


RESPONSIBLE REFORM

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Open Public Services for All



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Centre for Local Economic Strategies (CLES)

Established in 1986, the Centre for Local Economic Strategies (CLES) is an independent think-doing organisation and network of subscribing organisations involved in regeneration activities, local economic development and local governance. CLES is involved in a number of activities, including: policy research; information and briefing service; events and training; consultancy trading arm; and policy advice function. CLES is a national organisation, with our work supporting regeneration and local economic development in localities across the United Kingdom. CLES has recently acquired New Start magazine and launched a new online service; increasing our capacity to disseminate research findings and policy messages to a wide audience of policy-makers and practitioners across the economic/community development and regeneration sector.

North West Infrastructure Partnership (NWIP)

The North West Infrastructure Partnership (NWIP) is a partnership of 28 regional and sub-regional voluntary and community sector infrastructure organisations who come together to provide a coherent voice for the voluntary and community sector at regional and national level. It is facilitated by Voluntary Sector North West (VSNW).

Voluntary Sector North West (VSNW)

Voluntary Sector North West (VSNW) is the regional voluntary sector network for the North West. The purpose of VSNW is to ensure that the voluntary and community sector (VCS), in all its diversity, takes its full part in shaping the future of the North West. VSNW members provide community services, regenerate neighbourhoods, support individuals, promote volunteering and tackle discrimination.

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From Neil McInroy, Chief Executive of CLES, and Richard Caulfield, Chief Executive of VSNW

This publication sets out our manifesto for the continued consideration of equality in public service reform. Equality is the means by which we can draw together a responsible and radical reform of public services with empowered communities and citizens; and which will improve efficiency, effectiveness, and performance.

At the heart of a range of government ideas and policy developments relating to localism, big society, welfare, health and economic growth, is an overarching reform of public services and how they are designed and delivered. The Coalition Government has consistently led the reform debate under a banner of fairness. This publication, based on extensive primary research, should be read as a wake-up call for national and local government and to all those with an interest in public service reform to how current policy direction impacts on equalities and, without mitigating action, could create a greater increase in inequalities across our communities. These inequalities will be both economic and social.

The research which sits behind this publication has found that this reform agenda lacks a consideration of equality, equality groups, equality of opportunity and, most importantly, responsibility.

The history of the equalities agenda (culminating most recently in the Equality Act 2010) is one of necessary progressive improvements, protection, and assurance of the legal and procedural basis to equality within our public services. This history is

something to be proud of and one we should cherish. However, in the maelstrom of reform, ongoing public sector cuts, and the tangible shift in tone from equalities to 'fairness', we are seeing equalities dropping down the agenda. This is reflected in real life impacts upon people and a weakening of the concept of, and commitment to, equality of opportunity.

We argue that equality and fairness are not the same thing, but can be entwined to bring in a new era of responsible reform. This is not the right time to throw out our equalities inheritance but to modify it for public services that are truly open for all.

“When we most need a thriving dynamic economy capable of taking on the world, why would we sacrifice our own capacity to be diverse, united and strong?”

The Government has laid out its public sector reform principles in the Open Public Services White Paper: choice; decentralisation; diversity; fairness; and accountability. However, this publication shows that across the range of principles there is a growing set of negative impacts on equalities. **Choice** is being eroded as specialist focused services are being removed. **Decentralisation** is undermining equalities infrastructure groups. **Diversity** is being eroded through cuts, which are fettering the ability of voluntary and community groups to influence service provision. **Fairness** and access to services is questionable, where equalities groups are experiencing cuts. **Accountability** is being eroded as many



**Richard Caulfield (above left);
Neil McInroy (above)**

equalities networks and consultative groups are in decline.

There is a pressing need to consider and support communities who do not have access to mainstream services and ensure their voice is heard and woven into ongoing reform. We must not see decades of progress in equalities being squandered or eroded through hasty or ill thought through changes. Therefore, this work asks key questions of government which it must answer; and it sets down, in broad terms, what the bare minimum for equalities should be in regards to local service commissioning. It

also advances aspirations of what the stretch conditions for greater equalities should be moving forward.

We conclude by setting out our organisations' manifesto for the active consideration of equality in radical, responsible reform. In this reform, there are key roles for central government, service commissioners, the voluntary and community sector, and communities. Our aspiration is to wed equality of opportunity firmly to responsible public service reform. If this aspiration is not met the economic and societal costs will be significant.



The shifting policy rhetoric

For a decade, we have seen the development of an equality and human rights framework across the United Kingdom that has been concerned with delivering equality of opportunity, fair and equal services, and anti-discrimination. Although the Conservative-Liberal Democrat Coalition, as elected in May 2010, has given its support to this agenda through its Equality Strategy¹, there are growing concerns that the policy framework currently being pursued by the Government represents, at best, a weakened commitment and, at worst, a retreat from equality as a central aim of government policy.

Since coming to power in May 2010, the Government has introduced a range of policies that have been designed with the aim of reforming the relationship between the centre and the local, and to change the way public services are delivered. The notions of localism and big society, and associated reforms around welfare, health and economic growth, represent a transformation of the public policy arena, with reform taking place at an unprecedented pace and scale. Most recently, these policy areas have been supplemented by the Open Public Services White Paper²; an emerging blueprint for service reform and provision. Alongside the notions and reforms identified above has been a major austerity programme which has sought to reduce national debt and make stringent cuts to public expenditure.

From 'equality' to 'fairness'

Whilst there has been much debate about the Coalition's approach, relatively little has been said about what current policies mean for equalities. In the maelstrom of restructuring across the public and voluntary and community sector, there is a real and growing concern that equalities issues are slipping off the agenda. It is clear that there is a questioning of the equalities agenda within government and this has been characterised by the Government's own use of language, talking increasingly of fairness rather than equality. Alongside this, there has been a decline at the central level in the importance placed on the equality impact of policies and their consequences. In particular, there are real concerns about:

- the adequacy of emerging policy vehicles for the promotion of equalities;
- the leadership from government and the apparent re-emergence of a one size fits all philosophy;
- the ability of the Government and public bodies to comply with new equalities duties introduced in the Equality Act 2010³;
- the disproportionate impact of the cuts on voluntary and community organisations which may undermine the promotion of equality of opportunity;
- the adverse impact of aspects of the Localism Act⁴ upon equalities.

Reinvigorating equalities

All of the above has implications for the voluntary and community sector, particularly those organisations which represent and

provide specialist services for various equality groups. It also has implications upon the whole notion of equality, equality groups and the associated legislation of the Equality Act 2010.

Over the course of the last year, the North West Infrastructure Partnership, the Centre for Local Economic Strategies and the Centre for Local Policy Studies have been undertaking research work in the North West to explore exactly what the impact of emerging policy is going to be on equality groups and issues. Our aim has been simple: to demonstrate the impact and reinvigorate the interest in equality of opportunity and provision.

The results of the research undertaken through comprehensive literature review, focus groups, questionnaires with equalities focused voluntary and community sector organisations, and area based case studies, do not tell a pretty story. There has been key stripping away of specialist services, governance mechanisms and knowledge, leaving demonstrable growth in inequality as opposed to equality of opportunity.

Our research concluded with three key statements:

- there is a clear need for robust systems to be in place that can measure and monitor equalities impact;
- there is a clear need for representative, accountable and community involved service provision;
- policy change is having a significant and unequal impact on service provision and inclusion and this must be redressed.

Unless recognition of these statements is forthcoming, the UK is in danger of service provision becoming more and more unequal, hence exacerbating inequality. In our research, we made the call for a new framework for social justice to be created; something which policy makers and providers must consider in every single service delivery decision. Our research is therefore not just about equalities but about responsibly reforming how public services are created, commissioned and delivered, with an emphasis upon all communities.

This publication sets the foundation for this social justice framework by detailing the equalities and social justice conditions that commissioners should have at the heart of every service delivery decision. The conditions have been drawn from our critique of the equalities focus of emerging policy around localism, big society, welfare, health and economic growth; and the bare minimum requirements of the Equality Act 2010. We also highlight the conditions that we feel go beyond the bare minimum and should be core to service commissioning. The conditions of equalities and social justice in service provision are framed within the five core themes of the Open Public Services White Paper which are as follows:

- choice;
- decentralisation;
- diversity;
- fairness;
- accountability.

Over the course of the last eighteen months, we have seen a period of significant policy making, including ideological notions, white papers and legislation. Prior to exploring the equalities impacts of these policies in more detail, we firstly highlight their overarching objectives.

Localism

Since the election in May 2010, the Coalition Government has presented a strong rhetoric of decreasing the centralist and bureaucratic nature of policy, service delivery and governance structures, and implementing a new era of locally defined and delivered services, which are driven by the needs of communities. Strongly linked to the notion of big society, this concept has become defined as 'localism'. It suggests a greater role for local people, the voluntary and community sector, and local government in service design and delivery. The Government's policy commitments around localism were cemented in the Localism Act and are based around six themes:

- reduce bureaucracy;
- enable communities and local government to take action;
- increase local control of public finance;
- open up public services to a broader range of suppliers;
- open up public finances to public scrutiny;
- strengthen accountability of local people.

Big society

The idea of big society was developed in one of the first policy documents of the Coalition Government 'The big society, not big government: Building a big society.'⁵ It states that the aim of the big society notion is to create a society where power and control are decentralised and people are empowered to solve their own problems within their communities. The Coalition Government have presented the big society and associated localism as a move away from top-down state run bureaucracy, which they consider to have eroded social responsibility and subdued social action. The notion of big society focuses on three policy areas: public service reform; empowering communities; and social action.

Welfare reform

The basic premise of the Government's welfare agenda is to reduce benefit dependency and ensure more people are in work and contributing to the productivity of the UK economy. To reach this premise, the Government has adopted a string of policy interventions which reduce the scale of benefits, provide employment support, and reduce the specialist and individualised nature of previous employment programmes. These policy areas are largely detailed in the Welfare Reform Bill⁶. Operating alongside the welfare reform proposals described above is the Work Programme, which is the centre piece of plans to reform welfare to work delivery activity, replacing all existing provision into a single integrated programme.

Health reform

The Coalition Government has set out plans for a major health and social care reform in the Health and Social Care Bill⁷. These plans will have a significant and far reaching impact on the way in which health and social care is organised and delivered through the NHS and local authorities, and will have an impact on a broad range of partnership agencies. The Bill is based upon fundamental principles to change structures and devolve powers to GPs and local authorities through new arrangements and boards.

Economic growth

The primary emphasis of the Government's approach to economic growth is through supporting private sector business to develop and grow. The focus is therefore upon putting in place the conditions to enable enterprise to develop and flourish (such as through Enterprise Zones) and in reducing the bureaucracy associated with business development (such as business rates). Equally important for the Coalition Government has been the enhanced role of business in the stewardship and development of localities. Local Enterprise Partnerships (LEPs) have emerged as the key vehicle for facilitating this engagement, often through the auspices of the Chambers of Commerce.

Open Public Services White Paper

The Open Public Services White Paper effectively brings together the notions of big society and localism, and sets the overarching principles for the reforms of welfare, health and economic growth focused service provision, as outlined above. The White Paper effectively rejects top-down government led approaches to service delivery by opening service delivery up to a range of providers. The White Paper sets out five key principles for modernising public services, which are as follows:

- **choice** – wherever possible we will increase choice;
- **decentralisation** – power should be decentralised to the lowest appropriate level;
- **diversity** – public services should be open to a range of providers;
- **fairness** – we will ensure fair access to public services;
- **accountability** – public services should be accountable to users and taxpayers.



The key messages of our research



Our research across the North West explored the impact of emerging notions and reforms upon equalities issues and equalities focused voluntary and community sector groups. The following were the key conclusions of the research.

Research messages

The emergence of the policy reforms identified above has come at a cost

The policy developments have been developed without sufficient consideration of equalities issues and equalities impact. The Equality Impact Assessments undertaken by central government are patchy, often without sufficient regard to the legislative elements of the Equalities Act 2010. Indeed, the whole notion of equalities appears to have taken a step backwards in emerging central policy and as a core value. The language has indeed moved from equality towards fairness, suggesting a weakened commitment to equality and people.

New forms of representation are weak and exclude certain groups

Localism places emphasis on community and there was real concern that this value on geographic community would lead to a weakening of involvement for protected characteristic interests, such as Black and Minority Ethnic (BME), disabled, and lesbian, gay and bisexual groups. Involvement and engagement are important in governance to secure scrutiny and accountability, but also there are benefits of involvement in

the processes for implementation. Greater consideration needs to be given as to how people can be involved in the implementation of programmes and the design of services in order that they are more effective and responsive to needs.

Cuts are damaging voluntary and community sector capability to deliver big society

The Government has placed great importance on the big society and its contribution to changing the relationship between the state, the individual and society; however we cannot view this laudable aim without viewing it as taking place in an era of cuts. Our evidence suggests that the austerity measures that have been introduced, and the way that these are feeding out through local government and the NHS, are not leading to the development of a big society; instead we are seeing a closure and reduction in capacity within the voluntary and community sector. This work has found that these changes are having a negative impact on equalities in many localities. Many smaller and equalities focused organisations have already closed; there is therefore a great danger that existing capacity to support the big society and the growth of volunteering will be lost. Larger voluntary and community sector organisations may benefit, but the sector may be transformed in a way that fails to meet the big society vision.

Welfare reform is having a negative impact on equality groups

This research has found that benefits and services are being reduced in key areas that negatively affect some equality groups and individuals. Disabled people and women identified themselves as being in the frontline for benefit reform and reductions in services. BME, lesbian, gay, bisexual and trans groups were concerned that specialist services which supported their effective citizenship through advice, information, training and access to the labour market would be lost or reduced. Overall, particular groups of people were experiencing inequality because the new policy framework is liable to reinstate patterns of exclusion and discrimination. This erodes the work of successive equalities legislation that has been attempting to overcome these problems over the past decade.

The implementation of government policy is disproportionately harming the most excluded

Throughout the focus groups, there was recognition that social and economic deprivation was aggravating barriers to engagement. The socio-economic duty was dropped from the Equality Act 2010, but economic and social deprivation remains an added barrier for equality groups, and its effects intersect with the other barriers to equality experienced by people. Rather than tackling poverty, deprivation and inequality, we would argue that there is a hardening and deepening of inequality amongst equality groups and people due to both the current economic environment and policies.

A real threat to equalities organisations in the voluntary and community sector

There are a wide range of organisations that contribute to equalities, some providing specialist services for a particular group within a local area, some providing a regional service supporting local needs, and some providing a general commitment to equalities across a wider service. Because of the nature of these services and the communities that they serve, many of these organisations have operated through grants or exist as mutuals.

These specialist services have been particularly vulnerable to cuts in small grants and they are more likely to need the support of infrastructure bodies to support their continued survival. The evidence from this work shows that these organisations are coming under increased pressure as demand for their services increase. This pressure on organisations was particularly expressed through disability organisations, BME, lesbian, gay, bisexual and trans organisations, but also organisations such as Citizens Advice that provide services across the equality groups. Beyond this, there is a very real and growing deficit in the capacity of organisations to properly participate in the new governance structures and hold bodies to account. If equalities are to be effectively supported within these structures, funding mechanisms to support this sector will need to be addressed.

The reforms have an economic impact for equality groups and for the regional economy

The economic impact of the reforms will have a disproportionate effect upon equality groups through benefit cuts, reductions in grants to the voluntary and community sector, and

through increased unemployment amongst equality groups. The overall effect of these impacts will have consequences within the North West economy, especially in areas of greatest social deprivation. There is a need for measures to counteract these negative effects both for equality groups and for the regional economy as a whole. The reforms to the Economic Growth agenda, led through LEPs do not contain measures in their current guise that would be capable of addressing these issues.

Research conclusion: Towards a social justice framework for open public services

The research project has clearly demonstrated the important inter-relationship between equality and diversity practice, and the role of the voluntary and community sector. Already, we have seen how current policy changes threaten to weaken the voluntary and community sector's role, with consequential effects on equality and diversity. These observations have been used in the development of recommendations to commissioners of public services, to encourage them to understand and take into account the voluntary and community sector and, importantly, equality issues in the commissioning/procurement of public services.

These broader considerations are consistent with the requirements of both the Equality Act 2010 and the Public Services (Social Value) Bill⁸. The equality duty was created by the Equality Act 2010 and replaces the race, disability and gender equality duties. The duty came into force in April 2011 and covers age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief, sexual

orientation, and marriage and civil partnership. The General Equality Duty requires that public authorities should pay due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between different groups;
- foster good relations between different groups.

Under the general duty there is an obligation to analyse the effect of policies and practices, including the analysis of procurement and commissioning policies, if they are relevant to the aims of the duty. Public authorities are therefore advised by the Equality and Human Rights Commission that, to help them meet the duty, they should embed equality considerations into their corporate strategies or policies on commissioning and procurement. This will ensure that relevant equality issues are taken into account when undertaking these functions. It is required that equality considerations be taken into account when services are being de-commissioned, as well as in the commissioning of new ones.

The commitment to equality should be reinforced by the proposed provisions under the Public Services Bill, which requires authorities to consider:

- how what is proposed to be procured might improve the economic, social and environmental wellbeing of the relevant area;
- how, in conducting the process of procurement, it might act with a view to securing that improvement.

Combined, these provisions can support the proposals that are made here to consider

equality and the effects on equality groups alongside the implications for the voluntary and community sector.

NWIP and CLES would argue that, as the Open Public Services White Paper moves towards legislation, it needs to take stock of this impact and proceed in a way which is socially just and equal. To do this, we highlight against each of the themes of the White Paper the implication previous policy changes around localism, big society, welfare reform, health reform, and economic growth have had for equalities issues. We outline key questions for central government around:

- the themes based on the evidence of our research;
- the bare minimums service commissioners **need** to be considering in light of the Equality Act 2010;
- the conditions we think service commissioners **should** be considering.



‘Where possible we will increase choice.’

The evidence of equalities impact

Our analysis from the North West revealed that other policy notions and reforms **had not** increased choice. Instead, there had been a key reduction in specialist services as a result of cuts, the notion of big society, and programmes such as the Work Programme.

A reduction in specialist services

Because of the widespread cuts in funding that have taken place, or are anticipated within the voluntary and community sector as a result of the Government’s austerity programme, the issue of funding cuts was high on the agenda of the voluntary and community sector in the North West. Rather than having a positive impact upon voluntary and community sector group finances, big society for many is actually reducing and hindering access to funding, particularly through grants. The feeling was that cuts and the notion of big society were having an effect in a number of ways:

- they were affecting some services directly: youth services, health and social care and advice services were seen to have been particularly affected;
- with the main sources of future funding coming through contracts, local, well established groups were potentially threatened by competition from large voluntary and community sector organisations and from the private sector;

- smaller voluntary and community sector organisations that supply niche and equalities group specific services, dependent both on volunteers and small grant funding to maintain their operations, were threatened by the loss of funding.

For the equalities focused voluntary and community sector, these problems were seen to have particularly damaging effects. The move to a single Work Programme, and wider associated public expenditure and funding cuts, has seen the streamlining and, in many cases, closure of specialist employment support services for communities of interest. This has significant implications:

- there is the loss of voluntary and community sector organisations which have the specialist knowledge required to support people into employment opportunities;
- the Work Programme is generic in its offer and largely run by large private sector contractors, and some voluntary and community sector sub-contractors. The notion of payment by results means the risks associated with the Work Programme have prevented specialist employment support organisations from becoming a sub-contractor.

The key questions for central government

- How can we ensure that choice driven change reflects the diversity of local service needs?
- How can the development of local markets, that reflect need and choice, be supported?
- How will we know that choice is making services more responsive to all local people and to local needs? How will we know that public money is being spent in the best way?

The bare minimum for service commissioning at the local level

- Choice in service provision needs to be evaluated for all groups of people in pre-tender planning. A plan to maximise choice for all groups included.

Our conditions for service commissioning at the local level

- Identify gaps in provision with representatives from all equality groups.
- Consider how the voluntary and community sector contributes to choice and consider how they can be included in the tender.
- Ensure that contract specifications are designed to maximise choice amongst equality groups.
- Consider innovative approaches that encourage local specialist provision.



‘Power should be decentralised to the lowest appropriate level.’

The evidence of equalities impact

Our analysis from the North West revealed that other policy notions that had adopted decentralist approaches **had not** necessarily enhanced equality consideration. Instead, there had been a key reduction in equalities considerations as a result of changing geographies of delivery.

Dilution of the regional tier

The localism and big society agendas have been a core driver in removing the regional tier of governance and funding in England. The Regional Development Agencies (RDAs) have been particularly effective in championing equalities and supporting agendas around BME and women’s enterprise development and sustainability. There has also been a general recognition within the RDAs on the importance of equalities; indeed the North West Regional Development Agency (NWRDA) had a dedicated equalities team.

The dilution of the regional tier also has implications for equalities strands where it has been historically difficult to develop and sustain local specialist organisations. This has been particularly prevalent for lesbian, gay and bisexual communities where services have often been provided at a regional or central level with outreach support. Local or neighbourhood level services are often simply not cost effective, meaning that the drive towards localism will see vital regionally

administered activities threatened, and a lack of local capacity to pick up the challenges and needs of communities.

Equalities role weakened through focus on neighbourhoods

A central tenet of the big society agenda is the focus on neighbourhoods as a basis for organising. This approach will shift the focus of community towards neighbourhoods and away from a notion of a community based on common interest or common identity, which lies at the heart of the equalities sector. Accompanying this is a shift from equalities to fairness. The implications of this are that resources will be focused on neighbourhoods rather than equalities, and the representation of equalities based groups will decline.

The shifting focus towards neighbourhoods carries further threat to individuals and groups seeking representation within the new structures of localism and the big society, whether they be in the Work Programme, the health and social care reforms, local government or LEPs. The shift from equalities to fairness, the cuts in public expenditure, and the notion of big society also represents a destructive change in the amount of equalities knowledge and specialism which has built up in the North West over the last twenty years. As a result of these policy measures, this knowledge and specialism is simply being evaporated.

The key questions for central government

- How can different communities have a voice in service provision? What role can the voluntary and community sector play?
- What happens to the array of equalities knowledge and legislative process which has been developed over the last ten years? Will this feed into new provision? How can sub-national voluntary and community sector equalities groups inform the implementation of reforms locally and nationally?

The bare minimum for service commissioning at the local level

- At pre-tender planning, explore the implications of decentralisation of services in consultation with equality groups to explore any implications in relation to 'access' for equality groups and representation in the management of services.

Our conditions for service commissioning at the local level

- Where implications for access or representation are identified, consider the role of the equalities focused voluntary and community sector in current provision and how this involvement can be secured in the tendering process (e.g. contract clause for contractors to work in partnership with sector).
- In monitoring the contract, consider whether decentralisation is leading to the exclusion of equality groups.



'Public services should be open to a range of providers.'

The evidence of equalities impact

Our analysis from the North West revealed that other policy notions and reforms **had not** necessarily considered diversity of provision or the capability of the voluntary and community sector to deliver public services.

Lack of capacity and skills to deliver services

One of the core objectives of the Localism Act is to open up the delivery of services to a broader range of suppliers. This provides a problem for equalities focused voluntary and community sector organisations, as they are often small organisations offering very specialist services to an individual equalities strand or a combination of equalities strands, financed through grant finance, donations or local authority commissioning. The problem is two fold:

- equalities focused organisations are often small and do not readily have the capacity to bid for contracts through procurement processes and indeed deliver local authority services;
- local authority service delivery is becoming broader, with an expectation that providers deliver against multiple outcomes as opposed to individual and specialised services.

In fact, as opposed to opening up local authority markets to equalities focused voluntary and community sector organisations, it actually restricts opportunities and opens them up far more to supra-charities and private sector service deliverers.

How can big society be delivered without a definition?

Big society is a contested term with very little theory or practical experience. The lack of clarity has been particularly frustrating for the voluntary and community sector, and raises more questions of what it means for them:

- is it a mechanism for voluntary and community sector organisations to deliver public services?;
- is it a mechanism for more central government control over communities?;
- is it a way of activating communities and promoting volunteering?;
- is it a way of opening up markets away from local authorities and the voluntary and community sector, and more towards the private sector?;
- is it a cover for public sector spending cuts?

There is a widespread lack of understanding about the meaning of the big society and what the Government is seeking to achieve. This lack

of understanding is exacerbated by an absence of policy and guidance from the Government around what needs to be done within the voluntary and community sector to implement big society. Even in the big society 'vanguard' areas there is a real lack of understanding of what the big society is for.

The key questions for central government

- What happens to the equalities focused voluntary and community sector organisations who do not have the capacity, skills, knowledge or experience to bid for and deliver public services? How can they be involved in a bigger society?

The bare minimum for service commissioning at the local level

- In securing diversity amongst suppliers, commissioners should consider how they can encourage competition for contracts from the voluntary and community sector, particularly where equality is considered to be the service.

Our conditions for service commissioning at the local level

- Consider creating contracts of a manageable size or of an innovative nature that will encourage bids and competition from smaller organisations.
- Ensure that the voluntary and community sector are notified of contracts.
- Consider ways of ensuring the influence of equality groups and communities in the design and delivery of services.



We will ensure fair access to public services.'

The evidence of equalities impact

Our analysis from the North West revealed that other policy notions and reforms **had not** necessarily been fair upon particular equality groups.

Unfair geographies of delivery

The localism agenda is changing the geography within which certain services and strategy are delivered. This changing geography of institutions has impacts for both service users and voluntary and community sector organisations. For the service user, changes to the geography of institutions and associated services change the ease with which services can be accessed. New geographies mean that users will have to travel further to reach support activities, and that specialist services will be lost as the notion of localism is twinned with cuts in public expenditure.

Distance travelled to reach services will be particularly crucial for disabled people given the further changes to Disability Living Allowance (DLA) and cuts to Educational Maintenance Allowance (EMA) in respect of young people. The loss of specialist services will be particularly acute for BME communities, where trust is often a key consideration, resulting in historically poor take up of mainstream provision and a greater focus on specialist and community led provision. This is equally important for the lesbian, gay, bisexual and trans communities.

Favourable to those with greatest voice

The introduction in the Localism Act of the community right to bid, build and challenge; and the opportunity to develop neighbourhood plans appears a positive commitment to supporting communities to take control of their locality and the services provided within them. The challenge here however is that these proposals favour those communities with the greatest voice and the most affluent. In areas where there are strong incidences of social capital and community activism, policies such as community right to bid seem a key opportunity for community development and influence.

However, what about the communities which have not traditionally had a voice in community decision making or those living in deprived areas where self-sustainability rather than community sustainability is the biggest concern? These are the groups which need the support to engage in such opportunities. Equality of opportunity to participate must be taken into account. Historically, specialist voluntary and community sector organisations focusing upon older people, BME communities or lesbian, gay and bisexual communities could have helped in providing this voice; however with funding cuts negatively affecting such organisations, it can be argued that localism and the policies described above actually further marginalise rather than support those with the weakest voice in local decision making.

Reduced benefit entitlement for the poorest

The drive towards moving people into employment has significant implications for existing benefit recipients. The Government has proposed and is enacting key changes to Incapacity Benefit (IB) criteria, cuts to DLA, and changes to tax credit eligibility. This all has implications for the incomes of individuals and particular groups.

Changes to benefits are likely to have a more challenging impact upon specific groups: for BME communities there may well be a challenge around language and culture; for those with low skills there will be a challenge around literacy and understanding changes. All of this points to an increased need for the advice services, and voluntary and community sector organisations which are being eroded away. Cuts to DLA were deemed to have key impacts upon the quality of life, incomes and employment opportunities of those living with HIV and disabled communities.

Lack of sensitivity to equalities in service planning

The primary area of concern around health reforms was a reduced sensitivity to diverse needs within the proposed system. Over recent years, Primary Care Trusts (PCTs) and Strategic Health Authorities (SHAs) have increasingly recognised their equalities obligations, and progress had been made in service delivery.

As the PCTs are dissolved, the knowledge and experience around equalities is likely to be lost during the restructuring and this would lead to a setback in the development of the processes and structures that would drive equalities in the future.

The key questions for central government

- What happens in those localities and communities where the cuts in public expenditure are having a disproportionate impact on economic and social inequality?
- How is the voice of the most marginalised heard in service delivery and decision making?
- How can economic growth by equalities communities be encouraged?

The bare minimum for service commissioning at the local level

- Work towards delivery of services that address equal access and equivalent quality of service across all users, including equality groups.
- Consider how fairness is to be delivered through the contract by involving perspectives from equality groups, through the voluntary and community sector, and in service and contract planning.

Our conditions for service commissioning at the local level

- Develop performance indicators for managing fairness involving equality groups.
- Establish monitoring and management of contracts that secures transparency in performance management.

Public services should be accountable to users and taxpayers.'

The evidence of equalities impact

Our analysis from the North West revealed that emerging policy notions and reforms **had not** necessarily been accountable to particular equality groups and organisations.

Lack of understanding and commitment to equalities

The loss of expertise and capacity within the organisational structures of PCTs will be exacerbated by the lack of general knowledge and experience of GPs in dealing with equalities issues, subject to GP led commissioning becoming legislation. This is where specialist equalities focused voluntary and community sector organisations were felt to be important in providing a voice for communities of interest. However, the health reforms make no mention of the role of such organisations and, given cuts in public expenditure, the ability of voluntary and community sector organisations to provide such specialist advice is reducing. The overall picture was one of mistrust in the knowledge and understanding of equalities amongst GPs and the way that this would affect the commissioning process if it goes ahead. These weaknesses would contribute to deeper health inequalities and poorer services.

Lack of accountability

As the new Health and Wellbeing Boards and potential GP consortia are established, subject

to legislation, there seems to be no guarantee that the voluntary and community sector will be represented, as has been the experience in relation to the emergence of LEPs in economic development. Indeed, there is a permissive clause that would allow Health and Wellbeing Boards to seek the involvement of voluntary sector representatives but the position is discretionary.

There has been very little rhetoric or mention in both government policy and emerging LEP strategies as to the role of the voluntary and community sector on LEPs, in terms of both representation and in delivering against key priorities. Looking at the strategic make up of LEPs to date, they are characterised by the lack of representation from the voluntary and community sector generally and representatives of equality groups, particularly from BME communities, women and disabled people. This lack of representation has implications for future delivery activities, once these start being channelled through the LEPs.

Loss of voice for equalities

The move towards private sector driven partnerships and a focus upon economic growth significantly reduces the voice of the voluntary and community sector, and in particular equalities focused organisations to demonstrate the social needs of the communities which they represent. LEPs are likely to be very narrow minded in their approach, focusing upon the twin objectives of

growth and job creation as opposed to wider considerations around social concern, social capital, poverty and deprivation. Without a voluntary and community sector voice on LEPs, communities will be unable to highlight their needs as articulately as previously undertaken through Local Strategic Partnerships and Sustainable Community Strategies.

The key questions for central government

- Who provides a voice, network and lobbying role for equalities focused voluntary and community sector organisations and equality groups?

The bare minimum for service commissioning at the local level

- To build in effective accountability on equality matters, commissioners should consider how they can support the engagement of equality groups through the equalities voluntary and community sector in equality analysis, monitoring and reviewing services.

Our conditions for service commissioning at the local level

- Build into contracts requirements for contractors to engage with equality groups in the management and delivery of contracts.
- Score tenders on how they will build in accountability to different communities.



Conclusion: Equality in reform

The previous sections of this publication have highlighted the challenges posed by the emerging open public services reform agenda for equalities. CLES and NWIP would argue that the equalities framework that has been developed in the UK over the last forty years has brought an inherent and significant value to the way in which services are developed, designed and delivered. Whilst having its challenges, based upon our body of research, we would argue that equality, as a theme, remains central to public service reform and reform which is responsible.

In addition to the five themes of choice, decentralisation, diversity, fairness and accountability which are driving the Government's approach to service reform, as detailed in the Open Public Services White Paper, we would argue for equality to be a core theme of reform. Earlier, we posed key questions for central government in relation to the White Paper's themes; the below points make up our manifesto points for active and enhanced consideration of equalities in reform that will lead to improved efficiency, performance and effectiveness for our public services.

Choice is about equality of opportunity for local people

- To enable true choice in services, there must be a diverse base of local providers that reflect and are in touch with the needs of all local communities.
- Choice is not enough on its own; choice must come with control over the shape and future of local services.

Decentralisation is about equality of opportunity for different communities

- To enable true decentralisation in services, communities of interest and identity need to be considered alongside and across local geographies of place.

Diversity is about equality of opportunity for local providers

- To enable true diversity in services, there must be an understanding amongst service commissioners of the needs of local geographic and equality communities; the duty to cooperate should be used to ensure effective needs analysis and specialist service provision is guaranteed across local boundaries.

Fairness is about equality of opportunity to positively participate in society

- To enable true fairness in services, local public agencies should be encouraged to periodically carry out "Joint Equalities Needs Analysis" that identifies opportunities to make critical interventions in order to address inequality and promote social mobility in an efficient and cost effective way.

Accountability is about ensuring equality of process

- To enable true accountability in services, all individuals and communities must be treated with respect and dignity. This will not happen if the voices of those seldom heard are not listened to and actively supported. Public agencies should ensure that appropriate mechanisms are in place to avoid such systemic failure.

As such, we would argue that various stakeholders have key roles in enabling these manifesto points to become reality and thus ensure responsible public service reform. The roles that we outline are as follows:

Central government

- Develop a vision of community empowerment that reflects different communities and is linked to open public services.
- Develop and implement a strategy to build the capacity of equalities communities to deliver public services.
- Encourage local public agencies to work together and build in 'Joint Equalities Needs Analysis' into commissioning cycles with the aim of making critical interventions that address inequality and promote social mobility.
- Equality proof emerging policy and legislation.
- Provide clear lines of accountability for service commissioners and providers.

Service commissioners

- Ensure service delivery is representative of all community needs and demands.
- Monitor equality impact in tendering and service delivery to improve performance.
- Ensure the minimum standards and conditions detailed in the publication form a key part of service commissioning.

The voluntary and community sector

- Adopt equality of opportunity as a driver of all partnership and service reform engagement.
- Lobby for community interests in service design and delivery.
- Provide the partnership footing on which communities can challenge service provision.

Communities

- Respond to the opportunity of co-production in service design and delivery.

Our aspiration is to wed equality of opportunity firmly to responsible public service reform.

¹ HM Government (2010) **The Equality Strategy – Building a Fairer Britain**

<http://www.homeoffice.gov.uk/publications/equalities/equality-strategy-publications/equality-strategy/equality-strategy?view=Binary>

² HM Government (2011) **Open Public Services White Paper**

<http://www.cabinetoffice.gov.uk/sites/default/files/resources/open-public-services-white-paper.pdf>

³ HM Government (2010) **Equality Act 2010**

<http://www.legislation.gov.uk/ukpga/2010/15/contents>

⁴ HM Government (2011) **Localism Act**

<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted>

⁵ Conservative Party (2009) **Big Society, Not Big Government**

http://www.conservatives.com/News/News_stories/2010/03/Plans_announced_to_help_build_a_Big_Society.aspx

⁶ HM Government (2011) **Welfare Reform Bill**

<http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/welfare-reform-bill-2011>

⁷ HM Government (2011) **Health and Social Care Bill**

<http://www.dh.gov.uk/en/Publicationsandstatistics/Legislation/Actsandbills/HealthandSocialCareBill2011/index.htm>

⁸ HM Government (2011) **Public Services (Social Value) Bill**

<http://www.publications.parliament.uk/pa/bills/lbill/2010-2012/0113/2012113.pdf>



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