



HM Government



# CIVIL SOCIETY STRATEGY: BUILDING A FUTURE THAT WORKS FOR EVERYONE

# EXECUTIVE SUMMARY

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## Introduction

This Strategy sets out how government will work with and support civil society in the years to come, so that together we can build a country that works for everyone.

For the purpose of this Strategy, civil society refers to individuals and organisations when they act with the primary purpose of creating social value, independent of state control. By social value we mean enriched lives and a fairer society for all.

The government believes that social value flows from thriving communities. These are communities with strong financial, physical and natural resources, and strong connections between people. This includes public funding, private investment, buildings, and other spaces for a community to use. It also includes trust and goodwill, and the organisations and partnerships that bring people together.

To help communities thrive, the government believes we need to look at five foundations of social value: people, places, the social sector, the private sector, and the public sector.

In the past we have too often thought of these foundations as separate from each other. But when they work together, the whole is greater than the sum of its parts. Government can help to bring together the resources, policies and people who, between them, can do so.

This Strategy is not intended as the final word or a fixed statement on the government's work in relation to civil society. On the contrary, it is the beginning of an ambitious, evolving work programme to help build a strong society.

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## Chapter 1. PEOPLE: enabling a lifetime of contribution

### Why is this important?

From individuals' acts of kindness to the work of charities and mass movements for change, people taking action is the bedrock of a strong society.

The government's vision is for all people to be able to thrive, connect with each other, and give back to their communities. We want to build a society where people have a sense of control over their future and that of their community.

### What will the government do?

The government is running the Place Based Social Action programme with the Big Lottery Fund. The programme helps communities to collaborate with local private and public sector organisations to create a shared vision for the place they live and work in. The government wants this kind of collaboration to become commonplace.

Government is also supporting citizens to take action on the issues they care about by funding the training of 3,500 people in community organising by 2020. Community Organisers listen to the concerns of the community, connect people, and motivate them to come up with the answers to the problems they face.

Young people should have a central role in shaping the future of our society. The Department for Digital, Culture, Media and Sport will work with the Department for Education to develop proposals to help young people to play their part.

The government will explore options for building on the cross-sector partnership created by the #iwill campaign, to identify how the existing offer for young people can be improved.

The government will also establish the National Citizen Service Trust as an independent public body that is accountable to parliament and ministers.

In addition, the government will allocate £90 million to an ambitious youth initiative, delivered by a new organisation which will operate independently of government. This organisation will have at its heart ensuring that major employers and social sector organisations work together to help the most disadvantaged young people transition into work.

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## Chapter 2. PLACES: empowerment and investment for local communities

### Why is this important?

'Global Britain' is rooted in 'local Britain'. As individuals we benefit from the cultural and economic opportunities of living in a country that works and trades with partners across the globe. We also benefit from the sense of belonging that comes from feeling connected to our neighbours and from taking some responsibility for the places we belong to.

The government's vision is that in the future the public sector will focus more on the needs of places and take a more collaborative approach. By working with service providers, the private sector, individuals, and communities in a place, we will make more sensitive and appropriate policy, we will achieve better social and economic results, and we will make brilliant places for people to live and work in.

### What will the government do?

The government will launch a new Innovation in Democracy programme. This programme will pilot participatory democracy approaches, whereby people are supported to take part in the decision-making that affects their communities.

Many communities are without high-quality facilities and the ability to manage them. The Department for Digital, Culture, Media and Sport, in conjunction with the Ministry for Housing, Communities and Local Government, will design a programme to look at more sustainable community spaces.

The government will continue to encourage the take up of community rights. We will improve guidance to help communities take ownership of local assets, such as community buildings.

A number of strategic initiatives currently underway will create opportunities for civil society and communities to consider their role in supporting inclusive growth. These include the design of the UK Shared Prosperity Fund, the process of developing Local Industrial Strategies, and the review of Local Enterprise Partnerships. Through the process of Local Enterprise Partnerships reform, there is an opportunity to strengthen the role of local stakeholders and civil society in local decision-making structures.

The government will also work with partners to develop new models of community funding. These models will bring together different forms of funding, such as social impact investment, charitable funding and corporate investment. To start Big Society Capital and Access (The Foundation for Social Investment) will devote around £35 million of dormant accounts funding.

The government recognises that all places are not all starting from the same point. The factors that distinguish communities from one another, such as levels of deprivation and segregation, will affect a community's ability to take greater control. The government will take steps to ensure that efforts to support communities described in this Strategy have the potential to benefit all communities, regardless of circumstance.

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## Chapter 3. THE SOCIAL SECTOR: supporting charities and social enterprises

### Why is this important?

A healthy, independent and influential civil society is a hallmark of a thriving democracy. Charities and social enterprises - the social sector - are the core of civil society. A strong social sector is a sign of a strong democracy, which offers many ways in which citizens' views and concerns can be communicated to decision-makers.

The government is keen to work alongside the social sector to build a future in which the sector can adapt and thrive, strengthen public trust, as well as find new ways to resource and deliver their work.

The government is determined that charities and social enterprises should be fully confident in their right to speak in public debates and to have a strong role in shaping policy and speaking up on behalf of those they support. It is right that we have government grant standards which prevent taxpayers' money being spent on political lobbying. However, simply being in receipt of taxpayers' money should not inhibit charities from making their voices heard on matters of policy and practice.

### What will the government do?

The government will renew its commitment to the principles of the Compact.<sup>1</sup> The Compact is a document that sets out a series of principles and commitments governing the relationship between the social sector and the government.

We will also work with civil society, the Electoral Commission, and the Charity Commission to explore what non-legislative steps could strengthen civil society's confidence in speaking out.

In addition, the government will convene a cross-government group to work with civil society to establish the principles of effective involvement in the policy-making process, learning from the examples of good practice that already exist.

We also recognise the strong demand from the social enterprise sector for a simpler relationship with the government. The Department for Digital, Culture, Media and Sport will establish a regular forum for social enterprises to coordinate relations with government.

On funding and financing, the government is working with the Charity Commission and UK Community Foundations to release at least £20 million over the next two years from inactive charitable trusts to help community organisations.

The government will explore how to encourage more collective giving, a form of charitable giving where groups of people pool their donations to create larger funds to tackle problems.

On leadership, we will work with civil society stakeholders and the Charity Commission to agree on joint action to open up trusteeship to people from different backgrounds.

There is increasing awareness that increased use of data and digital technology can make charities stronger and even better at what they do. But charities are taking time to adopt opportunities. The government has identified artificial intelligence and the data revolution as one of the four Grand Challenges facing the UK. We will work with partners to explore how best to use digital to build a stronger and even more effective social sector.

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<sup>1</sup> *The Compact*, created in partnership with Compact Voice, representing civil society organisations on Compact matters, HM Government, 2010

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## Chapter 4. THE PRIVATE SECTOR: promoting business, finance, and tech for good

### Why is this important?

Business done right is a force for good in society. The best businesses play a highly positive role - not just in how they reach out to respond to social problems in society (their corporate social responsibility), but also in their core business.

Our leading businesses increasingly put social and environmental responsibility at the heart of what they do. The same goes for the role of finance and technology, where the UK leads the world in creating social value.

### What will the government do?

The government will build further its support for responsible business and will update on its approach in 2019.

In addition, the government will this year establish a responsible business Leadership Group. This group will lead the debate about the role of business in society and develop actions to support businesses to fulfil this role. It will comprise senior business leaders, investor leaders and social sector representatives. This group will report to the Department for Business, Energy and Industrial Strategy and the Department for Digital, Culture, Media and Sport.

The Inclusive Economy Partnership supports greater collaboration between business, civil society organisations, and government departments to solve some of the toughest challenges in society. Cabinet Office and the Inclusive Economy Unit at the Department for Digital, Culture, Media and Sport will build on early experience of the Inclusive Economy Partnership.

The Inclusive Economy Unit will follow up the recommendations from the 'Advisory Group on growing a culture of social impact investment in the UK' led by Elizabeth Corley.<sup>2</sup> This work will include further consideration of business transparency on social and environmental contributions in the UK and internationally.

The government will explore what more can be done to harness the power of technology in addressing complex social issues, such as tackling loneliness, healthy ageing, online safety, and digital inclusion.

The government will also work with the Big Lottery Fund to use £55 million from dormant accounts to fund a new, independent organisation which will work with partners across the private and social sectors to tackle financial exclusion.

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## Chapter 5. THE PUBLIC SECTOR: ensuring collaborative commissioning

### Why is this important?

Many of our public services began life outside government, often in the social sector. These include the National Probation Service, the National Health Service, and Jobcentre Plus. Over time, government stepped in to support and extend the work done by communities and private philanthropy. This has helped ensure high standards as well as universal access and created a system - the welfare state - which people can trust.

In recent decades, government has introduced competition to deliver greater value for taxpayers' money in public services and to broaden the supply of services to include independent providers. This has led to a greater focus on the difference services make and the costs. But this has also resulted in an often rigid focus on numbers, including budgets, volumes, and timescales, rather than a focus on the relationships and flexibility, which people and communities also need.

The government's vision for public services in the modern era is one of collaborative commissioning. This means that in the future local players will be involved in an equal and meaningful way in how services are created and delivered. It means that all the resources of a community, including public funding, will be deployed to tackle the community's challenges.

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<sup>2</sup> 'Growing a Culture of Social Impact Investing in the UK', Department for Digital, Culture, Media and Sport, HM Treasury, 2017

## What will the government do?

The government will support the spread of Citizen Commissioners - local people supported to make commissioning decisions on behalf of their communities.

The government wishes to extend the support currently offered to public sector teams aspiring to form mutuals to other social sector organisations that wish to deliver public services. This would create an environment of far greater user-led, community-led, and staff-led delivery of public services.

The government also wishes to broaden the range of funding options for community initiatives. This includes a revival of grant-making: grants can combine flexibility with the accountability and performance rigour of a contract, as well as bringing additional benefits, such as charitable investment.

We are determined to ensure that public spending is used to generate social value in addition to the goods and services it purchases. There needs to be an increase in social value commissioning across all levels of government. This means improving the use of the Public Services (Social Value) Act 2012.

The government's vision is for the principles of the Social Value Act to be applied to the whole of government spending and decision-making. Central government departments will be expected to apply the terms of the Social Value Act to goods and works as well as services. They will also be expected to 'account for' the social value of new procurements, rather than just 'consider' it as currently. The Department for Digital, Culture, Media and Sport will lead the way by applying this wider remit of the Social Value Act to major projects. Other departments will follow in due course.

The government will also look into the potential for the use of social value in grants as well as contracts. The government will explore the suggestion that the Social Value Act should be applied to other areas of public decision-making such as planning and community asset transfer.

