

REFORM SCOTLAND SEEKS VIEWS ON HOW TO EXTEND ROLE OF VOLUNTARY SECTOR

A major transfer of power from government to voluntary organisations will lead to better public services in Scotland, a leading think tank says today. [mon]

Reform Scotland calls for a radical re-think on the part that the voluntary - or third - sector can play in helping to improve choice, accountability and value-for-money in many areas of community life.

'We need a shift in power from government to the institutions of civil society and, in particular, an increase in the role of the third sector in Scotland,' it declares.

In a consultation paper entitled *Voluntary Power*, the independent, non-partisan think tank calls on politicians to acknowledge and support the huge, but largely untapped, resource that the voluntary sector offers.

'In areas such as education and health, giving people much greater control over the services they receive and choice from a wider range of providers is the key to higher standards,' it says.

'By ending public sector monopolies in the provision of such services and creating a level playing field, third sector organisations would have a much greater opportunity to deliver services.'

Reform Scotland says its proposals to reform health and education would ensure that public funding reflected choices made by people who would often look to third sector providers because they would frequently offer more 'personalised, compassionate and innovative approaches'.

This would mean that in education, for example, third sector organisations would be able to set up and run new independent, publicly-funded schools for parents looking for an alternative to local authority provision. In healthcare, all hospitals and community healthcare providers would become independent, not-for-profit trusts and be part of the third sector.

'All this would expand the role of the third sector in Scotland greatly and create a genuine alternative to public sector provision. However, we need to extend this principle further by ensuring that in other areas of public service provision funding reflects the needs and wishes of people and local communities,' says the consultation paper.

The purpose of the consultation is to discuss how the third sector in Scotland can be expanded so it can fulfil this role. The think tank says that one way to achieve this could be to extend the use of self-directed support or the direct payments scheme currently available to disabled people to allow them to buy and manage the care they need.

'The same principle could also be extended to local communities with budgets devolved to local groups provided they could meet national standards of accountability to local people.'

Greater financial responsibility for Holyrood would also give the Scottish Government the power to create a fiscal environment that encouraged charitable giving by extending tax reliefs. This would enable third sector organisations to increase their funding from non-governmental sources and so enhance their freedom of manoeuvre.

Alison Payne, research director of Reform Scotland and one of the authors of the consultation paper, called for a wide-ranging debate on how best to extend the voluntary sector in Scotland.

She said: 'Over time, too much power has been taken away from people and local communities in Scotland and transferred to central government. The public are increasingly unhappy with the results of this because it has not led to the quality of public services seen in many other countries and has opened up an increasing divide between the governing and the governed who have little ability to shape their own lives and the future of their communities.'

'The key to changing this and creating a better, fairer society is to ensure that power is exercised by people or as close to them as possible so that people and local communities assume greater responsibility for their own development. This enables them to choose their own goals and how they might be achieved rather than have government choose for them.'

'That is why Reform Scotland's work, across a number of different areas of policy, has set out how just such a devolution of power can be achieved.'

She added: 'The third sector is vital to this transformation because it empowers people, enabling them to come together to achieve shared goals or tackle specific problems which improve society for the benefit of all. It provides clear benefits to society because in many areas it has pioneered new and better ways of meeting the needs of people and simply by offering an alternative to public sector provision it enhances the choices available.'

'Therefore, we need a shift in power from government to the institutions of civil society and, in particular, an increase in the role of the third sector in Scotland. Such a change cannot be achieved overnight. However, this consultation document sets out the broad

direction in which we need to travel and some specific steps which will take us in this direction.'

The third sector plays a big role in Scotland with more than 45,000 voluntary organisations which have an annual turnover of £4.1 billion and assets of more than £8 billion. Voluntary organisations employ 5 per cent of Scotland's paid workforce and 1.3 million people give their time freely as volunteers. Forty per cent of the voluntary sector's revenue comes via public funding and its contribution extends across a wide range of areas. The sector is diverse including large national charities, small community groups and social enterprises. It is most often associated with the provision of welfare service. However it plays a vital role in many other areas including the arts, sport, heritage and the environment.

NB: 'Voluntary Power – A consultation on expanding the third sector in Scotland' is available to download from reformscotland.com. The deadline for responding to the issues raised in the report is June 30, 2010.