

Social Enterprise Coalition
Response to ***Modernising Commissioning:
Increasing the role of charities, social
enterprises, mutuals and cooperatives in
public service delivery***

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Contact: Ceri Jones and Olof Jonsdottir

Telephone: 020 7793 2323

Email: ceri.jones@socialenterprise.org.uk and
olof.jonsdottir@socialenterprise.org.uk

The Social Enterprise Coalition's Response to the Cabinet Office's consultation on *Modernising Commissioning: Increasing the role of charities, social enterprises, mutuals and cooperatives in public service delivery*

The Social Enterprise Coalition

The Social Enterprise Coalition was established in 2002 as the national body for social enterprise in the UK. We are a membership organisation. We conduct research; develop policy; campaign; build networks; support individual social enterprises; share knowledge and understanding, support private business to become more socially enterprising, and raise awareness of social enterprise and what it can achieve.

Social enterprises are businesses driven by social or environmental objectives whose surpluses are reinvested for that purpose in the business or in the community. They operate across a wide range of industries and sectors from health and social care, to renewable energy, recycling and fair trade and at all scales, from small businesses to large international companies. They take a range of organisational forms from co-operatives and mutuals, to employee owned structures and charitable models.

Our members come from across the social enterprise movement, from local grassroots organisations to multi-million pound businesses that operate across the UK. With them we are:

- creating a better environment for social enterprises to do business
- helping the social enterprise movement to grow and become stronger
- building networks to share, learn and create business opportunities

The UK social enterprise movement is recognised as a world leader and our members are united in their commitment to changing the world through business. The current climate presents the social enterprise movement with a unique opportunity. We know it can solve some of the UK's most pressing problems, promote social justice and help to bring about the more diverse, bottom-up economic growth that we urgently need. In particular, social enterprises are well placed to deliver on the Government's three priorities for civil society: empowering communities, opening up public services and promoting social action.

This consultation

The Social Enterprise Coalition welcomes the opportunity to respond to the Cabinet Office consultation on Modernising Commissioning. We firmly support the government's commitment to supporting the 'creation and expansion of mutuals, co-operatives, charities and social enterprises' and enabling 'these groups to have a much greater involvement in the running of public services'.

Social enterprises are based on the principles of mutualism, co-production and participation. They offer a model where people, be it staff, service users or community members, are given a direct voice in running their organisation; where public assets can be locked into community ownership; and where people are empowered to transform their lives and the lives of those around them. As such they are well placed to play a key role in the future of public services.

1) In which public service areas could Government create new opportunities for civil society organisations to deliver?

Considering opportunities for social enterprises to deliver public services is more complex than looking at specific sectors. Social enterprises are working in a wide range of public service areas including health and social care, children and young people's services, waste and recycling, community services and criminal justice. Despite this, there are a number of key sectors where the role of civil society has to date been limited.

These include much of healthcare, parts of the justice system, education, and employment and welfare contracts. These limitations have been created as a result of either the nature of provision (i.e. services have primarily been provided by the state) as in the case of education or healthcare, or the nature of the contracts creating barriers for civil society organisations as in the case of welfare and employment contracts.

In addition to this there are huge geographic inconsistencies in the delivery of public services by social enterprises and other civil society organisations, varying greatly from local authority to local authority and region to region. For example, there is not a single Right to Request social enterprise in the North East Region.

It is essential that these factors are taken into consideration in creating new opportunities for civil society organisations to deliver public services. Moreover, whilst we recognise that this consultation is focused on the commissioning of public services, there are also opportunities to grow the role of civil society organisations in the delivery of other government-bought goods and services. This includes looking at broader supply chains for catering, cleaning, stationary and other services.

The culture of commissioning

In order to create more opportunities for civil society organisations to deliver public services, a cultural shift is required in the way that public services are designed and commissioned. This includes:

- ensuring a level playing field for the different players in public service markets;
- creating the mechanisms to support staff to create viable new social enterprise organisations and bring about the required culture change drawing on the extensive expertise in the sector; and
- providing a bolder ambition for service user involvement that goes beyond choice to co-designing and co-delivering services.

Please see our responses to the questions below for more details on changing the culture of commissioning.

Payment by results

The Social Enterprise Coalition recognises the rationale for a payment by results form of contracting. However, we urge greater consideration of the wide ranging implications this payment mechanism has for social enterprises, civil society organisations and in fact any small business.

Firstly, many social enterprises and civil society organisations are small and therefore unable to afford to wait for 12 months before being paid. The payment by results scheme is likely to lead to cash flow issues and could have a particularly significant impact on smaller organisations. There is also a financial implication of raising working capital for these organisations, which presents a cost burden that many organisations are unable to meet.

Payment by result mechanisms are particularly challenging for organisations that specialise in working with hard-to-reach and marginalised groups. It is important that any system implemented does not disincentivise social enterprises that work with people who are hard-to-reach and penalise them where the outcomes are not achieved due to reasons beyond their control. There is also a danger that such an approach creates a disincentive for innovative new approaches as the risk of failure is too great.

Finally payment by results can mean that organisations with the strongest balance sheet and greatest ability to raise working capital are given an advantage above those that can deliver the best outcomes. This can severely limit market entry and have the unintended consequence of limiting choice and innovation.

The Social Enterprise Coalition therefore believes that payment by results as a principle requires an approach where risk is shared between the public sector and civil society organisations. We would support mechanisms where parts of payments are dependent on the outcomes delivered but not the entire payment. We know of examples of contracts where 20%-30% of payment is dependent on outcomes and results delivered. We feel that such schemes provide the benefit of a greater results based incentive, while not creating a barrier for civil society organisations, limiting market entry, or disincentivising innovation.

Where payment by results is the payment mechanism of choice, we would also urge the government to work with banks and other finance providers so that they are aware of this form of contracting and therefore more willing to provide working capital at favourable rates to civil society organisations.

Encouraging civil society organisations to team up with employee-led mutuals

Supporting the relationship between new employee-led mutual organisations and existing social enterprises is critical to the success of sector. There is considerable experience within the social enterprise sector that new employee-led mutuals can learn from and early lessons from the Right to Request evaluation has highlighted the importance of these relationships for staff engagement, organisational development and peer support. Secondly it is important that greater partnership working is encouraged as future public service markets develop. There are a number of examples of different ways in which this has worked well.

The first of these is new employee spinouts being hosted by existing social enterprises as part of a group structures. Many new employee-led mutual organisations do not necessarily have the business skills require to run a social enterprise, and in addition the costs of providing their own finance, IT, HR and other back office functions can be prohibitively expensive. Joining an existing social enterprise as part of a group structure can support these organisations make this transition to becoming independent while being supported by an experienced organisation. This was the experience of Open Door, a spin out pathfinder from North East Lincolnshire Care Trust, which became a subsidiary of the Big Life Group. On becoming independent, the arrangement allowed Open Door to benefit from the skills and experience of a more established entity while maintaining control over their service.

Such partnerships can be a temporary incubation or hosting relationship or a more permanent arrangement. Initially in the case of Open Door, the partnership was intended to last for a short period (two years) during which Open Door paid a management fee, but the relationship has been so successful that the two organisations have agreed to make it more permanent arrangement.

Similarly, joint ventures may provide a means for new employee-owned mutuals to work with existing social enterprises. This type of arrangement allows the new entity the benefit of an existing organisation's experience and track record, which will be a major barrier to new employee-owned mutuals in terms of attracting finance or winning new business.

Involving existing social enterprises in the governance of the organisation can support the culture change of moving from a public sector body to an employee-led mutual. Medway PCT, for example, has ensured that social enterprises and other civil society organisations are involved in the governance of their organisation. This means that the new employee-owned entity is seen as a part of the local civil society from the outset.

Finally getting staff from new employee led social enterprises to visit existing social enterprises, arranging study tours between the two groups, having social enterprise leaders mentor new spin outs has demonstrated to be absolutely critical to the success of new employee led social enterprises journeys.

The role of infrastructure support

The last 10 years has seen social enterprise and civil society organisations increase greatly in prominence. Within this context, infrastructure bodies have traditionally played a number of key roles in the UK in order to support their members and the causes they represent, including:

- conducting research and policy development
- disseminating information and best practice to enable frontline organisations to put policy into practice
- awareness raising and knowledge management
- network development
- policy mainstreaming and delivery programmes
- hosting events and providing training, advice and support
- managing grant programmes and funding streams

Given the challenging times we face financially, along with the scale of the ambition for Big Society, it is essential the national infrastructure bodies work in close partnership with government and other public bodies and in a way which enhances the existing strategic working.

A clear and comprehensive cross-departmental policy framework that is effectively communicated and informed by the needs of front line organisations is key to achieving this. We must also recognise that different elements of the Big Society vision will be best delivered by different organisations, according to their expertise and proximity to grassroots organisations and local communities. Moreover, to be effective and ensure sustainability, these organisations will need to work with each other through networks and partnerships.

It is essential that the vast wealth of experience, knowledge and intellectual property held by infrastructure bodies is not lost, but rather harnessed and used more strategically to meet the Government's clearly defined objectives.

2) How could Government make existing public service markets more accessible to civil society organisations?

Best practice commissioning

The Social Enterprise Coalition welcomes the government's commitment to making public service markets more accessible to civil society organisations. In particular, we support the measures announced by the Cabinet Office in November 2010, including streamlining and improving the transparency of procurement processes, requiring prime contractors to pass on payment to sub-contractors within 30 days, and launching a 'Contracts Finder' system in March 2011.

In particular, we believe that government must tackle the following issues in order to encourage civil society organisations to enter the public service arena:

- **Avoiding risk-averse commissioning**

It is essential to support mature commissioning that is cognizant of commissioners' role as market shapers and stimulators. This is essential to ensure there are not unnecessary barriers to entry and that commissioning markets support market entry rather than limit it.

Immature commissioning capabilities often result in very risk-averse commissioning behaviour and an over-reliance on the procurement process to protect against risk, rather than intelligent commissioning. Government must mitigate against unconfident commissioners resorting to what is perceived as 'safe commissioning' rather than commissioning for outcomes that can truly transform people's lives, to ensure that new entrants with innovative solutions are able to enter the market.

- **Delivering best value for money**

Social enterprises deliver considerable benefits in terms of added value. In order to achieve the government's ambitions for the diversification of provision whilst also achieving best value for money, government should incorporate social criteria in all procurement decisions. Requiring all procurement decisions to demonstrate their wider positive social impact will ensure the full weight of the public sector's purchasing power is directed at achieving social change alongside delivering financial efficiency.

- **Outcomes-based commissioning**

We welcome the government's desire to focus commissioning on outcomes rather than outputs. Best practice commissioning should be sufficiently flexible within service specifications to allow for innovation and should develop mechanisms to share risk rather than rely on heavy procurement. It should further engage with social enterprises and civil society organisations at the service design stage to access their specialist knowledge of local communities and service users, as well as incorporating service user's feedback in evaluation processes.

- **Openness and accountability**

To ensure a well-functioning and competitive market for the delivery of government commissioned services, it is important to ensure a consistent, open and fair process for access to the bidding process, including approved provider lists. Similarly, there needs to be greater transparency in how decisions are made and why contracts are awarded. In particular, it is essential that there be a proper audit process of the commissioning decisions that are made and that this is fully transparent and available and does not require a Freedom of Information Request causing delays and unnecessary administration.

- **Accessibility of procurement**

Social enterprises experience significant barriers in tendering for government contracts similar to those of small businesses in general. These include factors such as a lack of transparency regarding procurement pipelines and basic difficulties in finding information about tenders.

Information is particularly hard for smaller social enterprises to obtain, as they do not normally have the capacity to conduct extensive research for new tenders. The increased complexity of procurement, including form filling, and excessive and complex documentation for small contracts, also places an additional administrative burden on social enterprises and SMEs which often lack the staff capacity to engage properly with the process. Similarly, since many tendering costs are fixed, social enterprises and SMEs in general face disproportionately high costs in comparison with larger enterprises. The move towards larger contracts across public service commissioning is also disadvantageous to social enterprises, which are often small, community-based organisations.

In addition, pre-qualification questionnaire (PQQ) requirements can often act as a barrier to social enterprises tendering for contracts. Barriers include the need to have a certain number of financial reserves, inflexible formats that do not allow social enterprises to show off their selling points, or their innovation and expertise in any given area. Similarly the lack of standardisation between public sector agencies or even departments within agencies places a disproportionately high burden on social enterprises and other SMEs.

Finally, the deadlines for responding to calls to tender are often too short. Social enterprises generally need more time to prepare competitive offers due to staff constraints. This is particularly the case in areas where social enterprises need to form partnerships or consortia in order to achieve the scale required to compete.

The Social Enterprise Coalitions recommends the standardization and simplification of procurement systems including PQQs to reduce the disproportionate burden on social enterprises as well as the exercise of care in the aggregation of contracts.

- **EU procurement rules**

Across the UK, many public bodies follow the full EU procurement rules where it is not necessary to do so. Applying the full set of EU rules adds complexity and cost for organisations competing for contracts, which is both unnecessary and disadvantageous to small organisations.

Clear guidance on situations in which full EU procurement rules apply exists – for example in the aforementioned 2007 publication *Social Enterprise and the Public Sector: A practical guide to law and policy*¹. Such guidance needs to be promoted to all public bodies in order to promote best practice procurement that does not disadvantage small organisations unnecessarily.

Reducing bureaucracy

Social enterprises recognise the importance that regulation can play in supporting basic employee rights and it is important to protect regulation in these areas. There are however, a number of areas where rules and regulations present an unnecessary burden or barrier on social enterprises as well as to the achievement of both the Big Society vision and creating a robust and sustainable economy. As such, we believe the Civil Society Red Tape Taskforce should consider these following in order to reduce the bureaucratic burden of commissioning:

- inconsistent application of business rate relief for social enterprises
- clawback restrictions when public funds have been used to fund social enterprise assets
- CRB checks for organisations employing vulnerable adults
- TUPE and pensions

- **Business rates**

Whilst charities are entitled to business rate reductions on any non-domestic property they use wholly or mainly for charitable purposes, the situation for social enterprises without charitable status varies enormously.

A number of local authorities have clear social enterprise policies. However, many local authorities have no official policy for business rates for social enterprises and there is a lack of transparency on how decisions are made and how a social enterprise may go about appealing the payment of full business rates.

We believe that a greater transparency of eligibility for business rates reductions would be of great benefit to social enterprises.

- **Clawback**

Clawback restrictions when public funds have been used to fund social enterprise assets present a huge barrier to social enterprises' ability to leverage finance against these assets. The current Treasury guidance does allow some flexibility with regard to Clawback. The HM Treasury paper "Clawback: Disposal of Publically Funded Assets" gives a clear message that flexible and strategic implementation of Clawback is more likely to support sustainable community anchor organisations (and permit additional inward investment to deprived communities) than existing procedures. However, the majority of funders continue to take an over-cautious approach.

This effectively prevents the owner of the asset from using it to secure private finance thereby preventing the growth of the business. As many community enterprises operate in areas of multiple deprivation where previous public sector interventions have failed, this protection of public funds is counter to the achievement of the broader policy objectives.

¹ Social Enterprise and the Public Sector: A practical guide to law and policy, BEST procurement and Anthony Collins Solicitors, 2007

The implications this has for Development Trusts and other asset owning social enterprises are vast. Goodwin Development Trust in Hull, for example, currently owns assets in excess of £9m. However, due to previous restrictions provided in clawback clauses they are only able to secure private finance against 5% of their asset portfolio. This greatly restricts their ability to access adequate financing to cover working capital, thus stifling growth and restricting the creation of local jobs and opportunities.

- **CRB checks**

There has been a huge amount of discussion in recent years about the implications of CRB checks for organisations with volunteers. This is also true for many social enterprises. In particular, CRB is an additional burden for 'work integration' social enterprises where providing employment for individuals marginalised in the labour market is core to their social mission.

If a social enterprise is to provide employment opportunities for vulnerable adults they are currently required to ensure that all existing members of staff are CRB checked posing both a large financial and administrative burden to the organisation. Given the objectives of the Coalition Government's Work Programme to increase participation rates through supporting those on incapacity benefits (IB) into employment, addressing the barriers this presents for businesses who want to play a role in supporting vulnerable adults into employment is essential.

- **TUPE**

Current TUPE and Pensions rules present a significant burden to social enterprises. Inconsistent application of TUPE rules designed to protect employees which guarantee them 'broadly comparable' terms and conditions when they are transferred from one employer to another is a particular problem for all independent providers. Social enterprises are fully respectful of TUPE in principle but have encountered difficulties in interpreting how government departments are using the 'TUPE' rules. The Social Enterprise Coalition believes that the TUPE regulations must be fairly and consistently implemented.

Similarly, rules regarding eligibility to remain within the NHS or local authority pension schemes are also a barrier for social enterprises, particularly those involved in the Right to Request and in the future the Right to Bid (part of the localism white paper).

The discretionary allocation of Direction Employer status with a lack of guarantee of whether a social enterprise will be eligible to receive this status has proved to be a significant barrier to social enterprises, as has the inconsistency between Direction Employer status and qualifying as an Employing Authority for NHS services. This requires further investigation and standardisation. Similarly there is a lack of clarity on the eligibility to remain part of the local authority pension scheme for social enterprises emerging from local authorities.

As such, far greater clarity and transparency on both TUPE and eligibility of NHS and local authority pension schemes are required.

Finance is the motor for all business development and the social enterprise sector is no different. A lack of access to appropriate finance can be a significant barrier to growth. The Social Enterprise Coalition therefore believes that there is a strong need for a Big Society Bank created through the use of a portion of the unclaimed assets from dormant bank accounts.

We support the overall vision of a financial institution which would work in the interests of society as a whole as well as the broad objective of increasing investment in society, the environment and the economy, delivering against a 'triple bottom line' of economic, social and environmental aims. We believe that the Big Society Bank could also play a role in building up credibility, attracting more investment in social enterprise activities.

Social investment is a market which requires support in order to develop. The Big Society Bank should aim to develop both the supply of and demand for investment within civil society, particularly to social enterprises. It should make investments, whether equity or equity-like, use its balance sheet as a guarantee to leverage further private finance, help existing intermediaries raise further finance for investment and help develop new forms of financial products. It should also help with investment readiness and tackle the lack of investment knowledge.

The Big Society Bank needs to be independent, flexible, risk taking and capable of being a market shaper. It further needs to be of sufficient scale to leverage significant private sector capital. In addition, the bank must be able to identify gaps across the marketplace and not be forced to oversupply specific areas. Whilst the bank has a role to play in supporting civil society organisations working to deliver public services, it is essential that the bank is able to provide finance to civil society organisations working in all markets.

3) How could commissioners use assessments of full social, environmental and economic value to inform their commissioning decisions?

The government is the largest purchaser of goods and services in the country spending more than £175 billion on procurement each year². In these times of financial austerity, more than ever we must look at the full value created through our public spending decision. We must ensure that the full weight of the public sector's purchasing power is directed at delivering social, environmental and economic value.

For too long, public spending decisions have been completely separate from environmental, social and even economic policy. The Public Services (Social Enterprise and Social Value) Bill aims to ensure that the public sector gets the greatest value from its economic transactions. This could be requiring contractors to create local employment opportunities for disadvantage groups, put something back into the local community, or create a positive environmental impact by reducing waste or carbon emissions.

The Social Enterprise Coalition supports the inclusion of social and environmental criteria in all public sector procurement decisions. Requiring all procurement decisions to demonstrate their wider positive social and environmental impact will ensure that the full weight of the public sector's purchasing power is directed at achieving social and environmental change, alongside delivering financial efficiency. We believe this could not only draw greater value from our

² HM Treasury Operational Efficiency Programme report 2009

expenditure but also stimulate greater innovation and widen the market and choice of suppliers. In particular, the Bill could help to:

- **Minimise the impact of the spending cuts on civil society organisations**
Voluntary and community groups are already feeling the impact of the public sector cuts being implemented to reduce the budget deficit. Ensuring that future public spending decisions create additional social value in the community served could help mitigate against the impact of cuts and ensure that the decisions that are made create greater value.
- **Support local job creation**
In some areas of the UK where the public sector is by far the largest employer, spending cuts are inevitably going to impact on unemployment. This is going to be an enormous challenge. Ensuring that all spending decisions require contractors to support local employment opportunities can play a part in reducing the impact of this.
- **Widen the market and increase choice**
This government has pledged its support for creating plurality of public service providers, but all too often public sector markets are created in such a way that only a small number of large providers are able to compete. In many areas of public services, such as waste and welfare, there is a very small supply side which inevitably limits competition, choice, innovation and value for money.

This Bill would allow the added value social enterprises offer to be taken into account, thereby encouraging them to enter the market and increasing choice. It could also stimulate a role for social enterprises as part of a wider supply chain, fostering greater partnerships between private companies and social enterprises as contracts require providers to draw on their combined skills and resources.

- **Extending social benefit principles to commissioning**
As the Bill currently stands, Clause 3 confines the incorporation of added value to procurement rather than commissioning more broadly. Extending this clause to include commissioning would further enable government to make the most of the added value that can be gained through the public purse.

Toolkits

In terms of translating the Bill into practice, a number of guides and toolkits have been developed across the UK and Europe that consider how best to achieve social, environmental and economic value through contracts including:

- the West Midlands Procurement Framework for Jobs and Skills – currently available online at <http://www.advantagewm.co.uk/what-we-do/supporting-people/economicinclusion/procurement-framework.aspx>;
- the North East Improvement and Efficiency Partnership's Targeted Recruitment and Training Toolkit – available online at <http://rmacfarlane.co.uk/toolkit.html>;
- the “Can Do” Toolkits on targeted recruitment and training, and SME-friendly procurement, funded by the Welsh Assembly Government and available from Inform 2 Involve at http://www.whq.org.uk/i2i/about_resources.php;
- the “Buying Green” and “Buying Social” guidance published by the European Commission.

Learning from best practice: Durham County Council

In addition to the above toolkits, examples already exist of commissioning which is working to these principles. For example, over the last 20 months Durham County Council has brought in a comprehensive suite of measures to effectively develop a plurality of public service providers, build relationships with civil society organisations, and commission on the basis of social, environmental and economic criteria.

As part of their engagement strategy with the sector, the council has mapped all social enterprises and other civil society organisations in the county. They believe that it is important to find and communicate with these organisations as part of a two-way process of improving understanding, but are careful to make sure that this is not at the expense of relations with other sectors.

In addition, the council has been working with a local social enterprise, the Acumen Development Trust, to explore community asset transfers and purchases. Plans for asset transfer include assessing the possibility of using these assets as a resource for start-up community organisations. Alongside this, the council has been work with Mental Health North East to understand and help address funding barriers for civil society organisations.

The council has also set up a 'Whole Life Value Programme'. Working with legal experts, this programme has explored the options for incorporating social and environmental criteria into commissioning and procurement practice and has adopted this approach in the procurement of solar panels for public buildings, for example.

Experts working at Durham County Council reiterated the Social Enterprise Coalition's belief that a large scale cultural shift is needed to bring about such a change in commissioning practice and relationships between the public and civil society sectors. It is therefore paramount that we draw on examples of best practice such as this in order to support the culture shift that is needed across the country.

4) How could civil society organisations support greater citizen and community involvement in all stages of commissioning?

Consumer voice

Whether through localhealthwatch or other mechanisms, valuing the consumer voice is an essential part of the commissioning process.

Social enterprises are businesses based on the principles of mutualism and participation, which focus on the well-being and needs of their service users, local communities and staff. This means that many social enterprises have particular expertise about the communities in which they work, often gained in part through non-traditional ownership structures, which involve users and members of the local community in the governance of the enterprise and the design and delivery of the services provided.

As such, social enterprises are well placed to assess the service needs of local communities and inform strategic decisions about service planning, and government should support their

involvement at the strategic stage of commissioning to benefit from their expertise in understanding and representing the consumer voice .

In addition, there is a danger that the role of delivery organisations and advocacy organisations are seen as separate, resulting in civil society organisations being marginalised from the contractual relationships. Involving bodies that represent the consumer voice should be considered a critical element in the decision-making process for delivery contracts.

Lastly, IT solutions can also play an important role. For example, Patient Opinion is a social enterprise that makes the insights of patients available to the NHS. Using such IT solutions will allow far greater volumes of insight to be generated than expert patients.

Free Schools

There is great potential for civil society organisations to contribute to both the development and running of Free Schools. In order to support this, government should draw from the experience of Co-operative Trust Schools, which now number over 100 and provide working examples of community-based partnerships in the running of schools.

As a note of caution, whilst government is endeavouring to give Free Schools as much flexibility and autonomy as possible, it is important that its focus on this model does not result in a top drive to force new or existing providers into this framework, where community-developed alternatives may be more appropriate.

Government must also be careful to ensure that in a market where schools are being given new commissioning responsibilities and Free Schools are being heavily promoted by central government, this model is not seen as a default preferred provider by inexperienced commissioners. In addition, where barriers to market entry exist for other provider models, government must not promote a move to a Free School model as a panacea when instead these barriers should be tackled.

Citizen-led commissioning

The Personalisation Agenda has the potential to offer enormous opportunities to civil society organisations. However, fundamental changes are needed to create an environment where citizens are commissioning their own services and such a context would seem to be a long way off at present. Currently, the only areas in which such a system operates are personal budgets and elective care. In the case of the latter, experiences suggest that the commissioning structure has been both burdensome and limiting. In order to support the roll out of this type of commissioning, the Social Enterprise Coalition recommends that the government draws lessons from this experience to support both commissioners and civil society organisations.