Aspects of Partnership in England
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1. Context for partnerships

I start my analysis by outlining the position of the most powerful of all the partners, central government. Tony Blair’s Labour Government in the UK was re-elected for a full term of office in 2001 and therefore has, barring unexpected developments, at least two more years to run.

It is generally agreed that a major — if not the major — agenda item for domestic policy during the Labour Government’s current term of office will be more efficient delivery of public services and improving the quality of those services. At first sight, the necessary preconditions for achieving change in this policy area seem to be in place:

- The Government’s parliamentary majority in the House of Commons is secure: and the half-finished reform of the upper house of parliament (the House of Lords) means that there is unlikely to be any difficulty from opposition there.
- Prudent management of the economy by the Chancellor of the Exchequer, Gordon Brown, means that the financial resources for the reform of public services have been made available.
- The grip of the most important department of central government, the Treasury, over other central government departments has been immeasurably strengthened over Labour’s first term — the “spending departments” are now bound tightly to execution of the government’s programmes through a system of target setting (“PSAs”) which links the allocation of resources to performance (Deakin and Parry 2000).

But between conception of new policies for improving public services and their implementation there remains a vital gap. The Labour Government struggled with this problem over their first term in office (1997–2001). There was much talk about “joined up government” and breaking up the “Departmental silos” to enable the centre to deal with “cross-cutting issues” like social exclusion, urban regeneration and child poverty. The Prime Minister himself talked about “pervasive conservatism” in the public sector and the need to banish it (Blair 1999).

But in essence the problem for central government remains the same. Implementation of the service delivery agenda, in key areas like health, education, housing and social services, is not primarily the responsibility of central government. This rests at local level, in England with local government or health authorities and since 1999 with the devolved administrations of Scotland, Wales and Northern Ireland that have been set up in Edinburgh, Cardiff and Belfast (Hazell 2003).

So when the Labour government talks about making high standards and access to quality public services their first priority, key questions should include the following:

- First, how can central government — and particularly the Prime Minister’s policy units in No.10 Downing Street and the Cabinet Office, where new policies are
constantly being framed and revised — achieve a real impact on the world outside?

• Second, how will the government’s increased emphasis on going outside the traditional public sector as the main agents of delivery at both central and local level play out on the ground? Will the services themselves actually get better — and will those receiving them notice the difference?

2. The search for partners

In England, the common view until recently has been that social services, in the broadest sense, can best be supplied either directly by the state or indirectly through the market. That is still a very common expectation and since the 2001 election partisans of both these approaches, in business and the public sector trades unions, have been staking out their positions. Leading organisations lobbying for business and their supporters in the press have been “talking up” the capacity of business to deliver more effectively; but trades unions leaders point to failures in the previous Conservative government’s privatisation programme — notably the case of the railways — to draw the opposite conclusion (Monks 2002).

But now there is an increased awareness in government that there’s an alternative third option; that the voluntary and community sector, acting either alone or in partnership, can meet some — perhaps even many — of the government’s needs by reaching out and delivering services more efficiently and responsively (Brown 2000).

This isn’t simply a question of funding the voluntary sector to provide a substitute for state run provision. We have already had substantial experience of this approach. From the 1980s on, central government has been consciously attempting to shift the balance towards pluralism in welfare by engaging a wider range of agencies in service delivery. Notoriously, the Manpower Services Commission conscripted a substantial number of voluntary organisations into working on state programmes to relieve unemployment, sometimes with disastrous consequences for those organisations (Addy and Scott 1988). This one-sided relationship, in which the state laid down the rules of engagement, became known as “the contract culture” (Davis Smith et al. 1995).

There is a parallel history of such funding arrangements at local level: grants provided to voluntary organisations have been a well-established feature of local delivery of social services, of all kinds. This usually involved a system of financial support based on a one-year funding cycle and the result was often to produce a culture of dependency (Walsh et al. 1997).

Increased direct engagement with government during the 1980s and early 1990s had a considerable impact on voluntary organisations, at both local and national level (Knapp and Kendall 1996). This process

• stimulated debate about professionalism (that is, competence to deliver services);
• set some warning bells ringing about consequences of allowing funding by public sector to make up an increasingly large proportion of resources available to voluntary bodies;
• opened up larger questions about the independence of voluntary and community bodies and their values.

Nevertheless, most organisations providing services wanted a closer relationship with government. The key drivers for the voluntary sector were generally the need for additional resources and, more ambitiously, the desire for more space in which to develop new initiatives and some involvement in the policy making process.

Some larger organisations, in particular, and those with specialist skills to offer — for example, those dealing with groups in the population suffering from particular forms of illness or disability — did succeed in establishing close working relationships with the civil servants responsible for developing policies. However, this debate predates the election of the Labour government in 1997. What has been new, since then, is the rapid extension of the involvement of voluntary organisations with central government’s social programmes.

Since 1997, “partnership” has become a vogue word in British public policy — no new government initiative is complete without it. But a word of caution is needed about that term. Partnership can mean a variety of different things. There are many different types of partnership, with different objectives, operating at different levels. There’s a world of difference between the ambitious schemes of public-private sector collaboration (the so-called PPPs, like the one proposed for the long overdue regeneration of the London underground system) and the routine invocation of “partnership” as a means of promoting community participation — decorating neighbourhood coalitions set up to facilitate local planning with presumed representatives of local communities.
But one thing is clear: the expectation is now that the voluntary sector (or as we now say the Voluntary and Community Sector) should play a far more significant role in providing quality public services, as a partner with both government and business. More than that, government now seeks to involve voluntary bodies in the process of designing new policy initiatives as well as their implementation. This wider concept of partnership is reflected in the substantial enhancement of the role of the central government agency responsible for managing relations with the sector, the Active Community Unit at the Home Office.

Reasons for the change of attitude on the part of government are not hard to find. Voluntary organisations have many qualities that the state cannot match. They can innovate. They can be more flexible. They often have expertise of a kind not duplicated in government, which enables them to deal more effectively with the needs of particular client groups, or minorities. They sometimes (though not always) command greater respect and support from the users of their services. Finally and not the least important, they can provide services more cheaply (Knapp and Kendall 1996).

To this list, some would add the claim that voluntary and community bodies refresh the democratic system, by providing new avenues for participation and enabling local citizens to develop and hone their citizenship skills (Taylor 2000).

This revaluation of the voluntary sector as potential partners can be seen in a number of key developments in public policy since Labour was elected.

First, there is the Compact between government in England and the voluntary and community sector there, signed in November 1998 (Home Office 1998).

The compact represents a form of bargain, between the state and civil society. In return for formal recognition of the importance of its independence and the security of new funding arrangements the voluntary sector undertakes to deliver services at a level of efficiency that will guarantee a good quality outcome for service users. The compact’s subsidiary codes spell out in more detail how these arrangements are implemented, in terms of funding and involvement in policy making and recognise the special issues attaching to volunteering and to certain minority ethnic groups. The national compact is marched by local compacts, at local authority level and by parallel documents in Scotland and Wales.

Second, there has been a “cross-cutting review” undertaken by the Treasury of the effectiveness of service delivery by the voluntary and community sector (HM Treasury 2002). This is one of a series of reviews of public expenditure carried out on a three year planning cycle by direction of the Chancellor, Gordon Brown. The recommendations of this report include the creation of a substantial fund (known as “Futurebuilders”) to assist voluntary organisations in their public sector delivery work; a 20% increase in the budget of the central government co-ordinating unit (the Active Community Unit) and development of the capacity in local government to respond to the new tasks implied by partnership working.

Third and almost simultaneously, we have seen the long-delayed publication of the review of English charity law (Private Action, Public Benefit) which proposes a modernisation of the purposes of charity based on the principle of public benefit, the introduction of new legal forms enabling organisations to be more effective and entrepreneurial coupled with independent, fair and proportionate regulation (Prime Minister’s Strategy Unit, 2002).

In addition, the government has taken substantial steps designed to ensure that the scope for both volunteering and acquiring additional funding through private philanthropic giving is expanded. Government support for the raising of additional resources in time and money — the so-called Giving Campaign — should have the effect of substantially increasing the sector’s capacity for action (Boateng 2001).

Most of these government initiatives have substantial support within the voluntary and community sector. But becoming engaged as partner in these additional ways will have wide-ranging implications. To be at the heart of these new policy developments rather than merely an adjunct to them raises pressing questions which are more complex and difficult than those that the voluntary sector confronted six years ago when Labour was first elected.

3. Issues raised by partnership

Three issues arise in particular for further exploration, which I have chosen to label as follows:

- terms of engagement
  That is, how government at all levels relates to the voluntary and community sector in all its forms;
- style of operation
  How voluntary and community organisations should carry out their expanded range of functions;
- impact on core values
  (which speaks for itself)
3.1. Terms of engagement

Views on the voluntary and community sector side about partnership can be simply summarised in terms of the familiar system of traffic lights. There are those who would like to see the metaphorical light set at **Red**, meaning: go no further. A larger group would prefer that to be **Amber** — in other words, proceed with caution. Finally, there are the enthusiasts who would opt for **Green** — rushing into full partnership, with a vision of resources flowing freely and common objectives joyfully identified.

Some of the same doubts and hesitations have also been expressed among public authorities, which are uncertain about the benefits that closer engagement with the voluntary and community sector can provide. Such hesitations have been particularly common among elected members of local authorities, who sometimes see an active role for local groups in policy making as a threat to the legitimacy of their own position.

All these different positions have been vigorously expressed during the five year history of the development of the English national Compact since it was signed in 1998. There are concerns about where the balance of advantage falls — who stands to gain most from the bargain that compacts represent? There are also anxieties about the implementation process — how effective has it been and what measures will be needed to reinforce it? (Plowden et al. 2001).

Some critics see the compact as a trap — a means of luring the voluntary sector into legitimising government policies and then carrying out their wishes (Dahrendorf 2001). Others dismiss it as an elegant box with stylish decoration on the outside lid but still almost empty of real content. They express more or less polite scepticism about how far the compact approach is capable of being developed into a robust framework for policy development and what the significance of the documents that emerge, those codes of practice which are not legally binding, will actually be in practice (Harris 2000).

Enthusiasts point to the importance of the process of negotiation, rather than the outcome and are able to show substantial growth “from the bottom up” — 118 local authority areas out of nearly 400 are now covered (National Council for Voluntary Organisations Compact Working Group 2003). There has also been demonstrable progress in evolving new and constructive relationships as a result of compact initiatives in Scotland and Wales, where national and local voluntary groups have come to play a significant part in policy making under the more open procedures recently installed there (Plowden et al. 2001).

Other practical questions — operational issues, if you like — that have emerged as partnership becomes a common means of addressing major social issues include

- The diversity of partners leading to a lack of common vocabulary and objectives, where the partners are accustomed to different scales of activity and priorities;
- Lack of clarity in the way in which partners’ roles are defined;
- The development of a “New Magistracy” — that is, the same old faces turning up round the table at every meeting ostensibly to represent different groups or interests but actually speaking only for themselves.

These questions often emerge when the question of who takes the lead in partnerships first arises. Local Authorities usually insist that they are the legitimate leaders of any local partnership, by virtue of their links to the local electorate. But Central Government has tried to ensure that, as the Prime Minister put it, the local community is in the driving seat whether their leaders are elected or not. The claims made by local business can also be very pressing; those responsible for wealth generation tend to want a larger share in decisions about how that wealth is spent.

Central Government’s means of exercising control in the locality is necessarily less direct and usually takes the form of insistence that the results of partnership are closely scrutinised, through monitoring and evaluation of the outcomes of their investment and thereby trying to ensure that the targets set for delivery are met. Early attempts at outcome measures included literally almost everything that officials in Whitehall could think of: evaluation consumed 10% of the £3bn budget spent on urban regeneration in Labour’s first term.

This concern about outcomes can be crystallised in the question often asked at partnership meetings about new project proposals: “where will the risk be parked?” Politicians certainly don’t like visible exposure to risk — they feel themselves to be especially vulnerable to exposure of failure in the media. The business sector like to think that they are more “robust” — a favourite term just at the moment — about risk and point to the penalties attached to failure in their own sector (in extreme cases, collapse into bankruptcy). But in my own experience risk comes home to roost most painfully in local situations where those responsible
live and work in the same location. And if the community is “in the driving seat”, it will have to accept a larger share of responsibility, which includes accounting for failures. In future, local community leaders may find it harder to shuffle off blame on to “the bureaucracy”.

This question is of special interest for the new experiments in neighbourhood management that have recently been launched. In these experiments, an individual manager is appointed to each locality, to gather up all the threads of different programmes. Through their hands all the different budgetary and policy decisions will pass, thereby ensuring that coordination becomes a reality. What kind of people will take up these highly exposed positions? Will they be what has been termed “parachutists” — career civil servants dropped into these positions from outside the neighbourhood — or local heroes (or more likely heroines), local people empowered to take on responsibility for problems they themselves have experienced at first hand? Outsiders can find themselves criticised for ‘going native’ — that is, paying too much attention to local opinion: insiders for 'not seeing the big picture' — that’s to say, not respecting the overall policy objectives of the programme.

Whoever they are, what support will these leaders get from local organisations, from all the different interests engaged in partnership? To whom will they be accountable and are they empowered to take risks on behalf of all the partners involved? This leads to the second issue identified earlier.

3.2. Style of operation

Ministers have frequently called for a “basic cultural shift” among the organisations taking part in local partnerships. However, it is not clear that this is something that can be imposed from above — indeed, it may be central government itself that most needs to do the shifting. Certainly, there is some way to go in Whitehall before departments there can be convincing in preaching that doctrine to its partners, especially when it comes to “joined-up government”.

Ministers assert their willingness to pass on responsibility for services and control over the direction they take to local communities (Blears 2003) but leave open the issue of how they discharge the remit that is being passed to them — who will be responsible for laying down the exact ways in which participating organisations should function? This raises questions about professionalism and accountability that are crucial for voluntary organisations engaging in partnership work.

It is clear that with increased proportion of funds coming from the state there are legitimate grounds for requiring more efficient delivery of services and proper accountability for expenditure. And it is not just government that has brought pressure to bear for such changes in style of working. There are other critics, like those from the business world, who want to introduce a new style of management and organisational behaviour that will make voluntary and community organisations more “business-like”.

But there are problems for the voluntary and community sector in these development (here, the amber light begins to glow). Such changes may compromise those qualities that make voluntary organisations distinctive, both as partners and in their own right. One of the things that is generally agreed to be distinctive about voluntary organisations is their role in innovation (which is often also a high risk role). The Chancellor, Gordon Brown, has several times recently drawn attention to the importance of this role and the part played by “social entrepreneurs” (Brown 2003). Their pioneering initiatives need time and space to mature and tolerance of their risk-taking. They should be protected from assessment based on what is immediately measurable and undertaken on someone else’s objectives and timetable.

Another is the role of critic and if necessary opponent of the state and its actions. One of the really important outcomes of the compact debate has been achieving general recognition across government of the importance of that role — though it is still hard, especially at local level, to persuade politicians that they have a duty to fund their own critics.

A third problematic area is volunteering. There is still much misunderstanding here. Most English politicians are now able to distinguish between volunteering (activities undertaken by individual choice, without payment) and voluntary action (which is often performed by salaried professional staff of voluntary agencies and charities). But one of the disturbing features of the present dialogue with government is the continued belief that there’s an army of volunteers to be mobilised that will march obediently in the direction determined by government, with no reward beyond the ritual praise of politicians. But volunteering epitomises what Ralf Dahrendorf calls the ‘creative chaos’ of the sector: individual engagement by choice in activities that may have nothing whatsoever to do with the common good (Dahrendorf 2001). Partnerships cannot and should not be planned around it — although they can benefit from the unplanned benefits that it brings. This leads to the final key issue.
3.3. Impact on Core Values

The core values of the voluntary and community sector are often said to be under threat — or at least challenged — as a result of the changes described earlier in this paper. But there is also considerable potential for reinforcement of values through new opportunities opened up by alliances formed as a result of partnership working, as in the case of new relationships brought about by the introduction of devolved government in Scotland, Wales and Northern Ireland. For example, reinforcement of core values and new means of realising them in practice may come from closer working with the business sector, as Bill Shore argued in his recent book on the American Third Sector, *The Cathedral Within* (Shore 1999).

It is right to lay stress on the importance of the local scene and the risks attached to topdown interference in the locality by agencies without local knowledge or sensitivity to conditions on the ground. But there are opportunities here too — the government has helped to provide some of them (not all) by funding imaginative schemes and spreading the word on good practices across the country.

It is right to celebrate the “authenticity” of small-scale action as a source of common values and providing the basic building blocks of democratic practice. But though such “bottom up” perspectives are important, they need to be balanced against some reservations about allowing local circumstances to be the overriding consideration. Civil society, now enshrined by many propagandists as the counterweight to the overmighty powers of state and business, has its own interests to protect and is sometimes bent on doing so to the detriment of the wider common good. (Deakin 2001). Faith communities may sometimes foster divisions rather than promote cohesion — a prime concern of Ministers just at the moment. And diversity, often proclaimed to be one of the key virtues of the voluntary and community sector may in practice mean a lack of integration within the sector itself and the exclusion from dialogue about future policies of some organisations representing significant minority interests.

4. Conclusion

Partnership, in England at least, is here to stay. The question is not whether the voluntary and community sector should participate in partnership activity, but how and on what terms and what the results of participation are likely to be.

One example of the partnership process in action has been the way in which the government has begun to open up policy-making to incorporate voluntary sector partners in the process. The production of the report on the future of charity law is a very good illustration of how all parties benefit from a more open set of procedures.

But there will always be stresses in the relationship between the voluntary sector and government — that is unavoidable, given that the partners have different interests and serve different constituencies. There is also a perpetual imbalance between the powers and resources available to the different partners. It is therefore important to identify the longer-term tensions which will need to be addressed if partnership is to be successful in the longer term. At the moment, three such tensions appear to be particularly significant.

First, there are democratic tensions. It is entirely legitimate for governments to seek every reasonable means of fulfilling their mandate from the electorate. But the tension here is between the political process, on the one hand — politicians’ objectives and the need to achieve demonstrable success and work to electoral timetables and on the other the less orderly processes of social change, evolving from below, often at a slower pace. Change of that kind depends on leaving space for innovation — and involves acceptance of the inevitability of some failures.

Second, there are economic tensions. When the currently still benign economic climate in the UK turns less favourable, as it is already beginning to do and government comes under pressure to economise and cut out costly (or risky) programmes, will partnership still look as attractive an option for both partners? And will the state then want to turn to what may seem as the more reliable option as partner — the private sector, where objectives are clear (the pursuit of profit) and measures of success straightforward (black ink on the bottom line).

Third, tensions around independence. It is frequently emphasised in these debates that for the voluntary and community sector independence from the state must be the first priority. The principle is sound; but the implications in practice would repay further thinking through. When independence is being emphasised it is often unclear what aspect of independence is meant; is it financial independence, operational independence or freedom to associate on an independent footing? On all of these fronts there is scope for some legitimate concern: but on none of them does partnership in the form that we have experienced it so far in England pose a
serious threat. The voluntary sector, which draws only 30% of its total income from the state, is in no real sense financially over-dependent upon it. The regulatory regime under which the charitable part of the sector operates can hardly be described as oppressive and is in any case in the course of being reformed. And freedom to function within a broadly agreed set of social values and economic objectives does not appear to be threatened. However, the price of freedom is eternal vigilance; and we do well not to be complacent where freedom is concerned.

References