



Cutting it

The 'Big Society' and the new austerity

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Summary

What is the 'Big Society'?

The 'Big Society' is the Government's big idea and a programme for structural change. The goal is to devolve power to the lowest possible level and use the state to galvanise community engagement and 'social renewal'.

The new austerity

The 'Big Society' idea goes hand in hand with deep cuts in public spending. The cuts are only feasible alongside a strategy for shifting responsibility away from the state – to individuals, small groups, charities, philanthropists, local enterprise and big business.

The cumulative effects of the spending cuts will have a strong influence on the way the 'Big Society' is realised. There will be many more people out of work, facing a punitive benefits system and drastically pared-down public services, and more polarisation between rich and poor neighbourhoods. Unpaid labour and the charitable and voluntary sectors are due to fill the gaps left by public services, providing support to increasing numbers of poor, jobless, insecure and unsupported individuals and families.

How will the 'Big Society' work?

There is no master plan or blueprint for the 'Big Society', because the Government says it wants decisions to be taken locally. There are, however, three core components: 'empowering communities', 'opening up public services' and 'promoting social action'.

A suite of government-backed initiatives is intended to help build the 'Big Society', including a 'Big Society Bank', 5,000 'community organisers', a 'Big Society Network', a national 'Citizens' Service', four 'vanguard communities', a rebranded government Office for Civil Society, and structural reform plans, with six departmental priorities including 'supporting the building of the Big Society'.

Where do the ideas come from?

The ideas behind the 'Big Society' are traced back by some to John Locke, Edmund Burke, William Cobbett, Thomas Carlyle and John Ruskin. More recent influences include American conservative communitarians who call for a return to 'community and civic order'.

What do people make of it so far?

Less than half the population (45 per cent) has heard of the 'Big Society', although there is strong support for the idea of people 'pulling together' to improve things locally. So far, most commentators warmly welcome the vision of more local control and action, and more participation by citizens and community-based groups. There are worries that small local organisations will find the challenge too burdensome, that the poorest and most marginalised citizens will be least able to reap any benefits, and that public spending cuts will prevent the ideals of the 'Big Society' from being realised in any plausible form.

What's good about it?

There are strong, sensible ideas at the heart of the 'Big Society' vision, many of them developed and promoted by **nef** as part of our work to build a sustainable economy. The progressive potential of the 'Big Society' lies in:

- Encouraging citizens' involvement and action
- Recognising that everyone has assets, not just problems
- Building and strengthening social networks
- Using local knowledge to get better results
- Offering ways of transforming the welfare state.

What are the big challenges?

For all its potential, the 'Big Society' raises a lot of questions, which become more urgent and worrying in the light of public spending cuts. The main challenges are these:

- Social justice, equality and cohesion. Not everyone can take part and benefit
 as easily as everyone else, because the conditions that make it possible are
 not equally distributed. This applies to capacity, whether individuals are able to
 participate; access, who can join in and who gets left out; and how much time
 people have to play a meaningful part in the 'Big Society'. The combined effects
 of localisation and fiscal retrenchment threaten to undermine the Government's
 tenet that we are 'all in this together'.
- Economic policy and spending cuts. The 'Big Society' will be profoundly
 influenced by the new austerity; it is also intended to make the new austerity
 politically feasible. The combined consequences of harsh spending cuts and a
 shift of responsibility from the state to 'civil society' should leave no doubt that
 the 'Big Society' and the Government's economic policies are interdependent.
- Dangers of a shrinking state. Together, plans for a 'Big Society' and spending cuts on an unprecedented scale seem to mark the end of the post war settlement. We move from pooling responsibility through the machinery of a democratic state to dividing it between individuals, groups, localities and organisations in the private and voluntary sectors. It is not clear how the rights of individuals will be protected, essential services guaranteed, or those who are poor, powerless and marginalised defended against those who are better off. If the state is pruned so drastically that it is neither big nor strong enough to do this, we shall end up with a more troubled and diminished society, not a bigger one.
- Impact on community and third-sector organisations. The 'Big Society' may be at odds with the character and purpose of many groups and organisations. People usually choose to participate in community activities when they find them optional, small-scale, convivial and life-enhancing, but many of the Government's plans for supporting civil society are conditional, formalised, complicated and hard graft. The drive towards growth and commodification may also threaten the diversity, spontaneity and free spirit of civil society. A major concern is that efforts to reduce the deficit will undermine the very networks and groups that are most needed as life gets tougher for those who are already disadvantaged.
- The role of business. The doors are open for big corporations to take over state functions – by providing backroom support and running services. There are dangers that for-profit businesses will change the ethos, purpose and outcomes of services, with negative effects on the quality of life and opportunities of those who are most in need. There are also worries that big business will drive out smaller non-profit organisations, which could otherwise provide contracted-out services with more flexibility and local knowledge.
- Where and how does the buck stop? If power is devolved and responsibility shifted from the state to the private and third sectors, who can be held accountable, where are the audit trails and how can these be identified and followed? It is hard to imagine how an indeterminate number of infinitely varied organisations can be knitted into an accountability framework, but the problem can't be ignored. Things are bound to go wrong and, without accountability, there will be no way of building up public confidence and trust.

How to make the best of the 'Big Society'

The 'Big Society' is deliberately open-ended. It can be seen as an opportunity to be seized – to define and shape it ourselves. Here we set out ideas, many developed by **nef**, to fill in the gaps and make the best of the big idea. They depend, however, on the government revising its policies on public spending cuts to provide consistent and adequate support for local government, community groups and third-sector organisations.

- Establish clear goals. The overarching goals of the 'Big Society' should be social justice and well-being for all, anchored in a shared understanding of how the 'Big Society' will help to achieve them.
- Make sure everyone has a fair chance to participate and benefit. The 'Big Society' must be for everyone, which means making sure that everyone has enough capacity to participate and sufficient access to networks, groups and other community-based assets, with paid and unpaid time more evenly distributed across the working population, especially between women and men. Special efforts will be needed to include those who are currently marginalised, and to support small local groups and voluntary organisations.
- Move towards a much shorter working week. The 'Big Society' implies a big demand for unpaid, discretionary time. A slow but steady move towards a much shorter paid working week could help to spread opportunities for paid employment, as well as time for unpaid activities as parents, carers, friends, neighbours and citizens.
- Make co-production the standard way of getting things done. There is no point shifting functions to independent organisations if they replicate discredited models of planning and delivery. Co-production offers a route to more empowering, effective, preventative and cost-efficient services. 'Providers' and 'users' work together with carers and others in an equal and reciprocal partnership, pooling different kinds of knowledge and skill. Professionals will need to change the way they operate working with people, rather than doing things to or for them.
- Make it accountable and measure what matters. People should know how responsibilities are shared out and how public resources are expended, to what purpose, by whom and with what results. There should be clear lines of accountability and appropriate methods of assessment, redefining efficiency and success. What should count are not just short-term financial effects, but the wider and longer-term impacts on individuals and groups, on the quality of their relationships and material circumstances, on the environment and on prospects for future generations.
- Make it sustainable. The 'Big Society' must be sustainable in environmental, social and economic terms. That means, for example, decarbonising services, planning for future generations and focusing on prevention.
- Underpin it with a broader economy, a stronger democracy, and a strategic state. The economic, social and environmental challenges of the 21st century call for radical and systemic change to develop a broader economy, a bigger democracy and a strategic state. These ambitions are part of the 'great transition' to a new economy that frames nef's work. The aim is to shift to a system where everyone is able to survive and thrive on equal terms, without over-stretching the earth's resources. Only with a transition on this scale can the best elements of the 'Big Society' vision be realised and sustained over time.

What is the 'Big Society' (and why the capital letters)?

The 'Big Society' is a defining policy of the Coalition Government and David Cameron's big idea. It is also a government-led programme for structural change. The capital letters and quotation marks distinguish it from what's already out there: our very own big society, where we live together and do things together in families, networks, groups and neighbourhoods in myriad ways, including volunteering, contributing and participating in vast numbers right across the country.

As the Prime Minister put it to the Conservative Party conference in 2010, his government is leading the change 'from state power to people power' and 'from big government to the big society'. This will not happen, as Cameron makes clear, without big interventions by government itself. The declared goal is to transfer power from the state to individuals, neighbourhoods, or the 'lowest possible tier of government', in that order of priority. What remains of state power will be used for 'galvanising, catalyzing, prompting, encouraging and agitating for community engagement and social renewal'.

Far from being a temporary buzz-phrase, as some suspected, the 'Big Society' seems to have taken off and taken hold – in a big way. Across national and local government, across considerable chunks of the business world and great swathes of the third sector, it is a hot topic of discussion and the driver of a massive re-branding exercise, as the phrase is swiftly bolted to countless projects, events and documents. What does it mean? What difference could it make to our lives? What are the opportunities and threats?

In July 2010, **nef** produced a briefing, 'Ten Big Questions about the Big Society and ten ways to make the best of it'.⁴ It drew such interest and so many requests for more that we have produced this updated and expanded response, which takes fuller account of emerging plans for government action as well as the public spending review. It also reflects what we have learned from a wide range of charities, community groups and government officials at meetings they convened to discuss what the 'Big Society' could mean to them.

At this stage the key components of the 'Big Society' are sketched out only lightly and people interpret them in different ways. It generates a great deal of excitement and enthusiasm as well as anxiety and distaste. The big question posed here is whether the vision set out by the Prime Minister, in his party conference speech (October 2010), can fulfil its promise 'to give Britain a brand new start' when it is put into practice. And what kind of 'start' will that be? Can the 'Big Society' cut it in the age of austerity?

What remains of state power will be used for 'galvanising, catalyzing, prompting, encouraging and agitating for community engagement and social renewal'.

Can the vision set out by the Prime Minister fulfil its promise 'to give Britain a brand new start'? Can the 'Big Society' cut it in the age of austerity?

The new austerity

The idea of a 'Big Society' goes hand in hand with the Government's programme of deep cuts in public spending. They are two sides of the same coin.

Spending cuts on the scale and at the speed announced by government would not be possible without a strategy for shifting responsibility away from the state – to individuals, small groups, charities, philanthropists, local enterprise and big business.

The Comprehensive Spending Review in October 2010 ushered in a new era for services and benefits that will shape the way the 'Big Society' develops. Services and grants for child care, homeless families and a great swathe of public and third-sector programmes aimed at helping poor and vulnerable groups are being drastically downsized or axed altogether. The same goes for leisure and sport facilities, libraries, film, theatre and arts projects, and post-school education. Even the NHS is feeling the squeeze, with a 0.1 per cent increase in its budget that won't allow it to keep pace with rising costs.⁵

There are cuts to local government spending on an unprecedented scale, affecting services, housing and other capital expenditure. Councils face a 27 per cent cut in their grant funding in the period to 2014-5.6 Even when local income tax is added, there will be a 14 per cent fall in their spending. The future for local government is one of dramatic challenge, says KPMG's head of local and regional government: in order to survive, councils will need to be ruthless in urgently deciding on frontline service priorities and ending lower priority services. Margaret Eaton, chair of the Local Government Association, says 'there will be fewer libraries, more potholes going unrepaired, parks shutting earlier and youth clubs closing'; the Government has underestimated soaring demand for social care for older people and for child protection.

Reforms to council tax benefits are causing the most concern, according to Carl Emmerson, acting head of the Institute for Fiscal Studies (IFS): 'It will make the benefits system more complex and less transparent... The incentive it provides to local authorities to encourage low-income people to move elsewhere is undesirable.'9

Cuts in welfare spending worth £7 billion have been added to £11 billion announced in the June 2010 budget. They will hit families with children hardest, according to the IFS. Its analysis concludes that, while top earners would suffer most, the poorest would bear more of a burden than middle income groups: 'with the notable exception of the richest 2 per cent, the tax and benefit components of the fiscal consolidation are, overall, being implemented in a regressive way'. ¹⁰ In addition, cuts to housing benefit, combined with cuts to the subsidy for affordable house building will have a devastating effect on thousands of young people, who will be consigned, says Shelter's chief executive Campbell Robb, 'to increasing costs and bringing up their future families in an insecure private rented sector'. ¹¹

There are plans to spend £470 million over four years to help community groups build the 'Big Society'. This is expected to pay for 5,000 new community organisers and a National Citizens' Service, and includes a £100 million fund to help charities, voluntary groups and social enterprise make the transition. 12 Against this, it has been estimated that charities will lose £4.5 billion as a result of spending cuts, a continuing decline in giving, and forthcoming increases in VAT. And even before the spending review, council grants to local organisations had been cut back extensively. 13

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Taken together, these and other effects of the Government's deficit reduction strategy will have a strong influence on the way the 'Big Society' is realised. There will be more people out of work, with up to 500,000 job losses expected in the public sector, and countless more in the private sector as public sector contracts are cut back, for example in construction. Poor areas, which already rely more heavily on public employment, will suffer disproportionately. Women, who make up two-thirds of public sector employees, will take the hardest hit. Rising unemployment will have cumulative effects as people lose homes, pension rights and prospects for improving their lives, as well as earned income.

The newly unemployed will face a much tighter and more punitive benefits system and often drastically pared-down public services. There will be more polarisation between and within neighbourhoods as changes to housing benefit put the poorest to flight in search of affordable accommodation.

Unpaid labour – mainly female – and the charitable and voluntary sectors are due to fill the gaps as the state retreats. With many of their own funding sources already in jeopardy, local non-profit organisations are supposed to provide services and support to increasing numbers of poor, jobless, insecure and unsupported individuals and families, facing risks and disadvantages they are unable to deal with themselves. These are the conditions in which the 'Big Society' is expected to take root and flourish.

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How will the 'Big Society' work?

When the effects of the spending review are taken into account, it is increasingly clear that the 'Big Society' is intended to pick up the pieces left in the wake of a rapidly retreating state. How is that to happen?

There is no master plan or blueprint for the 'Big Society'. The Government says it wants decisions to be taken locally and people to choose for themselves what actions to take. In the words of Eric Pickles, Secretary of State for Communities and Local Government: 'That is the essence of the Big Society – trusting people to know what needs doing, with Government enabling them instead of getting in their way'.'

To find out what the 'Big Society' might be all about, we have drawn together ministerial speeches, background briefings and a new outcrop of policy papers. These indicate three core components: 'empowering communities', 'opening up public services' and 'promoting social action'.

'Empowering communities'

The aim is to bring about a 'massive power shift' from central government to 'local communities'. There will be changes to planning laws and new rights so that locally-based organisations can take over and bid to run local assets and services. Some of the funds earmarked for local government will be re-routed to voluntary and third sector bodies. Councils will have more control over how they spend money and more information about how they spend it will be made available to the public to help inform decision-making by citizens.

'Opening up public services'

The Government wants to give a much bigger role in running public services to empowered communities, organised in 'charities, social enterprises and cooperatives', alongside conventional businesses. This will involve 'modernising' the commissioning process, to specify desired outcomes, so that organisations bidding for contracts are left to provide details of how they will achieve them. Many more services will be put out to competitive tender, with contractors rewarded for the results they achieve, not just for the work they carry out. Public sector workers are encouraged to form cooperatives to bid for contracts. In an ironic twist for a government committed to localism and deregulation, it is reportedly planning to set targets for the share of public services to be outsourced to private and third-sector bodies. 15

'Promoting social action'

Having opened up opportunities, citizens must be persuaded – individually and through voluntary, charitable and community-based groups – to seize them. This involves influencing individual behaviour and finding ways to encourage and support local groups. The Government is advised by Richard Thaler, co-author of *Nudge: Improving Decisions about Health, Wealth and Happiness*, which uses behavioural economics and social psychology to identify ways of stimulating behaviour change (for example, by advertising social 'norms' to encourage conformity). ¹⁶ The Cabinet Office is testing proposals for supporting civil society organisations, which include online toolkits and resources, mentoring and other kinds of pro-bono support by larger businesses and charities, bursaries for 'frontline groups' to get help with bidding for contracts, mergers, 'substantial collaborations' and consolidation of infrastructure, and specialist advice from umbrella organisations. ¹⁷

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What will make it happen?

A suite of government-backed initiatives is intended to kick-start the 'Big Society' and support its development. They are supposed to ensure, in the Prime Minister's words, 'that the big society advances as big government retreats'.¹⁸

- There will be a 'Big Society Bank' with money collected by the Co-operative Bank from unclaimed accounts, to provide start-up for social enterprises. An 'independent wholesale organisation', 19 it is due to start in April 2011 with funds of £60-100 million in the first instance.
- There are plans for a new cohort of 5,000 'community organisers' to help galvanise local action. Based on a US model, this is described as a 'neighbourhood army' of full-time professionals who will be trained 'to identify local community leaders, bring communities together, help people start their own neighbourhood groups, and give communities the help they need to take control and tackle their problems'.²⁰
- The Big Society Network is intended to act as a catalyst. Co-founded by Lord Wei, now the Government's leading adviser on the 'Big Society,' and supported by secondments from the Cabinet Office, it describes itself as an independent 'group of citizens frustrated with the problems of modern Britain from social isolation to community disintegration and seeking to enable people to get involved in local solutions'. Headed by marketing executive Paul Twivy, the BSN has been promoting a number of projects including 'Your Square Mile' (IT support for place-based organising), participatory budgeting ('to harness bottom-up experience, expertise and energy in decision making') and the 'Big Lunch' (lots of large lunch parties on the same day of the year).²¹
- A national 'Citizens' Service' for 16-year-olds is being piloted on a small scale by a third sector organisation, The Challenge Network, with funds from grant-giving trusts and private sector donors.²² The pilot phase combines outdoor activities with team work and projects generated by the participants: 'your chance to show yourself and others (including employers and university admissions tutors) what you can do'. The aim is to keep it voluntary while expanding it and eventually making it universal (though presumably not compulsory).
- Four 'vanguard communities' are intended to lead the way: Liverpool, Eden Valley in Cumbria, Sutton in South London, and the Royal Borough of Maidenhead and Windsor. They have expressed interest in a range of local initiatives, which are so far piecemeal and on a small scale. They include local budgeting and energy generation, taking over a community pub and using volunteers to keep local museums open for longer. The four areas are said to receive 'targeted and tailored help from government' including a dedicated community organiser, 'to ensure they can overcome bureaucratic barriers and take greater responsibility for the decisions that affect the local area and local people'.²³
- In the Cabinet Office, the Office for Civil Society replaces the Office of the Third Sector to take responsibility for charities, voluntary organisations and social enterprises.²⁴

Underpinning these initiatives are the Government's structural reform plans, described as 'the key tool of the Coalition Government for making departments accountable for the implementation of the reforms set out in the Coalition Agreement'. They are said to 'to turn government on its head, taking power away

from Whitehall and putting it into the hands of people and communities.'25 There are six 'departmental priorities': civil service reform; quango reduction; information and communications technology (ITC) strategy; driving efficiency in government operations; transparency and supporting the building of the Big Society.

Under the latter heading, structural reforms are supposed to 'make it easier to run a charity, social enterprise or voluntary organisation', to 'get more resources into the sector – social investment, giving and philanthropy', to 'make it easier for sector organisations to work with the State', to 'develop a social norms agenda', to 'encourage volunteering and social action' and to 'begin development of a National Citizens' Service.' The details are captured below.²⁶

C	TIONS .	Start	End
3.1	Make it easier to run a charity, social enterprise or voluntary organisation		
	 Reduce the bureaucratic burden on small civil society organisations 	Jun 2010	Sep 2010
	 Set up a joint CO-BIS taskforce to investigate burdens and provide recommenda 	tions Jul 2010	Jan 2011
	on how to reduce them		
	iii. Consult on improving the effectiveness of infrastructure to support frontline	Jul 2010	Apr 2011
	organisations		
6.2	Get more resources into the sector - social investment, giving and philanthropy		
	 Work with HMT to use funds from dormant bank accounts to establish a "Big Soo 		Apr 2011
	Bank", to provide new finance for social enterprises ,charities, neighbourhood gro		
	 Work with HMT and other relevant departments, to review options to incentivise 	more Jun 2010	Jan 2011
	social investment and philanthropy		
6.3	Make it easier for sector organisations to work with the State (1/2)		
	 Identify and agree the reform required to reduce bureaucracy and increase trust 	in the Jun 2010	Dec 2010
	public commissioning process, while creating a more level playing field for the		
	voluntary sector		
	ii. Devise and implement measures to improve transparency; consultation and	Jun 2010	Dec 2010
	accountability in the relations between Sector and State		
MIL	ESTONES		
	Parliament invited to create a Select Committee for Civil Society	Nov 2010	
	Implementation of changes to commissioning process begins	Jan 2011	
	C. First funds from Big Society Bank available	Apr 2011	
	Actions to reduce burden of bureaucracy on the voluntary sector	Feb 2011	

ACTIONS .	Start	End
6.3 Make it easier for sector organisations to work with the State (2/2)		
iii. Support the creation of mutuals, co-operatives, charities and social enterprises to have	Jun 2010	Ongoing
a greater involvement in public services by giving public sector workers a new right to		
form employee-owned co-operatives		
6.4 Develop a social norms agenda		
 Explore how to make regular volunteering an element of civil service staff appraisals; 	Jun 2010	Dec 2010
identify and publish data to give greater detail of Government support for social action		
ii. Break down barriers to social action and volunteering	Jun 2010	Ongoing
5.5 Build the Big Society by encouraging volunteering and involvement in social action		
Launch a national day to celebrate social action	Jun 2010	Ongoing
ii. Train a new generation of community organisers	Jun 2010	Jan 2011
6.6 Begin development of a National Citizens Service		
i. Undertake preparatory work for pilots, identifying appropriate Local Authorities	Jun 2010	Sep 2010
ii. Develop a roll-out plan	Jun 2010	Sep 2010
MILESTONES		
A. Announce date for day to celebrate social action	Sep 2010	
Fund created to support creation of neighbourhood groups	Dec 2010	

Source: Cabinet Office Draft Structural Reform Plan, July 2010

Where do the ideas come from?

It is beyond the scope of this paper to analyse the theories behind the 'Big Society'. Briefly, there are strands of intellectual history among Liberal Democrats and Conservatives that underpin a shared distaste for centralised state power, as well as a preference for localised decisions and actions.

Some analysts cite John Locke on the limits of government power and Edmund Burke's reflections on loving 'the little platoons we belong to in society'.27 Phillip Blond, who could claim to be an architect of the 'Big Society', has sought to rekindle Tory interest in helping the poor and dispossessed, while trying to remain uncontaminated by socialism: 'Conservatives need to look back to William Cobbett, Thomas Carlyle, and John Ruskin, who were critics of authoritarian statism as well as denouncers of self-serving capitalism. As conservatives, they hated the cultural consequences of industrialisation—the creation of a landless, dispossessed mass forced to work at subsistence levels, cut off from any cultural enrichment.'28

Steve Hilton, the Prime Minister's director of strategy, has described the 'Big Society' as 'an audacious attempt to fashion a notion of social solidarity from the bricks of centre-Right ideas' and as 'ambitious to the point of recklessness: nobody knows if it can be done'.²⁹ His chief points of reference are from the United States. Rather than crediting the likes of Robert Putnam and other communitarians who exerted so much influence over Tony Blair's 'third way', he refers enthusiastically to *New York Times* columnist David Brooks, who urges the Republican Party to learn from John Ford's westerns about the 'social customs that Americans cherish – the gatherings at the local barbershop and the church social, the gossip with the cop and the bartender and the hotel clerk'. Electoral success, says Brooks, depends on becoming 'the party of community and civic order'; he favours a 'conservative vision' of civic order in which 'government sets certain rules, but mostly empowers the complex web of institutions in which the market is embedded.'³⁰ Hilton applauds this as 'a fantastic description of our values and political approach'.³¹

The call to embrace community and civic order, American-style, has serious implications for the UK welfare state, as discussed below. What Cameron is proposing, says Hilton, is 'nothing less than to wean this country off its apparently unbreakable dependency upon the state, centralism, welfare, and rule from Whitehall: the corrosive habits of half a century.'32 As **nef** has argued elsewhere, this is 'not about shared responsibility, or equal partnership, or mutual exchange, but replacement, even obliteration' of the post-war welfare system.33

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The call to embrace community and civic order, American-style, has serious implications for the UK welfare state. This is not about shared responsibility, or equal partnership, or mutual exchange, but replacement, even obliteration of the postwar welfare system.

What do people make of it so far?

At the time of writing little had happened to suggest radical or sweeping change worthy of the big aspirations behind the idea.

According to pollsters Ipsos MORI more than half the population (55 per cent) had not heard of the 'Big Society' in September 2010 (up from 47 per cent two months earlier). There was strong support for the idea of people 'pulling together' to improve things locally (64 per cent agreeing, 26 per cent disagreeing), with 40 per cent saying they had done so themselves in the last 12 months, and 60 per cent saying they had not. Fifty-four per cent thought that the 'Big Society' was a good idea in principle but wouldn't work in practice, and 57 per cent also thought it was just an excuse for the Government to save money by cutting back on public services. Fifty-nine per cent said the idea had made no impact on their view of the Conservative party, and 70 per cent said the same about the Liberal Democrats.³⁴ Not a ringing endorsement, but these are early days.

Four themes are emerging from the commentary on the 'Big Society'. First, there is a resounding welcome for the vision of more local control and action, and more participation by citizens and community-based groups. Secondly, there is some concern that small local organisations will find the challenge too burdensome and out of tune with what they are already doing. Thirdly, there are worries that the poorest and most marginalised communities will be least able to reap any benefits. And, finally, there are profound anxieties that public spending cuts will prevent the ideals of the 'Big Society' from being realised in any plausible form.

'It aims to be hands-off in terms of regulation, and to put in place the structures where others can find the answer, and then thrive', says David Emerson, chief executive of the Association of Charitable Foundations. 'Out of this "Let 1000 flowers bloom" concept it is believed will then emerge original and creative ideas towards solving society's problems.'35

Cliff Prior, chief executive of UnLtd, the charity supporting social entrepreneurs, comments that 'lots of communities are created around interests rather than geography. It would almost be wiser to start at the other end – to celebrate the astounding number of people who contribute to social good, their diversity, richness and humanity.'36 Will Horowitz of Community Links points to a false distinction between the deserving and undeserving citizen. Citing the Prime Minister's conference speech, 'Fairness means giving people what they deserve – and what people deserve depends on how they behave', Horowitz comments: This is a division that we at Community Links do not recognise. Our community includes many people getting by on benefits, many people struggling to find work. And the idea that they cannot be part of the big society, do not *deserve* to be part of it, is wrong.'37

Matthew Taylor, chief executive of the Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA), is concerned about the impact on inequalities. 'Privileged areas have got a lot of capacity to tap into in terms of the resources, expectations and abilities of their citizens. But it is deprived communities which can gain the most from a new relationship between the public sector and the citizen. So, even in the context of austerity, we need to invest in building the capacity of those communities. Building the Big Society requires a big dollop of redistribution.'38

Jules Peck, who has advised David Cameron on sustainability, writes that there are 'real concerns that a reliance on the third sector and on private companies

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is both lacking in accountability and likely to fall short of the gap created by cut backs in state support for communities, their infrastructures and their services. Many third sector organisations get significant proportions of their funds from local councils.'39

Sir Stuart Etherington, chief executive of the National Council for Voluntary Organisations (NCVO), points out that 'small scale community activity is fundamentally important to civil society. It depends on small grants, and if these are wiped out this will remove the very support structures that community groups depend on and undermine the Big Society.'40 He gives a guarded welcome to the £100 million transitional fund announced in the spending review.⁴¹ Stephen Bubb, chief executive of the Association of Chief Executives of Voluntary Organisations (ACEVO), says the cuts 'will undoubtedly mean very difficult times for our sector'; the immediate challenge after the spending review, says Bubb, is to make sure that departments and local authorities see the sector 'as a partner in achieving more for less, not a soft target for short-sighted cuts (the latter being an attitude I have found worryingly prevalent in Local Authority circles)'.⁴²

This message was underlined by Dame Suzi Leather, chair of the Charities Commission, who warned that the Government's spending cuts could cost voluntary organisations some £5 billion; cutting funding to charities that were providing key public services would be short sighted, she said, and threatened to 'pull the rug out' from the 'Big Society'.⁴³ We explore these themes in more detail below (pages 16–20).

'Building the Big Society requires a big dollop of redistribution.'

What is good about the 'Big Society'?

Encouraging citizens' involvement and action... Recognising that everyone has assets, not just problems... Building and strengthening social networks... Using local knowledge to get better results... Offering ways of transforming the welfare state.

There are strong, sensible ideas at the heart of the 'Big Society' vision. Many have been championed by **nef** as part of our work to build a new economics by supporting local enterprise, micro-finance and locally-driven regeneration, as well as co-production and sustainable well-being. This section highlights the progressive potential of the 'Big Society'.

Encouraging citizens' involvement and action

It aims to increase levels of engagement and participation by citizens. More people are supposed to get together locally and become more involved in running their own affairs. More power and responsibility is expected to go to families, groups, networks, neighbourhoods and locally-based communities. There are plans for more community organisers, neighbourhood groups, volunteers, mutuals, co-operatives, charities, social enterprises and small businesses – all taking more action at a local level, with more freedom to do things the way they want.

This builds on a rich and cherished tradition of co-operation, self help, mutual aid, community development and local organising that dates back to the early days of the industrial revolution and has flourished in countless ways and places ever since. It would be hard to find anyone to argue with conviction or support that we needed *less* of any of these things.

Recognising that everyone has assets, not just problems

More important still, it appears to recognise and value what citizens themselves can contribute. People don't just have problems to be fixed by others, but assets and resources that have real worth. These are embedded in the everyday lives of every individual (time, wisdom, experience, energy, knowledge, skills) and in the relationships among them (love, empathy, responsibility, care, reciprocity, teaching and learning). They are the basic building blocks for a flourishing society.⁴⁴

Building and strengthening social networks

When individuals and groups get together in their neighbourhoods, make friends, work together and help each other, there are usually lasting benefits for everyone involved: networks and groups grow stronger, so that people who belong to them tend to feel less isolated, more secure, more powerful and happier. When people are connected with others, when they feel they have more control over what happens to them and are able to take action effectively, this is likely to be good for their physical and mental well-being.⁴⁵

Using local knowledge to get better results

When people are given the chance and treated as if they are capable, and when their potential is acknowledged, they often find they know a great deal about what is best for them; they can work out how to fix problems they may have, and how to pursue their hopes and aspirations.

When local knowledge based on everyday experience is combined with professional expertise and brought to bear on planning and decision-making,

There are strong, sensible ideas at the heart of the 'Big Society' vision. Many have been championed by **nef** as part of our work to build a new economics.

this usually leads to better results than leaving it to the 'experts' alone. It is also likely that a range of smaller, locally-based organisations can respond more flexibly and appropriately to diverse local issues than large national or international organisations.

The drive to generate more involvement and action at the local level serves the well established principle of subsidiarity: that matters should be handled by the smallest, lowest or least centralised competent authority.

Offering ways of transforming the welfare state.

For all these reasons, the 'Big Society' holds out a promise to transform the welfare state. For more than 60 years, the model designed by William Beveridge has rested on the premise that the economy will continue to grow, yielding ever more taxes to pay for more and better public services. In spite of its phenomenal achievements, it has arguably generated a culture of dependency, driven up expectations beyond the system's capacity to deliver, and produced a glut of targets and regulations that stifle local creativity. It has done little to prevent needs arising, reduce demands for services or stem the rapid spiralling of costs. A6 Now, continuing economic growth is not only uncertain because of the nature of the global crisis, but also, some argue, fatally inconsistent with the Government's commitment to cut carbon emissions. It is time to look for new ways of getting things done: time to build a new, sustainable well-being system that is fit for the 21st century. Stronger local communities and more direct participation by citizens will almost certainly provide the backbone of that new system.

It is time to build a new, sustainable well-being system that is fit for the 21st century. Stronger local communities and more direct participation by citizens will provide the backbone.

What are the big challenges?

Social justice, equality and cohesion... Economic policy and spending cuts... Dangers of a shrinking state... Impact on community and third-sector organisations... The role of business.

For all its potential, the 'Big Society' as it is currently envisaged by Government, raises a lot of questions. When scrutinised against the backdrop of the public spending cuts, these become more urgent and worrying. Here we summarise the main challenges.

Social justice, equality and cohesion

The biggest challenge for the 'Big Society' is whether it is big enough for everyone. Can each of us take part and benefit as easily as everyone else? Almost certainly not, because the conditions that make it possible are not equally distributed. This applies to *capacity*, whether individuals are able to participate; *access*, who can join in and who gets left out; and how much *time* people have to play a meaningful part in the 'Big Society'.

Capacity. Not everyone has the same capacity to help themselves and others. It depends on a range of factors, including education and income, family circumstances and environment, knowledge, confidence and a sense of self-efficacy, available time and energy, and access to the places where decisions are taken and things get done. All are distributed unequally among individuals, groups and localities. A combination of social and economic forces, working across and between generations, result in some having much more and others much less. While these inequalities persist, people who have least will benefit least from the transfer of power and responsibility, while those with higher stocks of social and economic resources will be better placed to seize the new opportunities. Many of those who are currently poorest and least powerful are at risk of being systematically excluded from any benefits that arise, in spite of the Prime Minister's declared intention that no-one should be 'left behind'.⁴⁹

Access. Families, networks, groups, neighbourhoods and communities all have boundaries. These are determined, variously, by blood, law, friendship, duty, obligation, tradition, geography, politics, wealth, status and class. Inevitably, they include some and exclude others; indeed some build their strength on exclusivity. Resources are already shared unequally between these institutions. The Prime Minister says the 'Big Society' is 'about enabling and encouraging people to come together to solve their problems',50 but there is nothing in the Government's plans to encourage the inclusion of outsiders, to break down barriers created by wealth and privilege, to promote collaboration rather than competition between local organisations, or to prevent those that are already better off and more dominant from flourishing at the expense of others.

Time. Building this 'Big Society' depends crucially on people having enough time to engage in local action. While of course everyone has the same number of hours in the day, some have a lot more control over their time than others. People with low-paid jobs and big family responsibilities – especially lone parents – tend to be poor in discretionary time as well as in money.⁵¹ Unemployed people who are not caring for children or elderly relatives may have plenty of free time, but of course unemployment traps people in poverty, and one of the Government's main aims is to get them into paid work. Committing time to unpaid local activity would put many at risk of losing benefits that depend on actively seeking full-time employment. Part-time workers may have more time for civic engagement, but seldom earn enough to feed a family. Some

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people have to work all hours to make ends meet, or have no choice about when they start and finish each day. In short, long hours, low wages and lack of control over how time is spent undermine a key premise of the 'Big Society', which is that social and financial gains will come from replacing paid with unpaid labour.

According to a typography of participation cited by NCVO, the 'formal volunteer is more likely to be female, of a higher social grade, in a managerial position, degree educated, and middle aged'; the 'voter/traditional public participant is more likely to be white, aged 65 and above, middle class, professional higher earner'; and the 'local-level public participant is more likely to be white, older, better educated, richer, middle-class.'52 These patterns reflect current distributions of capacity, access and discretionary time. Replacing paid with unpaid labour will intensify them, widening social inequalities.

Inequalities could also be widened by the move towards local decisions and actions, as well as by fiscal decentralisation (depending on how far this goes) and the spending cuts. More localism inevitably brings more diversity. Richer areas may do less to help disadvantaged neighbourhoods within their boundaries. Poorer areas may have fewer resources, hindering efforts to help their own communities. The combined effects of what is often called the 'post code lottery' (but has much less to do with chance than with politics and economics) are likely to intensify social injustice. If powers to raise and spend taxes are devolved to local areas, redistribution of resources between rich and poor areas becomes a lot more difficult.

If citizens and local groups are pitched against each other to compete for diminishing resources, or for access to depleting services, there will be less cohesion in communities, more polarisation of interests and more social discord, undermining a central tenet of the 'Big Society' vision that we are 'all in this together'.

Economic policy and spending cuts

Plans for a 'Big Society' often appear to be disconnected from economic policy, as though society somehow floats free of how the economy works. This continues a well-established pattern of government intervention. Over several decades, efforts to breathe new life into poor or 'broken' neighbourhoods have all had the same point of departure: poverty is a problem for poor communities, which are 'vulnerable' to social ills and must therefore be helped to build up 'resilience' so that they are better able to cope. Very few have made a substantial or lasting impact on social inequalities or on cycles of deprivation that afflict successive generations.

The lesson is that responsibility for tackling the effects of poverty and powerlessness cannot be left solely to those who are disadvantaged and disempowered. Building resilience – the ability to deal with life's problems – is a useful thing to do, but no alternative to removing the systemic barriers that produce the disadvantages for which resilience is required. And if change is created at the local level only, it will not survive in a system where inequality is endemic. This is a matter not just for social policy, but for economic policy too.

Essentially, the responsibility that is being shifted is for dealing with risks that are unpredictable and/or beyond the control of individuals on their own, which is often the case with unemployment, poverty, ill-health, and a lack of decent education and housing. These risks are themselves determined by the condition of national and global economies, and by the Government's economic policies.

In the light of the Government's spending review, it is important to acknowledge that the scale and speed of deficit reduction is a matter of political choice. How the 'Big Society' develops will be profoundly influenced by the new austerity; it is also the social policy that is designed to make it politically feasible for the Government to introduce this defining aspect of its economic policy. The combined consequences of harsh spending cuts and a shift of responsibility from the state to 'civil society' should leave no-one in doubt – in spite of the

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Government's protestations to the contrary – that the 'Big Society' and the public spending cuts have become intimately linked and interdependent.

Dangers of a shrinking state

Together, plans for a 'Big Society' and spending cuts on an unprecedented scale seem to mark the end of the post war settlement. That means bidding goodbye to the ideals on which the welfare state was founded: a government committed to raising taxes to build a secure framework of public goods and services that enable everyone, regardless of background and circumstance, to be protected against the risks of illness and unemployment, to be decently educated and housed, and to have enough money to live on.⁵³

We know the welfare state needs substantial reform, but do the plans for a 'Big Society' point in the right direction? There's a lot of talk about 'sharing' responsibility, but much depends on what that means in practice. One option is to pool responsibility through the machinery of a democratic state that is collectively owned and controlled by the population as a whole. Another is to share out or divide it between individuals, groups, localities and organisations in the private and voluntary sectors. Each one creates a very different set of relationships between citizens and the state. From a lattice-work of links through the entitlements and services of the welfare state, we move to a set of horizontal connections between citizens and groups, outside the state. How will the rights of individuals be protected, how will essential services be guaranteed, how will those who are poor, powerless and marginalised be defended against those who are better off, better connected and better able to promote their own interests? Private and third sector organisations cannot be expected to do this, as they usually serve sectoral or specialised interests, rather than those of the nation as a whole.

No-one wants an overbearing state that depletes our capacity to help ourselves. But we do need a *strategic* state – one that is democratically controlled, that is able to exercise a strategic and accountable overview, and that becomes an effective facilitator, broker, enabler, mediator and protector of our shared interests. Democratic government is the only effective vehicle for ensuring that resources are fairly distributed, both across the population and between individuals and groups at local levels. It is our only mechanism for safeguarding human rights and reconciling the interests of all citizens. If it is pruned so drastically that it is neither big enough nor strong enough to do this, we shall end up with a more troubled and diminished society, not a bigger one.

Impact on community and third-sector organisations

The 'Big Society' ostensibly represents a great boost to community groups, charities and other non-profit organisations. It implies a ringing endorsement of their achievements and potential, puts them centre-stage, and seems greatly to prefer their character, ethos, structures and approach to those of the public sector. It promises to free them from unwelcome restrictions and encourage their development, and apparently wants to give them a lot more state-funded contracts, handing over huge chunks of government business.

The sector (let's call it 'civil society'), which is almost infinitely varied, has responded in a wide variety of ways – from untrammelled enthusiasm, through keen interest and engagement, to apprehension, derision and outrage. Certainly, most of the sector wants more opportunities to do more of what it does well. There are worries, meanwhile, about the scale of transformation that is planned: where is it all going and where will it end? How much is being demanded and can civil society cope with what's required of it? Nobody knows yet.

There are concerns that the thrust of change is ultimately at odds with the character and purpose of many groups and organisations. The Government has plans to support community-based groups so that they are able to take up opportunities offered by the 'Big Society', alongside business. This involves, in Cabinet Office parlance, searching online for toolkits and resources, following signposts to infrastructure services, accessing skills from pro bono volunteers, applying for bursaries; local organisations are also encouraged to merge, grow and become more entrepreneurial.⁵⁴ People usually choose to participate in

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community activities when they find them optional, small-scale, convivial and life-enhancing, but this seems altogether different: conditional, formalised, complicated and hard graft. The drive towards growth and commodification would seem to threaten some essential features of civil society, not least diversity, spontaneity and free spirit.

It is not clear, in any case, whether the support that is on offer will be at all sufficient. As we have noted, the Government is giving some transitional support to the charitable and voluntary sector. But the £470 million over four years, earmarked by the spending review, will not go very far. The small, locally-based organisations that are supposed to provide the backbone of the 'Big Society' are already losing grants and other kinds of support that have been provided by local government. However keen they may be to rise to the challenge (and most are very keen), they will find themselves doubly embattled as a result of economic policies. Not only will they have to cope with more – and more acute – social needs; they will also have to do so with reduced and less secure funding and support. This is the main concern of most civil society organisations: that efforts to reduce the deficit will undermine the very networks and groups that are most needed as life gets tougher for those who are already the most disadvantaged.

The role of business

As the state retreats and small locally-based organisations face dwindling resources, who will be well-placed to step in to run services? The Government claims it wants to encourage more social enterprises (businesses run primarily for social purposes), co-operatives (that are owned and operated by their members) and mutuals (where ownership is shared among clients or customers). Value-driven organisations with alternative forms of ownership are likely to multiply, although they may struggle and take time to establish themselves in the 'Big Society' market place. Larger for-profit enterprises with experience in government contracting will also be bidding for business.

The doors are wide open, it seems, for big global corporations such as United Health, Serco, Capita, Accenture, KPMG, Price Waterhouse Coopers and Deloitte to take over state functions – whether by providing backroom support such as accounting, auditing, IT and management, or by running entire services in health, social care, education, employment, benefits and housing. Paul Pindar, chief executive of Capita, leading contractor for out-sourced government business, told the *Financial Times* that he was 'eagerly anticipating the forthcoming age of austerity' and expected 'a greater degree of activity over the next five years than in the previous five'. There was, he said, 'a whole series of initiatives that could take place right across government where there are some relatively quick wins.'55

There are two challenges here. The first concerns the influence of commercialisation. How far will for-profit businesses change the ethos, purpose and outcomes of services, how will this affect actual or would-be service users, and what will be the cumulative effect on the quality of life and opportunities of those who are most in need? Commercial organisations whose main responsibility is to their shareholders are bound to put profit first. There is evidence that this does not always coincide with the interests of service users. 56

Secondly, how much room will the big corporates leave for all those small voluntary organisations with local knowledge and personal connections that are crucial for enabling citizens to engage and take action? Will the monoliths of the public sector simply give way to a new set of big, impersonal providers with incentives to 'pile high and sell cheap'? If so, how in the world will people gain more control over what happens to them in their own communities? Where will we find the creativity and flexibility to respond to the wide diversity of local needs and circumstances? The big corporate brands have already stripped the individuality out of our high streets and given us 'clone towns'. 57 Will global business do the same to local services?

People usually choose to participate in community activities when they find them optional, small-scale, convivial and life-enhancing, but this seems altogether different: conditional, formalised, complicated and hard graft.

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Where - and how - does the buck stop?

If power is devolved from the centre to 'communities'; if responsibility is shifted from the state to a range of third sector and commercial organisations; if the 'Big Society' ends the era of targets, indicators and tight regulation; if who does what and how becomes a matter for customised local decisions, then where does the buck stop? Who can be held accountable, where are the audit trails and how can these be identified and followed? The Government says it wants to make local government more accountable to local people, through greater transparency of money spent and business processes. But transparency is only one component of accountability. It does not address the matter of who is to be accountable and how for, firstly, the cumulative effects on people's lives of how government at local and national levels puts the 'Big Society' into practice, and, secondly, the impact on individuals of the front-line activities of non-state organisations.

We may not be entirely content with the way the public sector operates at present but there are reasonably clear lines of accountability. There are none of these in the 'Big Society' as it seems to be envisaged. Yet the countless activities that will be undertaken under this umbrella provide countless opportunities for things to go awry – with disruptive, distressing, detrimental and even fatal consequences for individuals and groups who may be on the receiving end. People will need to know what they can expect, how their expectations can be realised, who will listen and take notice, who is supposed to take action, how to complain or appeal, where to place the blame when things go wrong and how to change what they don't like. Without clarity and a degree of formal process for accountability, and in the absence of a shared regulatory body, only those who can shout loudest or whip up the most colourful media outrage will be heeded.

It is hard to imagine how an indeterminate number of infinitely varied organisations can be knitted into an accountability framework, but the problem can't be ignored. Without accountability, there will be no way of building up public confidence and trust in new ways of getting things done. Without high levels of trust, the 'Big Society' cannot possibly be sustained.

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How to make the best of the 'Big Society'

Establish clear goals: social justice and well-being for all... Make sure everyone has a fair chance to participate and benefit... Move towards a much shorter working week... Make co-production the standard way of getting things done... Make it accountable and measure what matters... Make it sustainable... Base it on a broader economy, a stronger democracy and a strategic state.

The 'Big Society' is deliberately open-ended. As we have noted, there is no single model or blue-print for people to follow. That's part of the plan. We are, it seems, supposed to make things up as we go along, deciding for ourselves wherever we may be. So one way of looking at the 'Big Society' is that it's an opportunity to be seized – to define and shape it ourselves. Below, we set out ideas, many of them developed by **nef**, to fill in the gaps and make the best of the big idea.

The scale, speed and manner of deficit reduction is a matter of political choice.

They depend, however, on the Government finding ways to provide and sustain adequate funds, both for local government and for community groups and third sector organisations. The scale, speed and manner of deficit reduction is, as we have noted, a matter of political choice. There are alternative ways of raising and saving funds, and of handling the current economic crisis, which have been discussed extensively elsewhere. St It will only be possible to realise the best ideals that have inspired the 'Big Society' vision if the Government revises its policies on public spending cuts.

Clear goals

If the 'Big Society' is to be more than a way to share out the pain of deficit reduction, then let's decide what it is really for. Why does Government say it wants to push power down to neighbourhood level and why is responsibility for decisions and services being shifted away from the state? These are *means*, but what *ends* are they supposed to achieve?

In our view, the overarching goals of the 'Big Society' should be to achieve social justice and well-being for all.

By 'social justice' we mean the fair and equitable distribution of social, environmental and economic resources between people, places and generations. By well-being, we mean a positive physical, social and mental state, which requires that basic needs are met, that individuals have a sense of purpose, and that they feel able to achieve important personal goals and participate in society. But well-being is only compatible with social justice if it is *for all*, by which we mean that conditions must be in place to ensure that everyone, regardless of background and circumstance, has an equal chance of achieving it.⁵⁹

These goals must be anchored in a shared understanding of how plans for the 'Big Society' will help to achieve social justice and well-being for all, with rules of engagement that make sure these top-line goals are consistently pursued.

A fair chance for everyone to participate and benefit

The 'Big Society' must be for everyone, not just those who are already better off, better informed, better connected and more confident and experienced in making things happen locally and getting things done. As we have noted, that means making sure everyone has enough *capacity* to participate, that

The overarching goals of the 'Big Society' should be to achieve social justice and well-being for all.

everyone has sufficient *access* to networks, groups and other community-based assets, and that paid and unpaid *time* is distributed much more evenly across the working population and especially between women and men (see below). This implies a radical transformation of social and economic conditions: to extend opportunities well beyond the white, older middle-classes who currently predominate, so that everyone can participate – and in ways that substantially improve their lives, rather than adding to the burdens they already have to bear.

Opening up opportunities is never enough. Special efforts will be needed to include groups and individuals who are currently marginalised. Usually, this has to involve letting people do things their own way, on their own terms, in their own words and on their own territory – to decide for themselves what they want and how to get it. This perfectly reflects the spoken philosophy of the 'Big Society', but not the Government's strategies for making it happen. There are plans for a 'Community First Fund' to encourage neighbourhood action in disadvantaged areas. 60 However, this doesn't begin to tackle the systemic causes of unfairness and exclusion, or to achieve the transfers of resources that are necessary to 'empower and enable' those who are under the radar of mainstream government intervention.

Special efforts will also be needed to include all the small local groups and voluntary organisations that struggle to keep going at the best of times, and may find it well-nigh impossible to take on new responsibilities. There are useful lessons to be learned from the successes as well as the failures of a range of government programmes aimed at regenerating neighbourhoods over the last twenty years. Those with less capacity need help to build up knowledge, skills and confidence, as well as the material means (such as access to information, training, IT, communications media and premises) that enable them to take action and stay in business. Establishing sound financial mechanisms, and providing adequate and consistent support for local organisations is a vital function of government. It costs money and the investment is crucial. If this is allowed to fall victim to the spending cuts, the 'Big Society' will add to the pressures on those who have least and widen inequalities.

A shorter working week

The 'Big Society' implies a big demand for unpaid, discretionary time. One of the biggest levers for unlocking the 'Big Society', according to the *Local Government Chronicle*, 'would be government legislation to reduce the working week'.62 We agree. **nef** has proposed a slow but steady move towards a much shorter paid working week, with an ultimate goal of reaching 21 hours as the standard.63 In a time of rising unemployment, this will help to spread opportunities for paid employment. And people who currently have jobs that demand long hours will get more time for unpaid activities as parents, carers, friends, neighbours and citizens.

An obvious objection is that shorter hours in paid work would reduce earnings and hit low-income groups the hardest. But a gradual transition, over a decade, should allow time to put compensating measures in place. These would include trading wage increments for shorter hours year-on-year, giving employers incentives to take on more staff, limiting paid overtime, training to fill skills gaps, raising the minimum wage, more progressive taxation and arrangements for flexible working to suit the different needs of employees – such as job sharing, school term shifts, care leave and learning sabbaticals. Redistributing paid and unpaid time will be especially important for redressing inequalities between women and men.

Co-production as the standard way of getting things done

There is no point shifting functions away from the state to independent organisations if the new 'providers' replicate the delivery models of the state. As we have noted, these have often given rise to a 'them and us' culture of dependency, where all-knowing professionals do things to and for passive and needy recipients. This model has to change and co-production offers a route to something much more empowering, effective, preventative and cost-efficient.

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One of the biggest levers for unlocking the 'Big Society' would be a slow but steady move towards a much shorter paid working week.

There is no point shifting functions away from the state to independent organisations if the new 'providers' replicate the delivery models of the state.

Co-production is closely aligned to some of the key ideas behind the 'Big Society', but goes further. It applies to the detail of shared decision-making and service delivery, and builds on extensive practical experience. It describes a particular way of getting things done, where the people who are currently described as 'providers' and 'users' work together in an equal and reciprocal partnership, pooling different kinds of knowledge and skill. In practice, coproduction taps into an abundance of human resources and encourages people to join forces and make common cause. It builds local networks and strengthens the capacity of local groups. It draws upon the direct wisdom and experience that people have about what they need and what they can contribute, which helps to improve well-being and prevent needs arising in the first place. By changing the way we think about and act upon 'needs' and 'services', this approach promises more resources, better outcomes and a diminishing volume of need. It is as relevant to third-sector bodies as to government institutions and public authorities. Applied across the board and properly supported, it can help to realise the best ambitions of the 'Big Society'.64

For co-production to move into the mainstream, professionals and others who provide services, whether directly in public sector organisations or in independent bodies, will need to change how they think about themselves, how they understand others and how they themselves operate on a day-to-day basis. They must learn to work in partnership with those at the receiving end of services, to value and respect them, and to help them do more to help themselves and each other. They must learn to facilitate action by other people and to broker relationships between them – working with people, rather than doing things to or for them. This requires an understanding that what people do in their professional capacity is just one piece of the jigsaw: what's needed is a whole-systems approach to the whole person, not just targeted solutions to specific problems or needs. Without this kind of thorough-going transformation, implementing plans for the 'Big Society' could simply shunt the prevailing doing-to culture of public services from the state to business and the third sector.⁶⁵

Accountability and measurement

There must be some form of accountability running through the 'Big Society', so that people know how responsibilities are shared out and how public resources are expended, to what purpose, by whom and with what results. Introducing greater transparency will help, but will not suffice. If there are clear goals and explicit measures for ensuring that everyone has an equal chance to participate, there must also be transparent and accessible ways of checking how these are being realised in practice. There must be accountability, at government level, for both the cumulative effects on people's lives and the impact on individuals of front-line services. With the Audit Commission due to be axed, this will require some creative innovation. There are obvious trade-offs between greater devolution of power and resources, on the one hand, and clear accountability on the other.

This is not only about establishing channels of accountability but also about finding appropriate methods of assessment. It matters a lot how new ways of working are measured, and how efficiency and success are defined. As nef has argued elsewhere, what should count are not just short-term financial effects, but the wider and longer-term impacts on individuals and groups, on the quality of their relationships and material circumstances, on the environment and on prospects for future generations. It is also important to notice and take account of the unintended consequences of different actions: these are often overlooked or swept under the carpet, but they can have substantial impacts in the longer term. The best way to arrive at criteria for evaluating local activities is to work with those directly involved, especially those who are supposed to benefit from them, finding out what matters most to them, what they hope to achieve and (later) whether they think that things have turned out as they hoped. It should be this kind of in-depth understanding that informs the design of quantitative research findings (to measure, for example, income, health and experienced well-being), and that shape judgements about efficiency and success, and future planning and investment.66

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There must be accountability, at government level, for both the cumulative effects on people's lives and the impact on individuals of front-line services.

Sustainable development

For a 'Big Society' to realise its best ambitions, it must be viable for the future - in other words, it must be sustainable in environmental, social and economic terms. For the environment, all its activities and transactions must be geared to protecting the natural resources on which human life and well-being ultimately depend. Cutting carbon emissions and reducing society's ecological footprint must be integral to the 'Big Society', shaping the way homes, institutions and neighbourhoods are designed and managed, as well as how people and organisations use energy, travel, shop, eat and manage water and waste. For society to flourish, it must plan for future generations and have their interests at heart. It must give priority to preventing illness and other kinds of risk, so that fewer people have problems that need fixing. It must help to loosen our attachment to carbon intensive consumption and give greater value to relationships, pastimes, and places that absorb less money and carbon. For the economy, it will be important to ensure that public funding to support local action is adequate and long-term. A strong focus on prevention will help to make the 'Big Society' economically sustainable by reducing demand for services and so constraining future costs. A shift of values will help to shape an economic order that does not depend on infinite growth with potentially catastrophic consequences for the environment.

There are synergies between some of the ideas of the 'Big Society' and the goals of sustainable development. For example, decarbonising the economy depends in large part on changing human motivation and behaviour. Devolving power, sharing responsibility and giving citizens more control over what happens to them could help to generate more sustainable attitudes, lifestyles and patterns of consumption. On the other hand, widening inequalities will undermine this effect.

Broader economy, stronger democracy, strategic state

The economic, social and environmental challenges that we face call for radical change. We need a broader economy, a bigger democracy and a strategic state. Poverty, unemployment and inequality are not problems that communities can solve on their own. Responsibility must be shared across social groups, and based on a clear understanding of how social and economic forces interact with each other to perpetuate disadvantage. If we are to make a lasting difference, we shall need to change systems as well as behaviours, and find fair and effective ways to distribute resources as well as opportunities.

The central principle underpinning the vision for a 'Big Society' – that power should be decentralised and people enabled to run their own affairs locally – should be extended to the economy, giving people more ownership of resources and more power to influence the way markets work and their impact on social justice. The move to encourage mutual and co-operatives models, and more non-profit locally-based enterprise, is certainly a welcome development. But it's only a beginning. Smaller, value-driven organisations will have to be protected from incursions by profit-driven enterprises and large corporations.

The banking system is ripe for a radical overhaul to shift power towards the citizens who paid for its rescue from the 'credit crunch', and to give everyone, but especially those on lower incomes, ready access to credit and finance. In short, we need a much more open, accessible economy, with stronger democratic control to ensure that it works in the interests of society and the environment, not just global business and finance.⁶⁷ Without this, action to realise the vision of a 'Big Society' will be thwarted at every turn.

The state has a key role to play in ensuring that everyone has an equal chance to contribute to and benefit from the 'Big Society'. The aim must be to transform rather than obliterate the state, changing the way it works and strengthening its connections with citizens, so that powers devolved to local groups and communities are used to promote social justice as well as self help and mutual aid. The state, after all, belongs to the people, but it doesn't always feel that way. So instead of 'big government' we want a smaller but more strategic state to plan long-term for a sustainable future. And we want a state that is transformed

The 'Big Society' must help to loosen our attachment to carbon intensive consumption and give greater value to relationships, pastimes, and places that absorb less money and carbon.

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by a stronger democracy, with widespread engagement and participation in government decision-making at national and local levels by citizens in all social groups.

These radical ambitions are part of the 'great transition' to a new economy that is framing **nef**'s work to address the social, environmental and economic challenges of the 21st century.⁶⁸ The aim is to shift from our current unsustainable path, to a system where everyone is able to survive and thrive on equal terms, without over-stretching the earth's resources. This means changing how we live and work, relate to each other, organise our economy and society, and safeguard our environment. It's a route towards good lives for all, now and in the future. It needs a growing movement of individuals and organisations that recognise that a different world is possible, working together to make it happen. Only with a transition on this scale can the best elements of the 'Big Society' vision be realised and sustained over time.

We want a state that is transformed by a stronger democracy, with widespread engagement and participation in government decision-making at national and local levels by citizens in all social groups.

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One of the other things we do



Climate Change and Energy

Climate change has shot to the top of the world agenda. But until our economic system is radically changed, we won't be able to tackle climate change effectively.

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