exclusively on contracts, government at all levels should use a variety of funding tools, including retaining grant funding as part of the

commissioning mix. As well as being less burdensome, grants also provide the space to innovate and develop new, more effective interventions.

The impact of competitive tendering is exacerbated by the short length of contracts. While short contracts minimise risk for local authorities, they lead to uncertainty not just for providers and their workforce, but also the vulnerable groups who rely on their services. This uncertainty in service provision mirrors and compounds the uncertainty that already exists in clients lives. In terms of organisational resilience, short term contracts have a serious impact on staff retention due to a lack of long term job security. In larger organisations there may be other jobs to transfer to at the end of a contract but smaller organisations are often left with no option but to make redundancies when funding ends. Well qualified and experienced staff will quite reasonably begin to search for their next job in advance of the contract ending, with the obvious difficulties for delivery if they are successful. This in turn has very considerable costs for the voluntary organisation. Talented staff may also be transferred to another organisation due to TUPE. Even where staffs are retained, in order to be competitive, organisations are pressured to reduce costs through paying staff less, employing fewer staff or using staff with lower levels of qualification. They are also unable to afford to develop their workforce as funding for this is rarely built into contracts. A move to at least five year contracts (with appropriate review and break clauses), and in some cases even longer, would both significantly reduce the costs associated with competitive tendering bureaucracy and enable civil society groups to retain and invest in key staff.

We are also concerned that the risk associated with contracts is often allocated in a way that seriously undermines the resilience of civil society groups. Some local authorities, for example, issue contracts containing penalty clauses for 'failure to deliver' which in effect transfers all the risk of something going wrong onto the voluntary organization. In some cases, these clauses are entirely disproportionate to the size of the contract, and have the potential to bankrupt a small organisation. The cost of substantial indemnity insurance cover can also be considerable.

With so few details given in the consultation document, it's a little unclear what the difference is between the proposed bursary fund and the Transition Fund. Given their apparent similarity, it is probably most sensible to distribute bursaries through the BIG Fund as they already have the necessary expertise and infrastructure to do so efficiently. Such funds should be used to strengthen the core functions of civil society groups. As mentioned above, the increased bureaucratic burden of contracts combined with little or no funding for management costs and workforce development has left many organisations severely stretched. If the voluntary sector is to successfully manage transition then the government must invest in the commodity that gives organisations resilience; their staff, and model the good practice in funding arrangements which it asks of other statutory and charitable funders.

However, before proceeding with bursaries it is important that the Government's resolves an inherent contradiction in the aims of the scheme. The consultation document states that bursaries will help frontline groups become less reliant on the state and bid for public service contracts. The problem is that many voluntary organisations, particularly those in the children, families and young people sector, are reliant on the state precisely because they have successfully bid for public service contracts. The

Government must recognise that reducing the percentage of the voluntary sector's' income that comes from statutory sources and increasing the involvement of voluntary sector organisations in the delivery of public services are policy objectives that aim in opposite directions. The voluntary sector recognises that we are moving into a new era for the relationship between civil society and the state but needs the Government to set out a coherent vision regarding our role in the delivery of public services. Without knowing what we are transitioning to, it is very difficult to take steps to increase our resilience.

Of course the VCS has other roles apart from the delivery of public services. We give voice to the disadvantaged and the users of services, as well as residents and workers, and have a vital role in campaigning for change and promoting new ideas and solutions. These activities are much more difficult to raise resources for than delivering tried and tested models of public service provision, but without them the VCS loses its essential sectoral characteristics. Government should consider how these types of activity can best be stimulated and funded alongside service delivery funding models, preferably by independent visionary funders, rather than those with responsibility for local service provision.

Question 7: How could consolidation grants help ensure the sustainability and efficiency of infrastructure services?

As stated in our earlier submission in response to Question 9, we understand the Government's desire to rationalise the infrastructure sector but believe that in general, despite some overlap, most infrastructure bodies provide a sufficiently distinctive service to justify their independent existence. However, we also recognise the need to work collaboratively and have a history of working in partnership with other organisations. For example, Children England currently collaborates with NCVYS delivering the Speaking Out project, with NSPCC on safeguarding support to the VCS, with NAVCA and the Racial Equality Foundation on workforce development and as an active partner in the Kindle consortium providing co-ordinated support for local neighbourhood work with children and young people (Kindle includes Community Matters , Bassac and Acre).

The current financial situation has already led infrastructure bodies to think seriously about how they can become more sustainable through greater joint working, sharing of back office functions and merging and we welcome any support that the Government can provide for this process. It is important though that the Government is opened minded about what consolidation may look like and doesn't make support conditional on full merging of organisations. With the whole future shape and role of civil society currently unclear, consolidation grants would be best used to help infrastructure bodies come together to think creatively about how we can best streamline our operations and support frontline groups.

We also believe there is a need for realism about the efficiencies and sustainability that can be realised through consolidation. As mentioned in our earlier submission, there is a limited market for the work of infrastructure bodies. Whilst it would obviously be preferable to operate a well funded and self-sufficient membership model like the Confederation of British Industry, the charitable nature of our members makes this financially impossible. If civil society is being placed at the centre of the

Government's agenda, then the Coalition needs to be willing to provide sufficient support to infrastructure bodies to make that agenda a reality.

Question 8: Are there ways that expert intervention can support areas which are lacking social capital to improve local relationships and develop a stronger civil society?

Community development cannot effectively be directed or imposed from above. Improved neighbourhood integration, increased participation and more developed local problem solving capacity are all a product of self-help and local leadership. With regard to their communities, local residents *are* the experts. Parachuting in professional experts to tell citizens what they need is only likely to increase mistrust of public authorities and reduce social capital even further. Investing in the capacity of local individuals' to facilitate the development of their community is however a valuable contribution and respectful partnerships between professionals and local residents can effect positive change as long as ultimate control rests with local people.

Communities must be supported to identify their own issues, needs and make their own decisions. Social capital cannot be divorced from the economic resources available within a community, primarily because of what this implies about the social value given to individuals who live there. Investment is required, often at very modest levels, to provide both the incentives for community members to become more engaged and the opportunity for real control to be exercised about the use and application of local resources. This is meaningful empowerment, which builds both community skills and confidence, creating the necessary virtuous circle of self help and further joint action for collective benefit.

This process requires investment in forums for community dialogue, representation and suitable premises. Critically, government must be prepared to commit resources over a significant period of time. Building social capital is a long term and gradual process with the sudden removal of funding likely to destroy what has been achieved up to that point.

Question 10: Do you have further suggestions or comments on how the Office for Civil Society can help frontline groups become more efficient and effective?

Frontline voluntary and community groups usually operate on an extremely limited budget, utilise volunteers where possible and are responsive to the needs of users, often involving them in the design of services. As such, they are in most cases already extremely efficient and effective. Where the Office for Civil Society can help is in removing some of the barriers facing frontline groups and reducing the burdens associated with receiving statutory funding.

One of the most basic and concerning barriers facing frontline groups is the limited understanding that local councillors and commissioners have about how to build active and confident communities. Our members regularly tell us that in many cases officials simply don't comprehend or value what it means to be a voluntary sector organisation. Too often our work is seen solely as an extension of the hand of

the state rather than as an upward expression of the needs of local communities. We believe that it would be extremely beneficial for the OCS to work with local authorities to develop an educational programme that would help key decision makers to better understand the difficulties facing frontline organisations and how to develop successful partnerships.

One of the major issues that has arisen due to this lack of familiarity is the dispiriting requirement for frontline groups to constantly “invent” something new to gain more funding, rather than being supported to continue existing projects which have proven their value and effectiveness. This short termism, which is wholly ineffective at combating entrenched social problems, is facilitated by contracts that last for a maximum of three years and constant competitive re-commissioning. The system favours large professional organisations with the resources to start up new projects with relative ease at the expense of small neighbourhood projects, often run by groups of local residents, who operate on a shoestring. Such demoralising funding decisions can set back the development of social capital by years. If the Big Society is to be a success then it is essential that successful frontline projects are given long term support.

Finally, the OCS could help to reduce the significant burden associated with impact assessment requirements by developing easy to apply models of measurement which can be owned by the sector and accepted by a wide range of funders. For many voluntary and community groups there are major barriers to developing their impact assessment processes; principally money. Thorough evaluation requires significant resources yet additional funding is rarely provided for this purpose in statutory contracts. Even when it is, it is also often the first thing to be cut when budgets get tight. The problem is particularly acute for small charities who also only work with limited client numbers and as such find it almost impossible to meet the highest research standards in evaluation. Indeed, the Government must recognise that there is an inherent tension between the two laudable policy aims of the Big Society and greater impact assessment. With even medium size charities often lacking the resources to properly evidence their impact, it is unfeasible to expect small community groups, that the Coalition hopes will increasingly deliver public and community services, to do the same. By creating a standardised measurement system and placing a greater burden for evidence collection on statutory funders, the OCS could make thorough impact assessment accessible to a far greater range of frontline groups.