

A Conservative Party Green Paper

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# Sixty million citizens

## Unlocking Britain's social capital



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# Sixty million citizens

## Unlocking Britain's social capital

*An introduction by Iain Duncan Smith MP  
Leader of the Conservative Party*

### Millions of British people give to their neighbours

Millions of people throughout Britain serve as volunteers every week - giving time to their communities, or to the care of vulnerable people. Millions more donate money to the fight against poverty, disease or ignorance at home and abroad. Within self-help groups, millions of people learn how to recover from life shocks like cancer or bereavement. Through mentoring, at-risk children are helped to believe in themselves - perhaps for the first time. Britain's charities advance into territory where the state or the market often fears to tread - standing up for unnoticed causes and pioneering care for people who have been failed by one-size-fits-all systems.

All of this voluntary activity by Britain's sixty million citizens helps to build 'social capital' - or, more simply, society. Alongside family life and friendship, charitable and community work underpins a strong and decent society. Our national life would shrivel up if it was not watered by the values transmitted within society. Economic creativity, public service professionalism, and democracy itself are all rooted in social institutions that nurture character and a commitment to the common good. Government undermines such institutions at its peril.

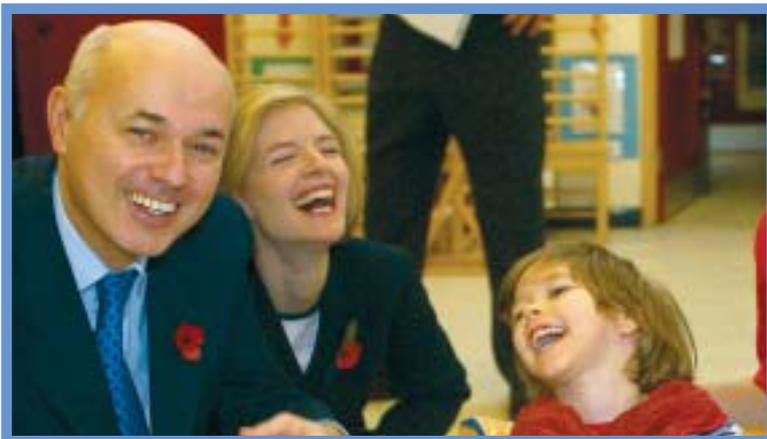
But social institutions are being undermined by this government. The challenges facing the voluntary sector are typical of the stolen independence and bureaucratic burdens facing all social institutions. Current funding arrangements, in particular, are uprooting charities from their foundational missions and their local volunteer and support bases.

### Conservative ambitions for the voluntary and community sector

'Sixty Million Citizens' presents an ambitious alternative vision for the voluntary and community sector. This Paper seeks to address the real threat posed to the sector's diversity and independence. The Paper proposes that an increasing share of the public investment that the sector receives should be used to encourage a reconnection with its long-term stakeholders. This will be essential if the sector is to retain the spirit of innovation that inspires its diverse provision of social care and its potential as a major

provider of high-quality public services.

Proposals in this Green Paper would greatly simplify the fundseeking process and simultaneously stop Whitehall's attempts to micro-manage the sector's work. Reforms such as those put forward for the national lottery, and the suggestion of a big increase in matched funding awards, would redirect the attention of charity fundraisers to the values and concerns of local people and their communities. A proposed right to assume management, and then ownership, under-used local assets could drive the emergence of entrepreneur or community-led centres of service provision. The proposed cadre of 'Bureaucracy Busters' would help new charities cut through government bureaucracy and the 'Unfair Competition Test' would protect existing charities from being elbowed aside by the government's own rushed start-ups.



All of the proposed policies that emerge from the consultation process would be monitored by an 'Office of Civil Society' at the heart of government. Reporting to a Cabinet Minister this Office would protect the sector's essential qualities from ham-fisted government initiatives. It will begin operating immediately - in shadow form. It will process responses to this Green Paper from the voluntary sector - and other interested groups, including colleagues in local government.

### Protecting Britain's social ecology

Britain's sixty million citizens will never get a fair deal if state and market fundamentalists are allowed to trample upon the soil more properly and effectively cultivated by families, faith communities and other people-sized institutions. These institutions are essential to the Conservative Party's double commitment that no-one will be left behind and no-one held back. This Green Paper is the latest stage in the deepening Conservative commitment to unlock the potential of civil society and its sixty million members.

# The principles of this Green Paper

“The alternative to a bigger state is not, as the Left unthinkingly suggest, a lonely individualism. The centralised state and Darwinian individualism are, in fact, natural accomplices in the undermining of society. Both cut people loose from the institutions that provide identity and personal security. The real alternative to a bigger state is a stronger society. Chris Patten once talked of a smaller state and bigger citizens. Government should be focused on strengthening the natural institutions of society - and not replacing or undermining them.”

> Iain Duncan Smith, September 2002

## Recognising the strengths and weaknesses of current government policy

During the Conservative Party’s consultations with representatives of the voluntary and social enterprise sectors the strengths *and* weaknesses of Labour’s approach have become much clearer.

Conservatives have no intention of undoing those measures that have benefited the sector. Conservatives welcome the principles enshrined within the *Compact* between the sector and government (despite its very uneven implementation). And Conservatives support most of the proposed reforms to charity law and hope that the Government will soon find parliamentary time to introduce them.

But the Conservative Party’s extensive - and still continuing - consultations with the voluntary and community sector, have also discovered dissatisfaction with:

- \* the lack of trust in the sector betrayed by the government’s attempts to micromanage the sector’s work and by the focus on short-term grants and contracts;
- \* the unfairnesses faced by the voluntary sector when, for example, competing with local authorities for public sector contracts;
- \* the sham nature of many government consultations;
- \* the red tape that is choking diversity and innovation within the sector;
- \* the lack of high-level representation of voluntary sector issues within government and the failure of the already overburdened Home Office to give the sector adequate attention;
- \* the poor access to funding and other opportunities for smaller

*charities - particularly those that are led by ethnic minorities, that are faith-based or that adopt innovative (but potentially more successful) approaches.*

## Fostering trust and accountability in the sector

Despite its rhetoric to the contrary, this Government favours a command-and-control approach to poverty reduction and community regeneration. The Conservative approach to opportunity and accountability will be very different.

Government bureaucrats, who are the architects of many of the failed approaches to community renewal and public service delivery, will not oversee the Conservative Party’s approach to the sector.

Not only is their track record poor, politicians and bureaucrats rarely have much stake in the long-term success of the schemes they initiate. They move on too quickly to new portfolios. They rarely live in the areas their schemes target and so have little understanding of how their ideas translate into practice.

At the heart of the new Conservative approach to the voluntary and community sector will be (1) greater trust in self-regulatory mechanisms and (2) increased accountability through stakeholders such as donors, local communities and service users:

*Conservatives will seek opportunities to invest in self-regulatory mechanisms, by cutting bureaucracy in the remote, committee-based approach to grant disbursement that is currently so dominant. Competitive self-regulatory mechanisms will be judged through systems of accountability that the sector has itself helped to develop. Government*

departments will still have the right and duty to undertake tough and intensive audits of these self-regulatory regimes but such inspections will be occasional or in response to real suspicions of abuse.

Too many NGOs are tied down by unaccountable and exploitative relationships with local, national and supranational government. In response, and to increase accountability, we will develop mechanisms that redirect the sector towards its stakeholders. By stakeholders we mean: (1) the people who voluntarily give the sector time and money; (2) the local communities which charities seek to serve and build; and (3) the people who use or depend upon the sector's work. The signpost policy ideas under the second theme of this Green Paper - 'Funds should increasingly follow the choices of people - not politicians' - would help achieve this.

## An evolutionary approach to voluntary and community sector policy

Many of the challenges facing our nation could hardly be more urgent. But Conservatives are well aware that rushed action is rarely effective action. The more radical measures that emerge from the next two years of intensive consultation with the sector will be thoroughly tested. The public sector has sometimes been damaged by brutal and far-reaching reforms that looked good on paper but did not work in practice. The same must not happen to the voluntary and community sector.

The Conservative approach will preserve what works and our programmes will expand as and when they succeed, with success defined not by politicians but by the people and groups who simply cannot afford any more failed social policy.

## Protecting the distinctive qualities of the voluntary and community sector

Conservatives want to enable the voluntary and community sector to have a much bigger role in fighting poverty, rebuilding community and improving public service delivery. The sector's levels of popular participation, its diversity and its record of innovation mean that it has much to contribute to the common good. The mechanisms through which a Conservative Government would invite greater voluntary sector involvement will not undermine these essential qualities. Conservative policy would not kill the goose that lays the golden eggs. The signpost policies contained in this Green Paper are intended to protect five virtues within the sector that are summarised below. They can be remembered by the acronym 'VALID' - standing for volunteerism, altruism, localism, independence and diversity:

**Volunteerism:** The volunteering of time, expertise and money is one of the great strengths of Britain's voluntary and public sectors. Volunteers can provide one-to-one care in ways that are impossible for paid workers with heavy caseloads. Volunteers work on a human scale; addressing personal needs and circumstances. Even the most professionally-based voluntary organisations benefit from the engagement and development of volunteers. Volunteer involvement enriches an organisation by bringing in new thinking and community connections.

**Altruism:** Though the unselfish desire to better the lot of others is by no means absent from either the public or private sectors, it is most apparent and important in the voluntary sector. Altruism motivates voluntary organisations to serve the common good. It is altruism that gives voluntary groups a purpose beyond themselves, and is an antidote to self-perpetuating bureaucracy.

**Localism:** Whether large or small, many of the most innovative and effective voluntary organisations are rooted in the communities from which they draw support and to which they give service. Local voluntary organisations build a community's capacity and solidarity. Their community roots also enable them to spot challenges that are too new or small-scale to appear on the government's radar.

**Independence:** Because of their distinctive mission and character, voluntary organisations provide public life with forms of service and community that are unmatched by the public and commercial sectors. That distinctiveness can only flourish when voluntary organisations remain independent of political pressures and market forces. In resourcing the voluntary sector it is vital that independence of mission and character is protected.

**Diversity:** Distinctiveness between the sectors, should be matched by distinctiveness within the voluntary sector. The public sector tends to be shaped by politics and the private sector by market forces, but the voluntary sector can draw upon a much broader range of inspirations. A diverse voluntary sector - not least through its advocacy of otherwise overlooked causes - is also an essential component of democracy. Public funding and charitable relief should embrace the diversity of religious and secular worldviews.



# Six Conservative policy themes

This Green Paper is not a complete guide to how the next Conservative government will unlock the nation's social capital. But over the next fourteen pages it proposes six clear themes for the Conservative Party's evolving agenda for the voluntary, community and social enterprise sectors. The paper does not contain manifesto commitments but signpost proposals are made for each policy theme.

## (1) FUNDSEEKING

A simpler, fairer deal for fundseekers;

## (2) ACCOUNTABILITY

Funds should follow the choices of people - not politicians;

## (3) VOLUNTEERING

Unlocking the skills and dedication of volunteers;

## (4) REGULATION

Government must work for charities - not charities for government;

## (5) MISSION

Social entrepreneurs - not government bureaucrats - should drive community regeneration;

## (6) REPRESENTATION

The 'sixty million citizens' agenda deserves a champion within the Cabinet.

# Summary of signpost policy proposals



(1) A single application form for fundseekers accessing Whitehall (page 9).



(2) A one-stop website promoting funding opportunities from Whitehall and related public agencies (page 9).



(3) Funding passports for voluntary groups belonging to accredited umbrella organisations or who have already been approved by one Whitehall department (page 9).



(4) Compensation for voluntary groups that receive very late payment from government (page 9).



(5) 'Charity choice' for Lottery players (page 11).



(6) Right for community organisations to assume ownership of local government and other public sector assets as 'Community Asset Trusts' (page 11).



(7) Option for recipients to gift universal state benefits directly to good causes (page 11).



(8) Greater use of matched funding arrangements - particularly to help poorer communities establish community endowments (page 11).



(9) Introduction of an 'Unfair Competition Test' to stop government usurping existing voluntary projects (page 12).



(10) Fair treatment for faith-based organisations and the introduction of a right to a non-religious 'care option' for people in need (page 12).



(11) Tax relief for donations to collection boxes and other spontaneous giving (page 12).



(12) Payment of volunteer bounty to charities addressing high priority social needs (page 15).



(13) A non-governmental Volunteers' Awards Programme to recognise exceptional voluntary effort (page 15).



(14) Introduction of Bureaucracy Busters to help start-up and other charities navigate and reform the government bureaucracy (page 17).



(15) A system of 'Mission Reward' to redirect the flow of public money and assets to community regeneration entrepreneurs (page 19).



(16) Establishment of an Office of Civil Society to deliver the 'sixty million citizens' agenda (page 21).

# A simpler, fairer deal for fundseekers

"Many charities spend hours providing information to one Government Department that they've already provided to other parts of Government. This duplication is a huge waste of time that could be given to the underlying compassionate work of charities."

Angela Sarkis,  
*Consultant to the voluntary and community sector*

"Charities welcome the increasing opportunities to work in partnership with the State but, as the Government has recognised, there must be consistent implementation at local level. Councils and Primary Care Trusts, in particular, need further encouragement to involve the sector in planning, to share risk equitably, to make a fair contribution to charities' core costs and to maintain a stable policy framework which enables their voluntary sector partners to invest with confidence."

David Senior, *Action Planning*

**Through a variety of innovative measures Conservatives would progressively depoliticise more and more funding decisions – breaking the unhealthy link between the political process and many NGOs. Increasingly public funding would flow towards causes that enjoy the support of three crucial groups of stakeholders: (1) donors or volunteers; (2) members of local communities; and (3) service users.**

Grant-making (and the award of service contracts) should continue to be an important way for government to fund the voluntary and community sector. Such funding is particularly important for so-called 'Cinderella' services that are unlikely to enjoy reliable popular support and that need long-term funding streams. But grant-based mechanisms can still be reformed so that they are less bureaucratic.

In our reforming efforts, Conservatives will build upon the principles in the *Compact* on relations between government and the voluntary sector. We share the sector's disappointment at its uneven application; particularly at local government level.

We are also aware of the discrimination that faces the sector when it is, for example, competing with other public agencies in bidding for public sector contracts. We will undertake a thorough review of contractual arrangements in order to understand the extent of current unfairnesses.

# Signpost proposals



## >> A single application form

A single application form across Whitehall departments would reduce all parties' transactional costs. This simplification would also reduce the tendency of the Whitehall bureaucracy to micro-manage the *processes* through which fundseekers address social challenges. Therefore, such a form would underpin the Conservative aim for a more *results*-based approach to awarding grants.



## >> One-stop fundseeking

A website promoting all opportunities for funding from Whitehall and related public agencies would provide a one-stop portal for fundseekers. The very process of creating such a transparent portal would encourage departments to pool and simplify funding streams for similar activities. The historical inability of Whitehall to deliver this oft-promised mechanism illustrates the inefficiency, complexity and duplication of the state's dealings with the voluntary and community sector.



## >> Funding passports

Application processes generally have two main functions. Firstly, they need to establish the competence, capacity and propriety of applicants. Secondly, applicants that successfully meet these initial tests then compete with one another to establish who would make best use of the available funds.

A presumption of competence and eligibility for fundseekers belonging to approved voluntary sector umbrella groups could be introduced to simplify the first stage. In order to become 'approved' - umbrella groups would have to demonstrate robust and objective membership criteria. Crucially, such groups would also need to show that they were not creating unfair 'barriers to entry' and that new voluntary groups could - through them - 'passport' to the second competitive stage of the public funding process.

In general, fundseekers that had satisfied one government department of their competence and capacity should not have to duplicate work when applying to another department.



## >> Compensation for late payment of grants

Government departments which are very late in disbursing grants to the not-for-profit sector could be obliged to pay compensation. Compensation arrangements would focus the minds of government departments on their contractual and moral responsibilities to voluntary sector grantees.

# Funds should follow the choices of people - not politicians

"Community foundations believe it is essential to help donors build endowed funds that help them address the local issues and causes that are dear to their heart. Community foundations are also ideally placed to act as vehicles to assist charities grow their own endowment and so enable greater sustainability and diversity in funding support."

Marion Webster,  
*Director of the Community Foundation Network*

"There is now a growing body of experience among development trusts and others that transfer of under-used assets to community organisations creates strong, self-help institutions. It achieves multiple benefits for local people - economic, social and environmental - thus creating wealth in communities, and keeping it there."

Steve Wylter, *Director, Development Trust Association*

Through a variety of innovative measures Conservatives would progressively depoliticise more and more funding decisions – breaking the unhealthy link between the political process and many NGOs. Increasingly public funding would flow towards causes that enjoy the support of three crucial groups of stakeholders: (1) donors or volunteers; (2) members of local communities; and (3) service users.

We want to reverse the growing tendency of many charities to look to the state for their funding. When politicians, or their bureaucracies, have direct control of public funds those causes that are politically-well-connected have an unfair advantage. A fairer outcome would be achieved by stakeholders such as:

- (1) the people who voluntarily give time and money to good causes;
- (2) the local communities that charities seek to serve; and
- (3) the people who use or depend upon the voluntary sector's work.

# Signpost proposals



## >> 'Charity choice' for Lottery players

There is increasing concern that National Lottery funding for good causes is becoming politicised. A growing proportion is being taken to pay for Government projects which have traditionally been paid for by the taxpayer. Other awards have been made to highly controversial causes. The result is that the public has lost confidence that the Lottery is being used to support genuinely good causes. Our green paper puts forwards two ideas for reform:

*\* We will examine ways of giving players a greater say over which causes benefit from Lottery funds, perhaps by enabling them to specify a local charity on the Lotto ticket or by turning it into a gift token that can be given to a local charity of the player's choice.*

*\* We will examine ways of allowing players to share prize money with charities of their choice in return for a better chance of winning.*

The first proposal would give Lotto players a choice about which good causes benefit from their money. The second proposal would increase choice *and* the total share of Lottery sales revenues going to charities.



## >> Gifting of universal benefits

This Green Paper proposes that people in receipt of universal benefits should be given the option of donating benefits - such as the state pension or child benefit - to charity.

In order to make this an attractive and value-for-money option for the individual *and* the taxpayer this gifting of benefits would have to take place for a minimum period. The individual's gift to a charity would then be topped up by the government with full tax relief.

We intend to consult on the terms of this possible gifting arrangement. What is a reasonable minimum gifting period? Should a gifted child benefit have to support a charity working with children or a disability payment to a cause helping others with disabilities or should the scope of gifting be freer? Should the benefit gift go to a fund for others to distribute or could it be given directly to a nominated cause?



## >> Community Asset Trusts

Conservatives would introduce a right for community organisations or entrepreneurs to first manage and then assume ownership of under-used public sector assets such as community halls, parks or vacant land.

This right of asset transfer would be subject to basic competency tests and a satisfactory declaration of how the asset would be open to full community use. The right would include not only the underlying asset but might also include an income stream proportionate to the liability cost of the asset to its current owner (eg a local authority).

On successful completion of an initial management contract (success criteria being defined by independent assessors) legal ownership of the asset could be transferred to what might be called Community Asset Trusts.

The asset(s) could be used by CATs as security for borrowing and accelerate a change of culture within communities from dependency on others to a culture of social entrepreneurship.

Once individual CATs proved themselves to be both competent and inclusive they could apply to manage and deliver other local public services - eventually running medical centres and schools for local neighbourhoods.

CAT status could be awarded to existing organisations that met CAT criteria without, for example, requiring them to change their legal identity.



## >> Matched funding focused on endowments for poorer areas

Where appropriate, government money should be increasingly used to match - and hence encourage - other charitable or private forms of giving. The generosity of matched funding awards could take into account each community's wealth and resources.

Endowments such as those built up and supervised by the Community Foundation Network are a particularly successful way of local communities building independent and long-term sources of funding for good causes. Matched funding awards could be used to lever the start up, or growth, of endowments serving particularly hard-pressed neighbourhoods.



### >> An 'Unfair Competition Test'

Crowding out behaviour by government that would not be tolerated in the commercial sphere should be equally unacceptable in the voluntary and community sector. There have been recent examples of not-for-profit enterprises being damaged – even closed – by government-sponsored initiatives.

Conservatives propose an Unfair Competition Test that will protect not-for-profits from being usurped by handsomely-funded government initiatives. Unless there is an overriding public interest in a new state-led model of delivery the Test would require development of initiatives within the not-for-profit sector.



### >> Tax relief for spontaneous giving

The people who collect money through, for example, collection boxes give very generously of their time and deserve greater recognition. That is why Conservatives will investigate the costs and mechanics of a presumption of automatic tax relief on all such spontaneous giving.

*Reducing the tax burden on charities and encouraging giving remain priorities for the Conservative Party. Apart from the proposal of recognition of spontaneous giving, it would not be sensible to propose a comprehensive tax agenda this far in advance of the next General Election. The charitable sector is one of the Conservative Party's priorities, however, and we are aware of the sector's disappointment at changes that Labour has made to ACT, in particular.*

*Conservatives will be consulting on the most effective ways of advancing charitable tax reform and we are aware that the sector is particularly interested in measures that might incentivise greater corporate responsibility and long-term giving.*

“Faith works. Across the UK, thousands of local churches - large and small - are consistently delivering sustained care for the young, the elderly, the lonely, the forgotten and the vulnerable. A wise government is one, which seeks to work proactively with churches, Christian organisations and other faith groups, by creating legislation that enhances their role - rather than hampers it.”

Steve Chalke, Oasis Trust



### >> Double protection for faith-based organisations and those in need of care

Britain's faith communities play a disproportionate role in tackling many social challenges but their basis of faith is often a reason for their exclusion from public funding opportunities.

The proposed Office of Civil Society (see theme six) would explore ways of ensuring fair treatment of faith-based charities (including in employment practices) and also protect service users' right to have an alternative to a faith-based social care provider.

# Conservatives and voluntary society (1)

Birmingham



"The Chief Rabbi has challenged us to break out of the stale market versus state arguments and think more freely: *"The Right may blame the State. The Left may blame the market. But neither diagnosis is correct. The road we have begun to travel, of economic affluence and spiritual poverty, of ever more powerful states and markets and ever weaker families and communities, cannot but end in tragedy."*

The fact is that the old policy levers are not enough. Hundreds of thousands of people living in hard-pressed communities are not being touched by rising stock markets, government initiatives and technological innovations. They lack the basic skills and confidence to take the opportunities presented by our times. They need a deeper more personal care that cannot be provided by the market or the state.

The way ahead must surely be the revival of all those people-sized institutions which stand between the individual and the state. These are the institutions that provide people with personal care and challenge. They help all of us meet life's greatest challenges. They provide us with our identity and a sense of belonging.

We want to see stronger local communities and networks of neighbourliness. That is what society is all about. We have been busy preaching the virtues of civil society to the old Soviet Bloc whilst at the same time our own civil society has been enfeebled. It has suffered from twin attacks from an intrusive state and the remorseless spread of commercial values into every corner of life.

I have long believed that the future for our party is as the party which stands for not just the individual on his or her own but the individual in voluntary association with others. Individuals need not just work together through the state or through a commercial enterprise. They can also do so through all the rich variety of civic institutions which have historically been one of the most distinctive features of our country."

DAVID WILLETTS MP

Extract from *'The Reality of Poverty'*, February 2002

West London



"In his Leader's speech to the Scottish Party Conference Iain Duncan Smith got to the heart of this state-society distinction between the Labour and Conservative parties. *"While Labour trusts the state, Conservatives trust people,"* he said. *"When Labour thinks of community - it thinks of politicians, committees and taskforces. When Conservatives think of community we think of the family, local schools, charities, and places of worship."*

The communities referred to by Iain include a wider society - a society that encompasses the professions, trade unions and universities. These are associations and institutions that flourish when they enjoy independence from the state. Society is characterised by a complex network of professional, voluntary and involuntary relationships. Professional relationships like a GP's relationship with his or her patients. Voluntary relationships like a mentor's care of an at-risk youth. And then involuntary - or covenantal - relationships like a mother's love for her son.

Society - and the relationships that hold society together - can be sustained by the state or they can be ignored and undermined by the state.

To sustain means to support from below. That is the Conservative vision: government helping to sustain a society that is a rich tapestry of active citizens, families, places of worship, dedicated professions and independent associations. Government must again become the servant of society. Only then will we be able to realise the mission that Iain Duncan Smith has given the Conservative party: the renewal of society."

Rt Hon OLIVER LETWIN MP

Extract from *'Sustainability and Society'*, July 2002

# Unlocking the skills and dedication of volunteers

"Far-sighted voluntary organisations will invest in volunteers. Volunteers bring new ideas to projects and help deepen an organisation's community roots. Care from a volunteer often has a much bigger impact on vulnerable people because of the very fact that it is freely given."

Luke Geoghegan, *Toynbee Hall*

**Volunteers greatly enrich the voluntary and public sectors.**

**Volunteers – particularly when properly trained and empowered – bring enormous energy and vitality to the personal care of vulnerable people.**

**This Green Paper proposes rewarding innovative and locally-inspired volunteer training programmes.**

Conservatives strongly believe in the inherent value of volunteering as a leading dimension of full citizenship. It should, therefore, be encouraged for its intrinsic value – as well as for its instrumental usefulness to both the public and voluntary sectors.

We do not want to devalue the importance of a still more professional voluntary sector; nor the need for its employees to be properly paid and enjoy full pensions provision. Nonetheless, increased rates of volunteering are essential if we are to build a culture of active citizenship and if we are to expand the sector's capacity to reach vulnerable people.

Many people struggling with addiction, loneliness or low self-esteem desperately need the reliable care of another human being and that cannot easily be provided by overloaded caseworkers. Conservatives want to encourage the voluntary and public sectors to greater consideration of what volunteers might bring to their work.

# Signpost proposals



## >> Volunteer Bounty

This Green Paper proposes the creation of a volunteer bounty (to the recruiting organisation) for every volunteer or mentor signed up to tackle certain social challenges and who becomes part of an accredited training programme. The value of the bounty might vary depending upon the field of service and the quality of the training programme.

Rather than one nationwide 'volunteer bounty' programme a greater number of local bids for imaginative use of allocated monies could be favoured. Conservatives believe that there is particular value in programmes that increase the quality of existing volunteering experiences. Cruder attempts to simply expand the pool of volunteers may bring less long-term and reputational gain to volunteering.



## >> Volunteers' Awards Programme

A non-governmental awards programme, analogous to the Duke of Edinburgh scheme, could be established to recognise exceptional voluntary effort, especially amongst young people, with winners receiving a cheque on behalf of a nominated charity.

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*Under theme (6) - below - the need for better data on trends in volunteering is acknowledged.*

# Government must work for charities - not charities for government

“As a small charity we find it very difficult to keep up with changing government regulations. It also takes a very long time to get answers from government agencies about issues facing our work. Often it’s not clear which officials or elected representatives we need to be talking to.”

Paulette Wilson, *The Tabernacle School*

**Too much of the energy of the not-for-profit sector is misdirected at working a failing system. A cadre of powerful new ‘Bureaucracy Busters’ would help charities and other good causes to first navigate the bureaucratic jungle and then eliminate counter-productive systems and regulations.**

Regulations impose huge burdens on business but they can be even more damaging to the not-for-profit sector.

Navigating the public sector bureaucracy - its regulatory and funding mechanisms - can be a daunting task for all charities, but particularly for start-ups. Relating to government can also be a huge distraction from the motivating mission of the charity. The work of good causes is frustrated by inappropriate regulations or by over-zealous and risk-averse interpretation of rules. This effect of over-zealous interpretation is hugely underestimated as a problem. Until civil servants face a different set of incentives it will be a problem that will only intensify.

Relevant government agencies often fail to communicate with each other and can present not-for-profit organisations with conflicting and/ or very delayed advice and judgements.

# Signpost proposal



## >> Bureaucracy Busters

Some charities and social entrepreneurs testify to the crucial intervention of a minister or senior civil servant in breaking a bureaucratic logjam. But many good causes lack such a contact and such useful individuals invariably move on to new positions. The bureaucracy-busting role that currently tends to only come through the cultivation of a high level political connection could be institutionalised.

“Bureaucracy Busters” – as they might be called - would have full authority to navigate the bureaucracy for start-up charities and projects. Bureaucracy Busters would (a) curb over-zealous application and interpretation of regulations by risk-averse officials and (b) would have the powers to require fast communication and decision-making across government departments.

But the “Bureaucracy Busters” would not just have a navigational role. They would also produce regular public recommendations of regulations that should be eliminated in order to simplify the work of the not-for-profit sector.

“Bureaucracy Busters” could work in teams with charitable, business, legal and government experience. Teams would be resourced in proportion to their success in both their navigational and deregulatory roles.

# Social entrepreneurs - not government - should drive regeneration

"Community-based groups that have the confidence of local people, perceive themselves to be, routinely ignored in the planning of government services. Governments of all political colours don't appear to trust local people to deliver improved services for themselves and their neighbours."

*Sandy Weddell, Easterhouse Baptist Church*

"We are now living in an enterprise culture. This has important implications for the business, public and voluntary sectors. This culture demands a more entrepreneurial response to the public services. The old ideological responses of many in the establishment must now give way to the more practical message of the social entrepreneur. Many of these practitioners are now developing partnerships with the business community. What matters now to local communities is who can provide them with the best service - not which of the three sectors is running it. The voluntary sector needs to get its skates on if it is to compete in this new social market place."

*Andrew Mawson,  
Executive Director, Community Action Network*

**This Green Paper proposes turning the current approach to community regeneration upside down. Because government money is only available for tightly-defined purposes it can encourage mission creep – the diversion of promising community enterprises from their start-up goals and activities. A new system of ‘Mission Reward’ would reverse this ‘mission creep’ and direct the flow of public money and assets to social enterprises that are successfully delivering sustainable community renewal.**

Many community-based organisations struggle to grow beyond their early success. The initial enterprise that led them to set up a drop-in or youth centre, for example, is never recognised or developed. They find themselves frustrated by a system that lacks the vision to look beyond their current activity and see their potential. Government funders tend to only see them as narrow service providers rather than as enterprising, community-minded people with the potential to bring new thinking and fresh life to other community services. Tenure insecurities also frustrate such organisations' potential - limiting options with regard to establishing trading operations, borrowing and eligibility for certain funding streams.

Finding that there is no public money available for the development of their foundational mission such groups often find that they can only grow by chasing funding for activities that only loosely relate to their core mission. This leads to serious problems of mission distortion – a problem severely exacerbated by the frequency with which government changes its own mission priorities. A group that reshapes itself to serve government priorities then finds funding for its new identity drying up and leaving the organisation with no option but to again chase the government's latest whim.

Funding for community regeneration must be transformed. Public funding awards and asset

management strategies must reward – not control - the mission of community-minded enterprises.

The aim would be to reward the mission of creative community groups that sustainably deliver neighbourhood renewal and community services. Proven successes would win an escalating series of presumptive rights to public funding, control of public assets, and the opportunity to improve delivery of publicly-funded local services.

## Signpost proposal



### >> Mission Reward

'Mission Reward' status would offer a radical alternative to the bureaucratic approach to community regeneration pursued by Labour. Community entrepreneurs - whether faith leaders, charities, headteachers, local business people, housing managers or free citizens - who earned 'Mission Reward' status would become part of a holistic mechanism for tackling social need, job creation and the delivery of public services and/ or community regeneration.

'Mission Reward' organisations could be accredited by intermediary groups with practical experience of community regeneration. These accreditation agencies would themselves receive funding in proportion to the success of their client enterprises.

There would be no prescribed constitution for a organisation seeking 'Mission Reward' status. It would not have to meet pre-determined criteria but would need to satisfy an accredited intermediary as to:

- (1) how its mission served community goals;
- (2) how it would be accountable to its stakeholders (a mix of donors, the local community and/or service users); and
- (3) how it would achieve a mixed and sustainable funding portfolio.

An ascending system of 'Mission Rewards' could then include:

- (a) Automatic receipt of regeneration monies and volunteer bounty awards.
- (b) Support from a team of Bureaucracy Busters.
- (c) The right to apply for ownership of a community asset or assume delivery responsibility for a public service. [See earlier proposal under theme two.]
- (d) Guarantees for borrowing for capital investment.

All 'Mission Reward' costs could be met from existing regeneration and related budgets.

# The 'sixty million citizens' agenda deserves a champion in Cabinet

"A key challenge facing both future governments and the voluntary and community sector, will be to develop robust partnerships that create both the capacity and resources to enable VCS organisations to deliver effective public services."

Campbell Robb,  
*National Council for Voluntary Organisations*

**A new Office of Civil Society - championed by a Cabinet minister - would champion the 'sixty million citizens' agenda that emerges from this Green Paper-led consultation.**

Over the last six years a constantly changing cast of Labour ministers for the voluntary sector has not served the sector reliably. This has often meant that the sector has been under-represented and overlooked when important initiatives are developed. It is no longer acceptable for a third-tier unit within the already stretched Home Office to take responsibility for coordinating policy. The voluntary sector is too important a part of our democracy and too central to the causes of social justice, public service delivery and community cohesion for this situation to continue.

# Signpost proposal



## >> An Office of Civil Society

An Office of Civil Society reporting to an existing Cabinet minister would promote the agenda that will emerge from this Green Paper and the Conservative Party's wider consultations with the voluntary sector.

The Office would co-ordinate best practice across Whitehall departments and liaise with local government, other public sector agencies and the commercial sector on hot issues such as (1) the not-for-profit sector's access to insurance cover and (2) whether employees of charities providing key services should be regarded as 'key workers' in housing allocation policy.

The Office would facilitate a greater number of secondments between the public and third sectors and fund pilots of innovative funding mechanisms - including voucher-based arrangements.

The Office would coordinate funding of much needed academic research into the extent and effectiveness of the sector and its constituent parts. This would include evaluation of the potency of alternative approaches to social need, the production and compilation of information on much of the sector's scale, trends in volunteering and detailed cost comparisons of different funding mechanisms. The fact that so much voluntary sector activity goes unrecorded often leads to it being overlooked by policy-makers.

As a sign of the importance that the Conservative Party attaches to this Green Paper's agenda we intend to establish a shadow Office of Civil Society now. Reporting to a member of the shadow cabinet this shadow office would:

- (1) oversee the consultation flowing from this paper;
- (2) initiate parliamentary debates on the intrinsic as well as the instrumental value of volunteering and the voluntary and community sector;
- (3) liaise with Conservatives in local government about implementing elements of this agenda now; and
- (4) support other shadow cabinet members in their commitment to invite the sector to play a greater role in, for example, public service delivery and providing young people with exits from the conveyor belt to crime.

## Postscript

This Green Paper does not pretend that government action can restore a culture of active citizenship. People's sense of duty to each other - to their families, neighbours and society - flows from deep religious, cultural and historical springs.

The Conservative Party's voluntary sector consultation process - that this Green Paper is a major part of - intends to find ways in which government can actively help the voluntary sector - sometimes by simply getting out of its way. We wish to examine the extent to which government can provide social networks with opportunities and resources to grow. Resulting policies must always reinforce and protect the 'VALID' qualities identified on page 5. In formulating policies - and then piloting them - our top priority is to avoid any 'nationalisation' of charity or of compassion.

Where others want to tell the voluntary sector what to do, we want to give it the freedom and opportunity to be all that it can be. This does not absolve politicians of responsibility. Indeed, it will take a great deal of political will to remove the obstacles to a renewed society. Conservatives possess that will and we hope that voluntary organisations of all shapes and sizes will guide our efforts. In particular, we encourage readers to respond to this Green Paper and page 24 - the back page - lists the contact points for doing so.

# Consultations to date

Over the last two years the *Renewing One Nation* policy team at Conservative Central Office (founded by Sir Stanley Kalms) has met over one hundred representatives of the voluntary, community and faith-based sectors within Britain. It has also consulted a variety of international thought-leaders in civil society policy development.

Other members of the Conservative frontbench have also been meeting with third sector leaders and trail-blazing organisations. These include:

- \* The involvement of poverty-fighting organisations in the 'One Nation Hearings' overseen by David Willetts MP;
- \* Oliver Letwin MP's seminars with third sector groups helping young people escape from 'the conveyor belt to crime';
- \* Charles Hendry MP's consultations with voluntary organisations working with younger people;
- \* A conference organised by John Baron MP and Liam Fox MP for volunteer organisations specialising in healthcare; and
- \* Caroline Spelman MP's fora with international development NGOs.

Since the start of 2003 the individuals and groups (listed alphabetically below) have kindly participated in the discussions that have immediately led up to the production of this Green Paper. Their freely-given time and co-operation is greatly appreciated. All strengths in this report are due to their wisdom and experience but the overall responsibility for this report's proposals rests entirely with the Conservative Party.

1. Victor Adebowale, Turning Point
2. Mike Ainsworth, Prince's Trust
3. Fran Beckett, Church Urban Fund
4. Andrew Billington, Jack Petchey Foundation
5. Stephen Bubb, Association of Chief Executives of Voluntary Organisations
6. Clare Brooks and Marion Webster, Community Foundation Network
7. Dr Justin Davis-Smith and Dr Steven Howlett, National Centre for Volunteering
8. Bryan Dutton, Leonard Cheshire
9. Stuart Etherington and Campbell Robb, National Council for Voluntary Organisations
10. Diana Garnham, Association of Medical Research Charities

11. Luke Geoghegan, Toynbee Hall
12. Baroness Hanham, former Leader of Kensington and Chelsea Borough Council
13. Neil Jamieson, The East London Communities Organisation
14. Steve Johnson and Gareth Kingston, Advice UK
15. Harbinder Kaur and Steve Wyler, Development Trust Association
16. Michael Lake, Help the Aged
17. Robert Leader, St Dunstan's
18. John Low, RNID
19. Andrew Mawson, Community Action Network
20. Ed Mayo, New Economics Foundation
21. Denise Murphy, Retired & Senior Volunteer Programme
22. Foster Murphy, Abbeyfield
23. Nathan Oley, Faithworks (Oasis Trust)
24. Kate Parminter, Council for the Protection of Rural England
25. Bob Reitemeier, The Children's Society
26. Eve Richardson, National Council for Hospice and Specialist Palliative Care Services
27. Angela Sarkis, consultant to the voluntary and community sector
28. David Senior, Action Planning
29. Rev Michael Shaw, John Grooms
30. Joanna Thompson, Care Centres Network.



## Conservatives and voluntary society (2)



Only very strong people can overcome adversity alone. Too many people who get into difficulties in today's Scotland have nowhere to turn for help. These difficulties may be of the person's own making or they may be a product of misfortune. But whether the difficulty is drug addiction or criminal behaviour or whether it is bereavement or sickness - we need to do more to prevent a life shock from becoming a life crisis.

All over Scotland there are charities and good neighbours who are helping a family deal with a debt problem or who are mentoring an at-risk schoolchild. There are faith-based groups and self-support groups providing friendship to the very elderly or comforting those suffering from terminal illness.

It is often the smaller, locally-rooted groups that are the most innovative and personally compassionate. They are often led by local people who understand local needs. They are values-based. They see people as neighbours rather than as clients. These groups tend to be peopled by men and women who have deep experience of the problems they are tackling.

These networks of good neighbours are not equipped to meet every social challenge but too often they are shut out from current bureaucratic and politically correct funding arrangements. That must change. A priority for Scotland's Conservatives will be to channel financial and other resources to the good neighbours of Scotland...

Only increasingly professionalised groups with close connections with the Labour establishment succeed in winning significant grants. These professionalised groups have an important role to play but we must not neglect the innovative, localised and values-based compassion I want to see flourish.

DAVID McLETCHE MSP

*Extract from 'New weapons in the war against poverty',  
May 2002*



"The voluntary and charitable sector play a vital role in service provision in this country and abroad. In my role as Shadow Secretary of State for International Development I have been privileged to visit charitable and aid agency projects in India, Pakistan and parts of Africa. Each time I am struck by the success of these projects and the commitment given to enable local people to become self sufficient and to pull themselves out of the endless poverty cycle. But more always needs to be done.

In the House of Commons I have hosted two forums for aid agencies on fair trade and humanitarian contingency planning for Iraq to find out what is needed from the experts and people who have real experience of working in those countries we are trying to help. It is these organisations who are most efficient at delivering aid and getting it direct to the people. It is their work and experience which helps formulate our policy on getting aid quickly and efficiently to those most in need. Conservatives are committed to contributing more of our aid budget through the charitable sector."

CAROLINE SPELMAN MP

# Responding to 'Sixty million citizens'

If you would like to respond to the proposals or philosophy of this Green Paper please do so before the end of August 2003.

Please use any of the following contact points:

*The Office of Civil Society  
The Conservative Party  
32 Smith Square  
London SW1P 3HH*

020 7 984 8160 (t)

*civilsociety@conservatives.com*

Further copies of the report can be downloaded from  
[www.conservatives.com](http://www.conservatives.com)



## A fair deal for everyone

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no-one held back