

Third Sector Strategy

The Advice Services Alliances response to the
Ministry of Justice's consultation paper

1 About Advice Services Alliance

- 1.1 The Advice Services Alliance (ASA) is the umbrella organisation for independent advice networks in the U.K. Our aims are to:
- champion the development of high quality information, advice and legal services
 - ensure that people are not denied access to such services on account of lack of means, discrimination or other disadvantage
 - encourage co-operation between organisations providing such services
 - provide a forum for the discussion of issues of common interest or concern to advice organisation.
- 1.2 Full membership of ASA is open to national networks of independent advice services in the U.K. Current full members include:
- Advice UK
 - Age Concern Cymru
 - Age Concern England
 - Citizens Advice
 - DIAL UK (the disability information and advice service)
 - Law Centres Federation
 - Shelter
 - Shelter Cymru
 - Youth Access
- 1.3 Our members represent over 2,000 organisations which provide a range of services, including advice, to diverse groups throughout the U.K. About 400 of these organisations have contracts with the Legal Services Commission (LSC). Most of these organisations offer services within a local area, but some of them are regional or national in scope. They are largely funded through public sector grants and contracts, and charitable fundraising. With some limited exceptions, services are offered to users free of charge and are focused on areas of law which mainly affect poorer people e.g. welfare benefits, debt, housing, employment, immigration, education and community care (now commonly referred to as 'social welfare law').
- 1.4 Of the Ministry of Justice's (MoJ) business areas, ASA is primarily concerned with legal aid. As noted in the consultation paper, we are currently funded by the LSC to deliver policy work and our Community Legal Service Support project.
- 1.5 However, it should be noted that our remit extends beyond the MoJ. In particular, we have a good working relationship with the Department for Business, Enterprise and Regulatory Reform in relation to their funding of debt advice and have worked closely with the Big Lottery Fund in relation to their Adviceplus programme.
- 1.6 A draft of this response was sent to all of our members listed above, and their comments have been taken into account in preparing this final document. We are aware that some of our members will also be responding separately.
- 1.7 For ease of reading, our response refers to relevant paragraphs in the consultation paper.

2 Question 1 - an overarching Third Sector Strategy

2.1 We welcome the development of an overall Third Sector Strategy and agree with much that is proposed in the consultation paper. ASA is very willing to participate in any Third Sector Forum or Advisory Group that is established [para 1.17].

What does this strategy seek to achieve?

2.2 We are particularly encouraged that the consultation paper refers to the Government's commitment to working with the Third Sector as equal partners [para 1.3 consultation paper]. Having said this, it is important that the MoJ acknowledges that as partners we do not have equal resources and that this inequality needs to be taken into account.

2.3 Although the advice sector's focus is on ensuring that people, particularly those who are disadvantaged, are able to obtain their entitlements, we have a role in all of the MoJ's departmental Strategic Objectives [para 1.6].

2.4 We welcome the MoJ's commitment to supporting the Compact principles [para 1.4] and the intention to meet the Treasury recommendations [para 1.5] which are, on the whole, welcome.

2.5 We regret that, in the past, the advice sector has not always been treated as an equal partner in discussions on legal aid reform. In our view, the Carter Review team failed to properly consult with the third sector representatives. This left the impression that references to the third sector in Lord Carter's Final Report were afterthoughts. The legacy of this continues to this day with, for example, uncertainty about how quality assurance in the non-solicitor advice sector will be dealt with in future. There is a risk that this will disadvantage third sector agencies.

2.6 We welcome the recognition of the importance of the independent voice of the third sector [para 1.5] which benefits both Government and users. Independence from government is, after all, a fundamental requirement for the effective delivery of advice services in social welfare law.

2.7 We welcome the suggestion that there should be longer-term funding to third sector organisations that facilitate the involvement of a diverse range of voices.

2.8 However, we are cautious about the involvement of volunteers in the direct delivery of public services. Volunteers can add value to the delivery of public services and can make an important contribution to delivering services that are not government funded. However, volunteer services are not cost-free as volunteers require training, support and supervision. Further, their supply is limited, and they can not or should not be seen as a replacement for paid staff.

Underpinning principles

2.9 We very much welcome the commissioning principles [para 1.13] set out in the consultation document.

2.10 The re-iteration of the Government's commitment to consult potential provider organisations well in advance of commissioning new services is particularly important. This issue has caused conflict between the third sector and the Legal Services Commission, for example in relation to the developments of Community Legal Advice Centres, and it is important that it is resolved. In our view, there needs to be clear guidelines on procurement which put these principles into practice and we

suggest that such guidelines are developed by the MoJ in partnership with the LSC and third sector.

- 2.11 We agree that it is important to develop an understanding of user needs. ASA, together with our partners, has secured funding from the Big Lottery Fund to work on developing user involvement in the delivery of advice services and we will be happy to share our learning with the MoJ.
- 2.12 We note the encouragement to consider sub-contracting and consortia-building and agree that these are often essential to enable third sector organisations to participate in delivery of public services. In a recent bid round, the LSC refused to allow sub-contracting and consortia bidding and this caused disadvantage to small third sector advice agencies. We suggest that the guidelines on procurement should expand on this commitment in relation to sub-contracting and consortia building.

3 Question 2 - voice and campaigning

- 3.1 As we have already stated, we welcome the commitment to improving consultation with the third sector in the development of policy. On the whole, ASA has a constructive relationship with the LSC. However, the speed of reform has made it difficult for third sector organisations who are delivering services to get their voices heard.
- 3.2 We are keen to facilitate improved communication between policy leads, commissioners and the third sector. We understand that the Department of Work and Pensions has developed a practice of senior civil servants spending a week every year on the "front line" in a Job Centre or similar. We suggest that the MoJ develops an equivalent practice and that senior civil servants and senior LSC staff should spend a week every year in an advice sector organisation.
- 3.3 We strongly agree with the suggestion [para 2.6] that there needs to be separation between consultation about service design and subsequent service commissioning. It seems to us that there has been a degree of uncertainty about where the line should be drawn and we suggest that this should be incorporated into the guidelines on procurement (see paragraph 2.10 above).

4 Question 3 - strengthening communities

- 4.1 The advice sector has a significant interest in developing good relations with local authorities as, taken together, they are currently the largest funder of advice services.
- 4.2 We are therefore keen to work with the MoJ to ensure that advice agencies are consistently represented on Local Strategic Partnerships (LSPs) and that advice services are included in Local Area Agreements as a cross cutting theme. Although we are aware of good practice in relation to advice sector involvement in LSPs there is no consistency about this.
- 4.3 As we have already stated, we are keen to work with the MoJ and others on the development of consortia and partnership in the advice sector and with other sectors. The nature of advice services means that organisations are often very well networked on a local level with other agencies. ASA and its network members have good links with local organisations and will be able to co-ordinate contact between them and central government.

5 Question 4 - transforming services

- 5.1 We support the priorities set out [para 4.7].
- 5.2 However, we suggest that the MoJ needs to consider whether a competitive approach to procurement always provides the best outcome for users. One of the strengths of the third sector is a collaborative approach to working with other organisations, and we fear that competition may have unintended harmful consequences on these relationships. We agree with the National Council for Voluntary Organisations that one funding mechanism isn't suitable for all outcomes and services. We refer to the National Audit Office's "decision support tool" for funders of third sector organisations which provides a framework for deciding between three funding channels: procurement, grant or grant in aid funding.
- 5.3 We support investment in the capacity of the supplier base. It is important that procurement practices do not disadvantage third sector organisations and that they recognise the value added by them. We welcome proposals to train commissioners in sharing contracting risks. It is our view that LSC-funded advice agencies and Law Centres are already facing unacceptable risks in the transition period from the NfP contract to fixed fees.
- 5.4 We agree that outcomes for users are critical and should be at the heart of commissioning. However, in our view, there has been a tendency to over-emphasise quantitative targets. Other outcomes can be equally important, but are sometimes more difficult to measure.

6 Conclusion

- 6.1 We broadly welcome the Third Sector Strategy - the challenge will be ensuring that the principles can be translated into practice. The Advice Services Alliance is very willing to work with the Ministry of Justice on this task.