National Coalition for Independent Action

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26 Good Reasons to Oppose 'Commissioning' in the Public and Voluntary Sectors (March 2012)

- 1. Commissioning approaches based on competitive tendering encourage tension, secretive behaviour and competitive relationships between VCS agencies which undermines the capacity for joint working and strategic approaches to tackling local issues or providing services
- 2. Decisions will tend to be driven by cost and budgets available, rather than quality or appropriateness
- 3. And in the process, the burden of financial (and other) risk is passed to the voluntary agency
- 4. Voluntary sector providers are reduced to the status of a contractor or sub-contractor, including with private sector businesses, working to specifications into which they have little or no input
- 5. The associated performance management regimes leave little leeway to providers to adapt provision to meet changing needs or challenges
- 6. The approach encourages a continued rise in regulation and other mechanisms of control
- 7. But, ironically, actually reduces the control of the commissioning body (they can't put right things that go wrong with a service, all they can do is threaten to, or actually, withdraw the contract)
- 8. The approach encourages simplistic, reductionist strategies target percentages of services contracted out to voluntary agencies, for example
- 9. The role of VCS agencies in needs assessment and in agreeing appropriate responses to those needs with their constituencies is emasculated
- 10. The whole process is highly professionalised and almost entirely conducted by officers of statutory authorities and voluntary agencies. The involvement of elected representatives (in local authorities) is emasculated and ceremonial, in attempts to avoid accusations of 'political interference'. The involvement of service users is rarely taken seriously and is anyway unlikely to be meaningful given the arcane technocratic environment in which commissioning and procurement takes place.
- 11. Voluntary agencies are pressured to adapt or abandon their own plans and perspectives to match those of the 'commissioning authorities', as a route to survival

- 12. Closely regulated and managed relationships of this sort saps the independence of voluntary agencies and act as a serious deterrent to disagreement, dissent or opposition with statutory "partners"
- 13. Service development work becomes very difficult to do organically or to find funds for
- 14. Commissioning encourages the rise of large, predatory, mostly national, corporate voluntary agencies offering 'economies of scale', with the resources to mount the propaganda of their own 'goodness and quality' and to drive negotiations with funders, speaking their language
- 15. Over time these corporate agencies become largely indistinguishable from private sector firms (as has happened with housing associations) and the supposed virtues of the voluntary sector will have been destroyed
- 16. The 'managerialism' demanded by this form of operating tends to create top management elites within VCS agencies, divorced from the experience and concerns of their own frontline staff, let alone their membership, users or wider communities
- 17. This pulls the whole agency into looking upwards towards the instructions of the commissioners, rather than looking downwards towards the needs and preferences of its users or communities
- 18. All of these forces feed into a 'tesco-isation' of the sector clone-like services being offered in standardised ways according to the 'best practice' norms of the time
- 19. The requirements and processes used for commissioning demand excessive and unjustified commitments of time and cost, both from those commissioning and those bidding for contracts. On the part of the latter, this is time taken away from the management of frontline service delivery and is usually completely unfunded.
- 20. The above tendencies together present a serious threat to the future sustainability of locally-based, small/medium-size voluntary agencies and community groups that have sprung from local needs and circumstances, especially those from communities kept at the margins
- 21. There is a more-or-less complete separation of commissioning activities and 'partnership' activities. In other words VCS agencies are drawn into participation in, for example, Local Area Agreements. But these agreements often exist in complete isolation from commissioning strategies within the same authorities
- 22. Agencies that are in the frame for competitive tendering are excluded from involvement in related strategic discussions on the grounds that they are an 'interested party' creating a conflict of interest
- 23. Having public services provided by sub-contractors is confusing for users and for the public, and especially difficult when things go wrong (who is responsible, who is accountable, who is to blame and who remains to provide independent advocacy?)
- 24. Transferring public services to the private or voluntary sectors can result in users losing their human rights under European legislation

- 25. When private or voluntary sector providers go bust or 'belly up', users are left without services and without recourse to any public sector fail-safe that can pick up responsibility
- 26. There is no compelling evidence that contracted out public services are more efficient, cheaper, or achieve better outcomes for users and communities than well organised directly managed services.