



Office of the Third Sector  
Cabinet Office  
35 Great Smith Street  
London  
SW1P 3BQ

Wednesday 17<sup>th</sup> January 2007

Dear Mr. Robb,

**Response to 'Partnership in Public Services, An action plan for third sector involvement.'**

The Women's Resource Centre is pleased to see that five government departments have signed up to the eight new commissioning principles set out in this action plan, including consulting potential provider organisations in advance of commissioning new services, ensuring long-term contracts and risk sharing. We agree that standardised contracts will make the procurement process fairer and we support the introduction of a quality standard to make sure sub-contracting is undertaken in the same, fair way.

However, we are concerned that despite the forthcoming Gender Equality Duty in April 2007, which requires all public bodies to actively promote gender equality in all aspects of their work, this report makes scant reference to gender in the implementation of good commissioning and procurement practices. But there is still scope for gender issues to be integrated into the government's action plan on public service delivery, which we hope you will take on board.

**About the Women's Resource Centre**

The Women's Resource Centre (WRC) is a charity which supports women's organisations to be more effective and sustainable. We provide training, information, resources and one-to-one support on a range of organisational development issues. We also lobby decision makers on behalf of the women's not-for-profit sector for improved representation and funding.

Our members work in wide range of fields including violence against women, employment, education, rights and equality, the criminal justice system and the environment. They deliver services to and campaign on behalf of some of the most marginalised communities of women.

There are over ten thousand people working or volunteering for our members who support almost half a million individuals each year.

**Women's organisations and public service delivery**

The increased involvement of the voluntary and community sector (VCS) in delivering services has drawn both criticism and support from the women's organisations we represent.

WRC's position is that all voluntary and community organisations (VCOs) should have the opportunity to make an informed and strategic *choice* about engaging with the public service

delivery agenda. While many of our members feel that VCS engagement in public service delivery is extremely problematic, in terms of maintaining independence and the co-option into a privatisation agenda, the fact is that the government is rolling ahead with their public sector reform plans regardless, and the women's VCS cannot afford to be left behind. For our constituency, preliminary evidence suggests that unless proactive steps are taken (to ensure an equal playing field and that procurement and commissioning training and strategies include an equalities framework), women's VCOs will experience further disadvantage and undermining of sustainability.

The women's VCS has a proven track record in delivering high quality services, despite its marginalisation within the wider VCS, receiving only 1.2% of central government funding despite making up 7% of the entire sector.<sup>1</sup> Whilst government statistics indicate that "median funding from the government [to the voluntary sector] increased by 17 per cent between 2003 and 2004"<sup>2</sup>, this has not translated into improved or increased funding to the women's VCS, and in many cases, aggregate funding to women's VCOs has decreased. Over the past three years, WRC has compiled a growing list of women's VCOs who have closed or are using reserves to continue operating.

Current funding trends are favouring generic organisations and bypassing women-only organisations in spite of their long histories in service delivery, campaigning, and established user-led expertise. While so-called 'super charities' are receiving more funding than ever before, middle-sized organisations that do not have such high levels of fundraising capacity and resources are being squeezed.

WRC conducted an Economic Impact Pilot Study on the women's VCS ([www.londoncouncils.gov.uk/doc.asp?doc=17905&cat=1840](http://www.londoncouncils.gov.uk/doc.asp?doc=17905&cat=1840)) that found that women's VCOs provide value for money, represent an impressive return on funding/investment (up to 385% in our case studies), and is saving the state potentially millions of pounds through its intervention and prevention work. Without women's organisations, more women would be attending public services with problems which could have been prevented.

We are deeply concerned that despite the impressive track-record and long history in promoting equality, women's VCOs are being frequently overlooked in commissioning and procurement processes because their work is seen as too 'niche' or specialist.

The common assumption that gender equality has been achieved drives the marginalisation of the women's sector, despite overwhelming evidence to the contrary.<sup>3</sup> Also, most women's organisations do not provide what are generally considered to be 'public' services, which could affect their ability to bid for tenders, despite their expertise and capability to do so effectively. Rather, they are most likely to provide 'discretionary' public services that are lifelines to many disenfranchised and marginalised women and their children. The importance of these 'discretionary' services cannot be overestimated. This needs to be recognised by the government in its' public service delivery agenda.

Women's VCOs work on health, criminal justice and social care issues other organisations cannot, or will not, address such as rape and rape convictions (which are at an all-time low), childhood sexual abuse and incest (and the mental health repercussions this gives rise to), self-harming, drug and alcohol dependency, domestic violence, female genital mutilation, honour killings, sexual health information, child protection, forced marriage, safe housing etc. Women's organisations work with

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<sup>1</sup> Mocroft, I. and Zimmeck, M. (2004), Central Government Funding of Voluntary and Community Organisations 1982/83 to 2002/03, Home Office Research, Development and Statistics Directorate: London.

<sup>2</sup> Office of the Third Sector (2006) State of the Sector panel newsletter. News from the panel 2. (p.10)

<sup>3</sup> The gender pay gap is the highest in Europe (Bellamy and Rake, 2005) recent women graduates earn 15% less than men who have the same qualifications (Equal opportunities Commission, 2004), almost half (45%) of all women in the UK have experienced some form of domestic violence, sexual assault or stalking (Home Office 2005), the proportion of rape allegations resulting in a conviction have dropped from 24% in 1985 to 5.6% in 2002 (Kelly, 2005), the cost of domestic violence to the state, employers and individuals is estimated to be £22.9 billion per year (Walby, 2004), 70% of women prisoners experience mental health problems and half have been victims of sexual abuse (Social Exclusion Unit, 2002).

some of the most socially excluded women in the UK, and as such, must be effectively resourced and supported as part of the government's wider strategies on social exclusion and fostering more locally-responsive and accountable service provision.

## **Commissioning**

We are pleased to see that the government is establishing a National Programme for Third Sector Commissioning to invest in the skills of its' most significant commissioners. The Minister for the Third Sector states that the reason behind setting up the Programme is to better inform commissioners of the needs of the third sector, which in turn will ensure best commissioning and procurement practices. Whilst the needs of the wider third sector are important, a special emphasis on the women's voluntary and community sector needs to be made to public service commissioners. This is because:

- Good commissioning can only be truly effective if all members of the community (including the most marginalised and hard-to-reach groups) are catered for. A gender-blind approach only serves to hide disparities in service access and need.
- The Gender Equality Duty which comes into operation in April 2007 requires all public bodies (including those in commissioning) to take active steps to promote gender equality in all their work. It will be a legal requirement to take gender into account in all commissioning procedures.
- The women's voluntary and community make up 7% of all registered charities and as such, make up a large and distinct body of the wider voluntary sector. This mountain of expertise, dedication and hard work needs to be acknowledged and effectively utilised by commissioners.

### ***Gender needs to be integral to the National Programme for Third Sector Commissioning training package.***

This is an important opportunity to make public sector commissioners aware of their obligations to implement the mandatory (as of April 2007) Gender Equality Duty into the commissioning process. This means ensuring commissioners are aware of how gender could affect the access of services, whether services need to be tailored for women's and men's different needs, and, if this is necessary, how to go about commissioning women-only/friendly services from the most appropriate providers i.e. local women's voluntary and community organisations. A needs-based analysis is required, as are gender-impact assessments.

### ***Women's organisations should be used to conduct gender training for commissioners.***

While gender should be mainstreamed throughout the training programme, it does also need to be dealt with as a separate module so that this can then be filtered out across the board in all commissioning decisions.

### ***Voluntary organisations should be remunerated in full for their consultative expertise in this process.***

In terms of the women's VCS, not only will this help improve the worsening funding crisis, but also improve the capacity (and voice) of the women's VCS to bid for public sector contracts, and

therefore better support their clients, who make up the most marginalised and vulnerable women in the UK today.

***As well as gender being integral to the training programme, specific equalities guidelines should also be included in the commissioning process.***

In other words, guidelines should be drawn up to make sure commissioners take race, disability, sexuality and age, as well as gender, into account where appropriate. The action plan does state that: '*This transformation will be strengthened by the legal duties on the public sector to promote equality in the way it designs policies and delivers services, to ensure equality of approach for race, gender and disability,*' (p.8) but this needs to be developed further, and it needs to be made clear that the equalities duties affect not only the '*transformation*' but the *delivery* of public services.

## **Procurement**

WRC agree that in order to reduce barriers to entry for the third sector, standardised contracts should be introduced that draw on good practice.

***It is vital that gender be included in the standardised contracts.*** This would be the perfect opportunity for public service commissioners to implement the Gender Equality Duty by stipulating terms that:

- All third sector organisations commissioned or sub-contracted to deliver public services actively promote gender equality within their own workforce and in their service provision.
- The service commissioned by the public service commissioning body should have considered any gendered implications, and steps taken to ensure appropriateness and equal access to services.
- As experts in their field, local women's organisations should be actively sought out and engaged in the planning stages of the commissioning process where appropriate. This consultative exercise should be taken into account in planning budgets and the organisations fully remunerated for their time and expertise, especially in light of overstretched resources.
- There should be a stipulation that gender has been considered and documented at all stages of the commissioning process.

It is reassuring that the action plan also acknowledges the inability of smaller organisations to bid for tenders because of limited resources and diseconomies of scale (p.20). In order to overcome these barriers, which many women's organisations face, the inclusion of 'women' as a distinctive population within larger contracts would help tackle this barrier to entry and make sure that women are not marginalised in the procurement process.

***Commissioners need to specify the need to cater for women as a distinct group within larger contracts.*** This will encourage larger, generic organisations to develop partnerships with local women's organisations, thus fulfilling one of the stated aims of the action plan, namely to support consortia-building.

## **Learning from the third sector**

The action plan aims to spread third sector innovation and wants to ensure that public services learn from best practice. However, we are concerned that this automatically assumes that public

agencies provide inferior services, regardless of the framework in which they work, and the resources available to them. This was reiterated by Steve Davies in his 2006 report 'Third Sector Provision of Employment-Related Services', which concluded that in the case of employment related services, "wherever JobCentre Plus staff have been allowed the same flexibilities and funding as private sector or charitable organisations they have been able to compete with, if not surpass, the performance of contractors."

Simply promoting third sector "innovators" over the public sector only serves to undermine public service workers and presents a one-sided view of the voluntary sector. This ignores issues of transparency, accountability and representation within the VCS e.g. a report by the Association of Chief Executives of Voluntary Organisations (ACEVO) found that 97% of trustee board chairs and 94% of chief executives are white, and 70% of trustee chairs are male. This lack of diversity and gender equality within the larger voluntary sector needs to be challenged if they become partners in public service delivery.

We are pleased to see that '*the Office of the Third Sector will... work with third sector umbrella organisations to develop models for establishing effective consortia*' (p.20). We would want to see women's umbrella organisations, of which there are a number (including ours) to be actively involved in developing consortia with the Office of the Third Sector. In our organisation alone there are over ten thousand people working or volunteering for our members who support almost half a million individuals each year.

***The onus should be on the government (in line with the principles of the forthcoming Gender Equality Duty) to actively pursue involvement with women's VCS umbrella organisations to establish effective consortia.***

### **Supporting the third sector's overall capacity**

In an effort to improve the third sector's overall capacity, the report states that the government is considering opening the *futurebuilders* fund to all third sector organisations working to deliver public services. Our research has shown that in 2006, only 1.2% of all *futurebuilders* funds went to women's organisations compared to 36.2% of funds going to disability organisations, 41.7% going to organisations working with young people and 11.5% to BME organisations. This is compounded by the fact that this small percentage is even less than the previous year when funds to the women's voluntary and community sector were at 1.9%. This trend of diminishing *futurebuilders* funds to women is worrying and without direct government intervention, there is nothing to suggest that this pattern of funding will change. Women's organisations are still marginalised in terms of funding, resources and capacity and therefore are on an unequal playing field with other service providers. If women's organisations are marginalised in the procurement process, it seems inevitable that they will have even less access to *futurebuilders* funds in the future. Not only will this further jeopardise the women's VCS in terms of funding and sustainability, but would be a wasted opportunity to engage with excellent, cost-effective service providers with a vast amount of expertise.

***The government needs to intervene to make sure futurebuilders does not discriminate against women's organisations in their funding patterns.***

A bold statement of support is needed from central government, which recognises the importance of the women's VCS, in order to stem the flow of funds currently running away from it.

We are pleased to see that the action plan endorses the continuance of grants as they are an extremely cost-effective method of community engagement, and help to ensure that public bodies develop relationships with a diverse range of organisations including women's organisations and other marginalised groups.

The action plan goes on to say that '*subsidies would still be available for organisations engaged in particular activities...*' (p.22.52). This is a vague statement that we would like clearer direction on.

***We would like a firm statement of support from the government that certain grants be ring fenced for building the capacity of the women's VCS, as well as other marginalised groups.***

Although the 'Improving Reach' programme was set up by Capacitybuilders to improve access to capacity building and support to marginalised frontline organisations, the groups targeted by the programme do not specifically include women. Instead, black and minority ethnic groups, refugee and migrant groups, faith groups and isolated rural groups take precedence, which means, yet again, that women are marginalised within these wider categories and women's organisations end up receiving less funding. We would like to see 'women' named as a category cross-cutting all of these equalities groups.

Overall, we recognise the good practice that this action plan is trying to promote, but without the explicit promotion of gender equality and its firm integration into all commissioning and procurement practices, the system will continue to be skewed against the interests of women as service-users. Actively including women and women's organisations in commissioning will lead to cost-effective, appropriately tailored services.

Please do not hesitate to contact me if you require further information about the WRC or the contents of this letter. We look forward to receiving your response.

Yours sincerely,

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The **why women?** campaign is speaking up for women's organisations, which do great work for women and society as a whole, but are under threat from lack of funding. We are calling on the government to put gender back on the agenda. Find out more and sign up to support women's organisations at our **why women?** campaign at [www.whywomen.org.uk](http://www.whywomen.org.uk)