

**BIG  
SMILE SOCIETY**

**NOT BIG  
FROWN GOVERN  
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# **BUILDING A BIG SOCIETY**

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# Introduction

Building a big society is at the heart of the Conservative Party's vision for change. The Big Society is a society with much higher levels of personal, professional, civic and corporate responsibility; a society where people come together to solve problems and improve life for themselves and their communities; a society where the leading force for progress is social responsibility, not state control.

The Big Society is our positive alternative to Labour's failed big government approach, and it runs consistently through our policy programme. Our plans to reform public services, mend our broken society, and rebuild trust in politics are all part of our Big Society agenda: these plans involve redistributing power from the state to society; from the centre to local communities, giving people the opportunity to take more control over their lives.

But we recognise that it is not enough to create opportunities for people to get involved in building the Big Society; our reform plans require a social response in order to be successful. So building the Big Society is not just a question of the state stepping back and hoping for the best; it will require an active role for the state. As David Cameron explained in his Hugo Young lecture in November 2009, the state must take action to agitate for, catalyse and galvanise social renewal: "We must use the state to remake society."

This paper explains how a new Conservative government will go about that task, and focuses on three areas.

**First, public service reform.** Our public sector reform programme is designed to cut costs while improving standards, and to enable social enterprises, charities and voluntary groups to play a leading role in delivering public services and tackling deep-rooted social problems. That is why we have developed a detailed framework for opening up public services to new suppliers, and improving accountability and value for money through techniques like payment-by-results, competitive tendering, publishing performance information, and giving people the opportunity to choose between competing providers. To make these reforms work, we need to give new and existing social enterprises, charities and voluntary groups the long-term incentives they need to develop and deliver innovative and high quality public services, and this paper sets out new plans to do that. Specifically, this paper sets out new policies to provide social enterprises with the start-up funding and support they need to bid for government contracts or work towards delivering services under a payment-by-results model.

**Second, our reform agenda is designed to empower communities to come together to address local issues.** For example, we will enable parents to start new schools, empower communities to take over local amenities such as parks and libraries that are under threat, put neighbourhoods in charge of the planning system and enable residents to hold the police to account in neighbourhood beat meetings. These policies will give new powers and rights to neighbourhood groups: the "little platoons" of civil society – and the institutional building blocks of the Big Society. In Portland, Oregon, this approach led to the rapid growth of neighbourhood associations, and increased community engagement.<sup>1</sup> Our ambition for the UK is clear: *we want every adult in the country to be an active member of an active neighbourhood group*. So this paper outlines new policies to stimulate the creation and development of neighbourhood groups, which can take action to improve their local area.

**Third, we need to bring about a lasting culture change to support the work of neighbourhood groups, charities and social enterprises.** As David Cameron put it in the Hugo Young lecture, the Big Society demands mass engagement: a broad culture of responsibility, mutuality and obligation. Achieving this will require a new national energy and commitment to social action. We recognise that government cannot achieve this alone – we need to encourage businesses, the media, social organisations and other bodies to lend their creativity and resources to bring about culture change throughout the country. A whole-country effort is required, and a Conservative government will take urgent action to help bring about this shift. We will make use of all available levers - institutions, funding, social pressure – to deliver culture change and build the Big Society.

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## Key policies – summary

### **i) We will strengthen and support social enterprises to help deliver our public service reforms:**

- **We will create an independent Big Society Bank, funded from unclaimed bank assets, which will leverage private sector investment to provide hundreds of millions of pounds of new finance for neighbourhood groups, charities, social enterprises and other non-governmental bodies.**
- **One of the purposes of the Big Society Bank will be to provide funds to intermediary bodies with a track record of supporting and growing social enterprises.** These intermediary bodies will use these funds to support the next generation of social entrepreneurs, and help more social enterprises to win government contracts and receive revenues from our payment-by-results public service frameworks.

### **ii) We will stimulate the creation and development of neighbourhood groups in every area:**

- **We will establish National Centres for Community Organising.** We will fund the training of 5,000 independent community organisers over the lifetime of the next Parliament. This national army of community organisers will have the skills needed to raise funds to pay for their own salaries, help communities to establish and operate neighbourhood groups, and help neighbourhood groups to tackle difficult social challenges. In the US, the community organising endowment established by Saul Alinsky has trained generations of community organisers, including President Obama.
- **Providing neighbourhood grants for the UK's poorest areas.** This micro-funding will go to charities and social enterprises to work with new and existing neighbourhood groups in the most deprived and broken communities. This will provide a new incentive for people to come together to form neighbourhood groups in the poorest areas, as well as an incentive for charities and social enterprises to support the creation of new neighbourhood groups.

### **iii) We will encourage mass engagement in neighbourhood groups and social action projects by:**

- **Transforming the civil service into a 'civic service' by making regular community service a key element in staff appraisals.** This will help to bring about a culture change throughout the civil service.
- **Launching an annual national 'Big Society Day' to celebrate the work of neighbourhood groups and encourage more people to take part in social action projects.**

These six new policies represent a radical Conservative agenda to build the Big Society, where more power and control is decentralised to neighbourhoods and where people are empowered to come together to address social problems.

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## The problem today

Labour's top-down bureaucracy has crowded out social action and eroded social responsibility. This has weakened society and undermined communities. After 13 years of Labour, Britain is:

- **Distrusting:** Only 31% of people agree that “generally speaking most people can be trusted,” and only two in five believe that local public services promote their interests.<sup>2</sup>
- **Isolated:** 97% of communities have become more fragmented in the last thirty years and even the strongest communities today are weaker than the weakest in 1971.<sup>3</sup>
- **Unengaged:** Volunteering levels have remained static since 2001; and only three percent of the population participate in civic society (e.g. attend public meetings).<sup>4</sup>

Too much of the money allocated by Labour to the third sector has been poorly spent. For example, the flagship Cabinet Office programmes designed to improve the capacity of the social enterprise sector - ChangeUp and Futurebuilders – have been strongly criticised by the National Audit Office. The NAO has criticised the impact and delivery of these programmes, which had a combined budget of over £300 million, highlighting problems such as “the failure at the outset to establish a clear baseline or criteria for measuring success”.<sup>5</sup>

In addition, the Government has failed to address the obstacles to people getting involved in social action. Communities are not provided with the support and funding they need to take greater responsibility, social enterprises have not been adequately encouraged to develop diverse sources of revenue and Labour's refusal to reform the public sector means that innovative community-based social enterprises are being denied the chance to deliver services.

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# Our policies

## i) Strengthening and supporting social enterprises and social action

Social enterprises, charities and voluntary groups can provide personalised public services to some of the most disadvantaged people that state bodies typically fail to reach. In addition, social enterprises can often innovate more quickly and effectively than traditional state bodies. That is why our public reform policies are designed to open up the provision of public services, and provide social enterprises, charities and voluntary groups with the incentives and state funding they need to deliver innovative and personalised services. This funding may take the form of government procurement contracts, payment-by-results frameworks, or choice, meaning that the public can choose which service provider to use, with state funding following the individual.

However, we recognise that in addition to opening up public services in this way, we need to take action to ensure that social enterprises have access to the ‘start-up’ finance necessary to bid for government contracts, carry out preliminary work as part of a payment-by-results model, or set up and attract public service users.

### Creating a Big Society Bank

We want social entrepreneurs to have better access to the strategic capital they need. So we will connect Britain’s financial sector with more opportunities to invest for good.

A Conservative government will use unclaimed assets from dormant bank and building society accounts to create an independent Big Society Bank.<sup>6</sup> This lean, independent organisation will be a social investment market builder and not a market distorter. It will have a strictly wholesale function and will not be restricted to lending.

The independent Big Society Bank will act as a cornerstone investor in innovative products, such as Social Impact Bonds, that offer a blend of social and financial return that is attractive to socially responsible, mainstream investors. By helping intermediaries leverage in additional private funds, this will generate hundreds of millions of pounds for charities, social enterprises, neighbourhood groups, and other non-governmental bodies. This money will fund social projects across the country, creating new opportunities for social action and community involvement.

The Government has dithered on this issue for three years; we will get on with it immediately.

### Supporting and growing social enterprises

One of the purposes of the Big Society Bank will be to provide funding for independent ‘intermediary’ bodies which have already demonstrated a track record in identifying, working with, funding, and supporting social organisations. These intermediary bodies will use this funding to support the next generation of social entrepreneurs, and help more social enterprises to win government contracts and receive revenues from our payment-by-results and choice-based public service frameworks.

The intermediaries will provide advice and mentoring to social entrepreneurs to help them expand their organisations, and help them to export successful social models from one part of the country to another. Because the intermediaries will be working with various social enterprises, they will be well-placed to encourage collaboration between social enterprises working on diverse challenges.

The intermediaries may include charitable trusts such as the Esme Fairbairn Foundation, social investment organisations such as Acumen Capital or the Young Foundation, or local councils and other institutions. They will perform three key functions:

- Identifying the social enterprises in each relevant field which are most likely to succeed in achieving goals such as rehabilitating offenders or renewing neighbourhoods. In particular, this should include smaller social enterprises, which are typically locked out of the current system of procurement, commissioning and service delivery. These smaller social enterprises may be supported directly, or via consortia; and/or
- Providing small amounts of ‘working capital’, enabling these social enterprises to grow; and/or
- Providing mentoring to help the social enterprises in question to develop robust business models.



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In addition, the intermediaries will be able to develop new social enterprises, if they identify gaps in provision and expertise.

Each intermediary will be chosen and evaluated according to transparent criteria, including long-term performance compared with the other intermediaries. This will deliver value for money, and enable the replacement of under-performing intermediaries where appropriate.

Harnessing the expertise of existing funding bodies in this way is the right way to deliver value for money for taxpayer while also achieving our ambition to foster a culture of risk-taking and social innovation.

## **ii) Stimulating the creation and development of neighbourhood groups**

Our reform agenda will empower communities to come together to address local issues. We will achieve this by giving new powers and rights to neighbourhood groups, the ‘little platoons’ of civil society – and the institutional building blocks of the Big Society. Our public sector reform policies are designed to provide the incentives to achieve our ambition *that every adult in the country becomes an active member of an active neighbourhood group.*

### **Conservative Party policies to give new powers and rights to neighbourhood groups**

- Neighbourhoods will be able to bid to take over the running of community amenities, such as parks and libraries that are under threat.
- Neighbourhoods will be given a right of first refusal to buy local state-owned community assets that are for sale or facing closure. This will cover assets owned by central government and quangos, not just town halls.
- Neighbourhoods will also have a right of first refusal to take over and run vital commercially-owned community assets when they shut down – for example, those post offices, pubs and shops whose continued survival is of genuine importance to the local community.
- We will give neighbourhoods detailed street-by-street crime data, so that they can hold the police to account at local beat meetings.
- Neighbourhoods will be able to start their own school, giving them greater control over their children’s education.
- Neighbourhoods will be given the power to engage in genuine local planning through collaborative democracy – designing a local plan from the “bottom up”.
- We will use the Sustainable Communities Act to ensure that neighbourhoods have access to line-by-line information about what is being spent by each central government agency in their area, and the power to influence how that money is spent.
- Allow neighbourhoods to create Local Housing Trusts to enable villages and towns to develop the homes that local people want, with strong community backing.
- Greater access to funding for neighbourhood groups, for example the neighbourhood element of local tariffs raised from development.

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A Conservative government will provide funding to stimulate the creation and development of neighbourhood groups in the poorest areas – and funding for the training of community organisers who can help bring people together and set up neighbourhood groups.

We intend to define a neighbourhood group as follows:

- a new group or an existing not for dividend group within an institutional setting (e.g. scouts, residents association; social enterprise or charity);
- comprised of people living in a defined geographical area;
- have a named leader who is willing to supply their contact details and address for enquiries - required to agree to abide by a neighbourhood ethical code of conduct (to be developed through consultation). This code of conduct will protect neighbourhood groups against extremist causes;
- be required to be publicised online and through other channels, so that new potential members can enquire about joining/to be rated and/or receive feedback.

## **Providing neighbourhood grants for the UK's poorest areas**

We recognise that targeted action may be required to stimulate the creation of neighbourhood groups in some of Britain's most deprived and broken communities.

A Conservative government will use part of the annual 'Futurebuilders' revenue stream to provide grants to neighbourhood groups, social enterprises and charities in these poorest areas. These grants will stimulate the creation of neighbourhood groups by providing an additional incentive for people to come together to form a group, and a new incentive for social enterprises and charities to support the creation of neighbourhood groups. We will design these grants to encourage matched funding from non-governmental sources.

This action to catalyse the creation of neighbourhood groups will help to rebuild some of Britain's most dysfunctional communities, and empower local residents to take action to improve their neighbourhood, demand better public services and take greater control over their lives. It will help to ensure that no community is left behind as a Conservative government devolves power to the lowest possible level.

## **Establishing National Centres for Community Organising**

Community organising is a well-established methodology for building communities, strengthening ties between social groups and helping people come together to address common challenges. This methodology has been successfully applied in areas across the world. In the United States, for example, thousands of people, including President Obama, have been trained as community organisers.

Community organisers identify, recruit and develop community leaders, and help them to develop new relationships within and between communities. They develop local campaigns, based on local concerns and priorities, to encourage people to come together and make a difference in their area.

In the US, generations of community organisers have been trained by Saul Alinsky's Industrial Areas Foundation, which trained Barack Obama as a community organiser in Chicago.<sup>7</sup>

We will establish National Centres for Community Organising and fund the training of independent community organisers. The training will be provided by independent third parties, such as London Citizens / Citizens UK, who have proven track records in training community organisers and activists.

The trained community organisers will operate independently of government, and will not be employed by the state. They will be required to raise funds to pay for their own salaries.

Community organisers will be equipped with the skills to help communities to launch and operate neighbourhood groups, and help neighbourhood groups to tackle difficult social challenges. As in the US and countries around the world, these community organisers will help to bring communities together, and support neighbourhood groups to address common problems.

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## Funding

To provide initial funding, we will use the future revenue from the £200 million ‘Futurebuilders’ programme to provide grants to stimulate the creation and development of neighbourhood groups, as well as funding the training of community organisers.

‘Futurebuilders’ was a Cabinet Office programme, which alongside its partner scheme ‘Capacitybuilders’, has allocated hundreds of millions of pounds to third sector organisations. ‘Futurebuilders’ was designed to lend public money to Third Sector organisations. It is now closed for business and has served its purpose. Future provision of debt for the sector must come from the market and from financing products facilitated by the Big Society Bank.

We will recycle the majority of the future revenue stream from the ‘Futurebuilders’ fund to provide grants to neighbourhood groups and create an incentive for people in the poorest areas to come together and implement their own plans. In addition, some of the revenue stream will be used to fund the training of community organisers who can help people come together to form neighbourhood groups and exercise local power.

This action to catalyse the creation of neighbourhood groups will help to rebuild some of Britain’s most dysfunctional communities, and empower local residents to take action to improve their neighbourhood, demand better public services and take greater control over their lives. It will help to ensure that no community is left behind as a Conservative government devolves power to the lowest possible level.

### iii) Culture change to help build the Big Society

As David Cameron argued in the Hugo Young lecture, the Big Society demands mass engagement: a broad culture of responsibility, mutuality and obligation.

Achieving this goal will require a new national energy and commitment to social action. We recognise that government cannot achieve this alone – we need to encourage businesses, the media, social organisations and other bodies to lend their creativity and resources to bring about a lasting culture change throughout the country. A whole-country effort is required – and a Conservative government will take urgent action to help bring about this shift. We will make use of all available levers – institutions, funding, social pressure – to build the Big Society.

First, we will help to catalyse social action by making better use of existing civic institutions. For example, we will devolve more powers to town halls, give new functions to post offices, protect local pubs and take action to safeguard local shops. This paper for the first time explains how we will apply this approach to the civil service, one of Britain’s largest civic institutions. By making use of these institutions, we can help to embed a powerful new social norm on social action and community activism.

In addition, we will also create new institutions that can encourage social action and mass engagement in community projects. For example, a Conservative government will create a National Citizens’ Service to bring together sixteen year olds from across the country in a two-month programme where they can learn what it means to be socially responsible, to serve their community, and to get on and get along with people from different backgrounds. Building on this approach, we will create a ‘Big Society Day’ which will become a permanent institution dedicated to social action.

### Transforming the civil service into a ‘civic service’

A Conservative government will encourage more civil servants to play an active role in their local communities, by establishing neighbourhood groups and taking part in community projects. We will transform the civil service into a national ‘civic service’.

We will drive this behaviour change throughout the civil service by making regular community service, particularly in the most deprived areas, a key element in staff appraisals. We will achieve this by amending the civil service ‘competency framework’ on which staff appraisals are based.

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## **Launching an annual national ‘Big Society Day’**

We will establish an annual national ‘Big Society Day’ to mark the end of a week of social action, with national and local events organized by charities, schools, small businesses and social enterprises. The ‘Big Society Day’ will celebrate the work of neighbourhood groups and encourage more people to take part in social action projects.

We will work with media and social partners to ensure that the ‘Big Society Day’ is a major national event, designed to encourage more people to take part in social action projects and neighbourhood groups, and help bring about a shift in behaviour and culture.

Making the ‘Big Society Day’ a success will require a national and whole-government effort. A Conservative government will use all the levers at its disposal to ensure that the ‘Big Society Day’ becomes a mass-participation event.

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# Footnotes

1. <http://www.portlandonline.com/oni/>
2. Citizenship Survey: April - September 2008, England.
3. Dorling et.al. December 2008. 'Changing UK - The way we live now' Social And Spatial Inequalities (SASI) group, Department of Geography, University of Sheffield, report commissioned by BBC regions and nations.
4. 2001 Citizenship Survey: People, Families and Communities. Communities and Local Government 30 January 2007.
5. 'Building the Capacity of the Third Sector' – Report by the Comptroller and Auditor General | HC 132 Session 2008-2009 | 6 February 2009.
6. Dormant unclaimed bank assets are funds that have not been claimed by an owner for 15+ years and have been sitting idle in banks. The 2008 Dormant Accounts Act enabled these funds to be reinvested into the community.
7. 'Friction key to foundation success' Chicago Tribune January 30, 2009.







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