

Making government work better by...

Being a better partner

Charities, social enterprises and voluntary groups are often at the front line of delivery and in a strong position to know what works and what doesn't. By working in equal partnership with the third sector, government can achieve more than either could when working alone.

Ed Miliband visiting Fifteen in Cornwall



In many areas of public service delivery, the third sector has the potential to achieve greater engagement and deliver better outcomes. The third sector can provide benefits both in terms of service quality for the public and value for money for the taxpayer.

In recognition of the importance of the third sector, the Prime Minister created a new Office of the Third Sector in May 2006 and appointed Ed Miliband as its first Minister.

Third sector organisations are non-governmental organisations, often working at the forefront of key social and environmental issues. The sector is diverse, ranging from small community groups to large charities and businesses trading with a social purpose (social enterprises). It makes sense for government to work with the third sector to achieve shared outcomes.

The Office of the Third Sector has worked closely with stakeholders in the third sector and other departments to develop *Partnership in Public Services: an Action Plan for Third Sector Involvement*. The plan, published on 6 December 2006, establishes the foundations for collaboration by seeking to ensure that the third sector can contribute to the way public services are designed, delivered, improved and held to account.

The plan also highlights that the sector has more to offer than just delivery – an Innovation Exchange, for example, will bring third sector innovators together to develop their work.

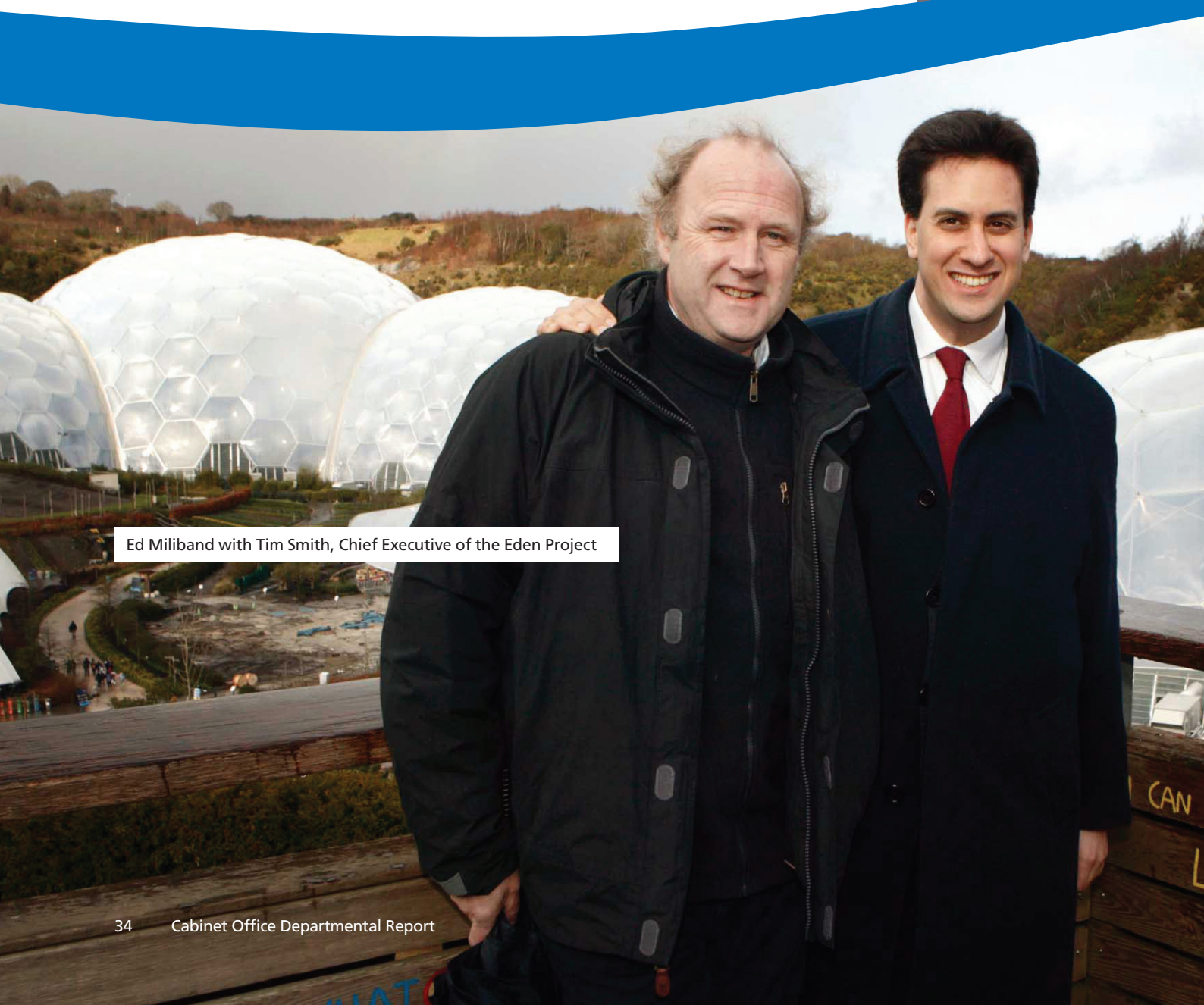


Additional key achievements

- Introducing a £1.2 million programme to help develop third sector innovation.
- Developing a new £2.4 million social enterprise strategic funding programme.
- Publishing, with HM Treasury, the interim report of the review of the future role of the third sector in economic and social regeneration. This involved the largest ever consultation with the sector, reaching over 2,000 people, representing over 1,000 organisations across the country.
- The Charities Bill received Royal Assent on 8 November 2006. The Charities Act 2006 is now being implemented.
- Introducing a new type of company (the first for 100 years) specifically for social enterprises – the community interest company. Over 500 companies are now registered.
- Investing £80 million in building the capacity of the voluntary and community sector through ChangeUp. Capacitybuilders, the sector-led, non-departmental public body that will manage the further £70 million of ChangeUp investment, opened for business on 3 April 2006.
- Launching a new independent youth-led charity, v, in May 2006 to take the lead on youth volunteering. The aim is to involve 1 million more young people in volunteering within the next five years.

In terms of practical actions, the plan announces the creation of a National Programme for Third Sector Commissioning, to build the skills of 2,000 commissioners of services, ensuring that those who plan public services involve the sector properly. It also announces a £30 million fund for refurbishing local assets, such as public buildings, and transferring them to the ownership or long-term management of third sector organisations.

Partnership in Public Services has been agreed by all major government spending departments, which will work together to deliver the plan. This is a critical and significant step in making government a better partner to the third sector.



Ed Miliband with Tim Smith, Chief Executive of the Eden Project



Enterprising ventures

The Eden Project, the *Big Issue* and Jamie Oliver's Fifteen are high-profile examples of successful social enterprises – businesses that are founded for a social or environmental purpose, reinvesting their profits in the company or the community and changing people's lives for the better.

A 2006 survey revealed that there are at least 55,000 social enterprises in the UK, operating across many sectors of the economy, and the Cabinet Office's *Social Enterprise Action Plan: Scaling New Heights* aims to open the door to thousands more.

A major strand of the Action Plan seeks to improve understanding of social enterprise by promoting it as an aspirational career choice, and enabling potential customers, investors or partners to make more informed choices.

The plan includes action to put social enterprise into the school curriculum and provide funding to support and raise the profile of social enterprises.

Overall, there is a commitment from government to make £18 million available over the coming years to help break down barriers to growth, for example by improving access to risk capital and improving Business Link's capacity to broker suitable business support.

It is fantastic to see social enterprise being taken seriously by the Government and to have a minister who has been so proactive in taking initiative within the sector. I feel that the Social Enterprise Action Plan is an excellent step in the right direction, but that it must be backed up by action if it is to achieve what it sets out to do.

Tom Savage,
social entrepreneur

