

## **NCIA Inquiry into the Future of Voluntary Services**

### **Position paper on the role of the state and voluntary services agencies in the provision of public services – outline brief**

#### **Introduction**

As part of the NCIA inquiry into the Future of Voluntary Services, we are intending to publish a series of position papers to explore key issues and stimulate the debate. This paper presents an outline brief for one such key issue – the role of the state and voluntary services agencies in the provision of public services. This paper is a draft and we will welcome comments and suggestions that would improve it.

In drawing together and presenting the material necessary for this paper, we are looking for academics, researchers and activists to help us with the task – in setting out the theoretical background, assembling evidence and case studies and in the thinking we need to move towards a coherent position and narrative on the issues involved.

More information about the Inquiry and its scope can be found here -

<http://www.independentaction.net/2013/07/01/inquiry-into-voluntary-services-full-briefing-now-uploaded/>

#### **Background and context**

For generations voluntary organisations have provided services for individuals, families and communities. Before the establishment of the welfare state, these may have been the only social and welfare services available. The post war settlement saw the creation of a wide variety of rights and entitlements alongside the extended provision of free health, education, legal aid, income support and social welfare protections. The bulk of the welfare state thus created was provided directly by state agencies, decreasing the importance of provision by voluntary services. Many voluntary agencies re-positioned themselves as places from which to stretch the frontiers of state provision through innovation, and to provide informed policy and political critique of the shortcomings of that provision. Though the role of voluntary agencies as alternatives to state-run public services took some shape in the '80s, it was not until the New Labour years that the idea of voluntary services as an arms-length delivery vehicle for state policy and services took hold. Central to the state's ability to give this practical expression was the decision to move the funding relationship from grants to contracts. An inevitable consequence of this shift was the creation of new markets and the procurement and commissioning regimes needed to operate these markets. The conditions thus created by New Labour are now being vigorously exploited by the Coalition

Government to harness voluntary agencies as direct replacements for state services, with or without state funding (including as adjuncts to private sector provision).

The result of these successive government policies has been to create a new dual narrative:

- that provision of directly managed public services is inefficient, ineffective and old-fashioned; and
- improvements in public services can be driven by privatisation and outsourcing to the private and voluntary sectors.

These policies have had a significant impact with respect to that part of voluntary action that has the interest, experience and capacity to offer *services* within their local communities. In this, the new role for voluntary agencies is shaped around the needs of the public services market, is subject to shifting fads for service and contract design and is being pursued on the basis that a new alignment is being created with private sector interests and the wider privatisation programme in general – if voluntary agencies can become more like businesses and form partnerships with private companies they will prosper. In reality, once voluntary agencies enter a marketised environment, they will live or die by the rules of the game, and these will overwhelmingly favour private interests. The capitulation by many in the voluntary sector, including its national leadership bodies, to these government agendas has done much damage to the ability of voluntary organisations to work with and represent the interests of vulnerable, oppressed and marginalised communities and stand beside them in solidarity. In the new order, these voluntary groups will be left with complex and ‘unprofitable’ work, marginalised and under-funded but nevertheless finding themselves responsible and accountable for meeting the needs of those clients or communities involved.

The dilemma for voluntary agencies of participating or not in this redefinition of their role is compounded by the fact that (apart from differences of nuance) there is broad cross-party support for the outsourcing of public services to private or voluntary contractors. The narrative that is projected, therefore, by the Government, the voluntary sector trade press and the so-called representative sector bodies is that there is only one show in town (certainly in England). This is, of course, not true – trustees and voluntary services managers can make choices about what they are or are not prepared to do within their own independent organisations. NCIA sets as one of its tasks to persuade these agencies to make the right choices.

## **The purpose of the piece of work**

Whilst it is possible to adopt a simplistic position that voluntary services agencies should not conspire with these essentially neo-liberal policies, the real dilemmas are more complex. Clearly there has been and remains an important role for voluntary groups in providing services and, historically, these groups have also played an important part in helping to shape and influence the direct provision of public services by the state.

So when is it acceptable or unacceptable to reach for voluntary services when considering how best to deliver specific public services? What services should be retained in direct state management and why? How will an increased role of the private sector in the provision of public services impact on the role and activities of voluntary agencies in these sectors of activity? What values, principles and political positions can voluntary group trustees and managers reach for to guide their decisions on these matters? Behind these specific questions and dilemmas lies the real contested ground – what do we want the role of the voluntary sector to be in the 21<sup>st</sup> Century? With respect to this part of the broader landscape, these are the questions that the NCIA Inquiry will seek to answer and this position paper, we hope, will make a contribution to the process.

Drawing on academic and research material, Government policy and statements, and the writings of informed commentators, the purpose of this position paper (or indeed, more than one paper) is to provide:

- A description of the scene, its provenance and likely trajectory;
- An analysis and critique of the damaging effects of government policies and initiatives to the proper and positive role both of state and voluntary services organisations;
- Pointers to further follow up work that may be required within the terms of the Inquiry, such as gathering information from key respondents;
- A means of stimulating a debate amongst NCIA supporters about effective strategies to promote positive forms of state and voluntary sector service provision;
- A contribution to the wider public debate about these issues.

## **Possible areas for attention**

The intention is that this piece of work will provide a broad and inclusive overview of the scene at an appropriate level of detail to allow the whole picture and the relationship of the parts to be seen. The following list is an initial attempt to indicate the scope of the paper.

- a brief explanation of the ideological background to privatisation, marketisation and financialisation of public services and the role of the state;
- an account of the current framework of government policy that is driving this perspective;
- an assessment of the scale of outsourced services to date, the extent of voluntary services involvement in this, the main service areas represented and the trajectory for the immediate future (5 years, i.e. beyond the next election)?
- a rationale to justify which service areas should be provided directly by state agencies, which by voluntary agencies and those that may form a contested area between the two, together with a thematic analysis of how this rationale could be applied in general and with respect to specific service areas (e.g. health and social care, education, child protection, incarceration, housing, provision of welfare benefits, etc.);
- a critical review of the evidence that bears on the policy assumption that public services provided by voluntary agencies are more accessible, effective or efficient than directly managed services;
- an assessment of the extent and impact of private-voluntary partnerships to date and their likely trajectory;
- an assessment of the positions, role and contribution of Trades Unions with respect to these issues and the opportunities for alliances across workplace and community struggles;
- an assessment of the extent to which constitutional and other arrangements for local authorities and other state agencies enables and protects their legitimate roles (for example, Whole Place Budgets, Combined Authorities, Local Economic Partnerships, housing investment, transport);
- an assessment of the extent to which the regulation of charities and social enterprises enables and protects their legitimate roles;
- ideas from Scotland, Wales, the USA or elsewhere about alternative and more effective or satisfactory ways of dealing with questions of who should provide what;
- ideas from the '80s or elsewhere about more creative approaches to state/voluntary sector partnerships with a view to encouraging relationships that improve public services (including the role of 'in and against the state' ideas/approaches)

- a description of and rationale for the proper democratic and constitutional role for voluntary services and action.

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