

LEARNING POINT 41: public social partnerships (PSPs)

FOR MORE INFORMATION

If you would like more information about any of the issues mentioned in this learning point, please contact:

Scottish Centre for Regeneration

Highlander House, 58 Waterloo Street,
Glasgow G2 7DA
telephone 0141 271 3736
email: contactscr@scotland.gsi.gov.uk
www.scr.communitiesscotland.gov.uk

We have written two Profiles which are case studies of the PSP pilots:
ROAR – Reaching Older Adults in Renfrewshire
Homereach – Community Recycling Network Scotland (CRNS). Both profiles are available at www.scr.communitiesscotland.gov.uk

Information on Social Return On Investment (SROI) can be found at the following addresses:

New Economics Foundation
www.neweconomics.org
European Network on SROI <http://www.sroi-europe.org/> www.socialeconomyscotland.info
“Making the case – guide to social added value” available from www.communitiesscotland.gov.uk

Information on social accounting and social auditing can be found at the Social Audit Network at www.socialauditnetwork.org.uk

Information on the work of the Social Economy Development Partnership can be found at www.socialeconomyscotland.info

McClelland, J.F. (2006) Review of Public Procurement in Scotland; Report & Recommendations Edinburgh: ISBN 0-7559-4999-4. www.scotland.gov.uk.

Transforming Public Services: the next stage of reform www.communitiesscotland.gov.uk

Communities Scotland (2007) Better Business: a strategy and action plan for social enterprise in Scotland www.communitiesscotland.gov.uk

Communities Scotland (2007) Better Value: purchasing public services from the Social Economy www.communitiesscotland.gov.uk

Social Economy and Enterprise Database Scotland www.socialeconomyscotland.info

Other formats

You can also ask for this publication in large print, Braille or audio cassette, and we also provide translations into other languages. Please contact 0131 479 5162 or email translations@communitiesscotland.gsi.gov.uk.



What are learning points?

Learning points share what people have learned from their experience in regeneration. They share lessons from people working together, or from research into issues and evaluation of what is happening. Learning points are one of the ways that help people and organisations identify what works and what doesn't work to improve their practice.

What is this learning point about?

Collaborative working is an important way to improve service delivery. This learning point looks at the lessons learned from two Social Economy Scotland pilot schemes developed in partnership between social economy and public sector agencies. The schemes resulted in the formation of two organisations:

- Homereach, a company formed to deliver emergency furniture services for disadvantaged people; and
- Reaching Older Adults in Renfrewshire, which was created to write the operating principles and agreements for organisations operating befriending services for older people.

What are the important issues?

- Local authorities may not be aware that social economy organisations have much to offer when compared to private companies.
- Many organisations wish to be less reliant on grants.
- Social economy organisations maybe unable to tender to deliver public services on their own.

The views expressed in learning points are those of participants at various events and are not necessarily shared by their employers, SCR or Communities Scotland.

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They may lack the confidence, or not know how to contract with the public sector, or be able to deliver on the required scale.

- Social economy organisations may need to learn about the procurement process and to have additional management and marketing support.
- Social economy organisations and local authorities may not understand that public social partnerships can play an important role in service delivery.
- There is very little evidence recorded on good practice in these partnerships, especially on how to form one, and how organisations can work together.

What is known already?

This type of partnership is based on a successful approach in Italy where both the public and social economy sectors are involved in jointly planning the design and delivery of public services. There are three stages to the PSP model:

Stage one: bring social economy and public sector partners together to design and plan the service.

Stage two: pilot the service delivery.

Stage three: put out a competitive tender contract for longer-term delivery of the service.

The Scottish Government recognises the importance of this approach and the role that social economy organisations might play in the delivery of public services. The Better Value Guide which has been published to support social economy organisations deliver public sector contracts recommends that:

- council purchasers and social economy organisations need to learn to work together better;
- more needs to be done to open the market up

to social economy organisations and make it easier for them to bid for contracts; and

- there needs to be investment in procurement training aimed at social economy organisations and local authority purchasers.

What has been learned?

Creating and sustaining a partnership involves extra work and takes time, money and resources to deliver contracts.

A recommended time-line to create a partnership:

- 6–12 months for service design and development.
- A minimum of 24 months to develop and build the partnership, and to provide support to improve the skills of organisations so that they are able to deliver a good service.
- Six months for evaluation and the redesign of the contract.
- Six months to go through the contract process from submission of tender to winning the contract and starting to deliver services.

Some social economy organisations may need to invest time to develop their skills in business planning, marketing, financial and risk management.

Project leaders are needed to co-ordinate and work with all partners. They will also need to give extra support to the social economy organisations involved. They should understand consortia development and cross-sector partnership working, and have experience of the type of service and client group involved.

Social economy organisations need to be able to show the social benefits that they can bring when delivering public sector contracts, in comparison to a private company tendering for the same contract. This means using methods and tools that help measure and evaluate the

difference they make – for example social return on investment (SROI) or Social Accounting.

Social economy organisations involved in partnerships need to preserve their identity. The formation of a separate company (Homereach in North Lanarkshire and ROAR in Renfrewshire) allows organisations to share skills and expertise in the delivery of a contract yet maintain their own separate boards, management committees, staff, ethos and activities.

Funding should cover the costs of:

- a dedicated development officer and ongoing development support for members of the partnership;
- developing a shared vision for the PSP and a set of shared values; and
- administrative support.

Social economy organisations should have a contingency plan in case they fail to win a contract.

The benefits of such a partnership include:

- better quality services with service users being involved in the design of the services;
- social economy organisations obtaining sustainable funding to help them grow and deliver more services; and
- partnership members learning more about one another's methods of working, sharing good practice and knowledge and making links with each other for future work.

What next?

If PSPs are to play a role in public service delivery in Scotland there are challenges ahead, so here are a few ideas.

- Consider creating a development partnership involving people from the Scottish Government, local authorities, public agencies and the social

economy sector. This partnership would build and promote pilot public-social partnerships and share learning that came from the PSPs.

- Use people with the relevant expertise who can promote the idea of the partnerships and support pilot projects.
- Offer procurement training for social economy organisations selling their services and local authorities that buy them.
- Help public sector agencies to emphasise the quality of 'best value'. By using the best value approach, public sector agencies will give equal weighting to quality and price when awarding a contract.
- Find new ways of obtaining financial support (loan and investment schemes) that allow social economy organisations to be involved in PSP development.
- Make sure that local authorities promote the role of social economy organisations in building public-social partnerships and improving public service delivery. Local authorities need to encourage different departments within the council to work together on this.

