Apex Scotland is a third sector organisation with over 27 years experience in delivering desistance based programs to people with convictions or at risk of offending across 27 local authorities in Scotland. We are grateful for the opportunity to respond to this call for evidence and at the same time we would express support for the position taken by the Criminal Justice Voluntary Sector Forum (CJVSF) of which we are an active member.

The views expressed here are those of the CEO and the organisation in general and should not be taken as necessarily reflecting the views of every member of the Apex Board.

**Progress of reform**

The reforms proposed by the Christie report and subsequent attempts to revisit this create an ideological conflict between local government, national government and non-governmental services such as the third sector. Any attempt to change the status quo automatically comes up against the current funding structure which is designed to ensure local democracy through local rather than centralised decision making, and which then becomes subject to a series of conflicts of interest. Local Authorities have a primary responsibility to protect public services and ensure core service delivery, and a secondary responsibility to avoid the political consequences of public reactions to perceived erosion of the public sector. The result of channeling most if not all funding out through local authorities is that there is intense pressure on those same authorities to retain as much as possible of the available funds to the detriment of successful or innovative partnering with the third sector. Some efforts have been made to by-pass this problem through the use of Public Social Partnership models, but the problems return once the priming funding has been used and the question of what services have to be cut in order to make the PSP sustainable start to dominate. The impact of this has been felt significantly by Apex as an organisation over the last five years where we, in common with most other charities, have seen significant loss of contracts and funding as a result of increasing local authority reductions in external contracting, and the loss of directly funded services from national government sources. This has resulted not only in loss of services to our client group but also over 80 redundancies and considerable waste of resources which is directly attributable to the impact of routing funds through local authorities or government agencies. Despite many attempts to establish a dialogue
on the reforms, most of which we as an organisation have contributed to, it has not proved easy to move beyond this entrenched position which has been strengthened by the Concordat. The spectre of transfer of resources is the greatest impediment to any movement towards a more collaborative and transparent engagement of our full potential.

Barriers to change and potential solutions

- The barriers to change are primarily related to the funding formula and the use of market based procurement models. These ensure that non-public sector actors cannot ever be partners because they are essentially contracted providers with no say on either the design of the model or any control over finances or other resources. While this model dominates it is unlikely that co-design or co-production can ever be anything more than a nice idea. Coupled together with short term funding arrangements the financial environment for the sector forces it to adopt a quasi-business/private sector operational position and this in turn creates excessive competition and inefficient use of available workforces.
- There is some truth in the belief that the Third Sector is disparate and therefore impossible to engage without offering one agency an unfair advantage over another. This discourse does mean that there is a problem in engaging with the sector as a whole, made more problematic by the sometimes confrontational position taken by representative groups who of course are under obligation to represent the interests of their membership.
- There is no obvious and specific strategy from Scottish Government on the role of the Third Sector and how it should play its part if any in the overall picture of government and society
- There may be a lack of expertise/understanding at Government policy level of third sector operating and financial models, leading to 'unforeseen consequences' when strategy is rolled out.

Solutions

1. In the area of Justice the Criminal Justice Voluntary sector Forum has successfully developed a model where it can represent most of the provider agencies in a non-partisan manner so as to work with strategists and policy makers on issues which are generic to the sector without being accused of offering unfair advantage to anyone, or of trying to promote a single agency agenda. Apex believe that this model could easily be adopted as an interface between policy makers and those they would wish to bring together in dialogue for reform.
2. It may be necessary to use ring-fencing in order to ensure that strategic targets are met in an efficient and effective manner.
3. Develop an independent commissioning role which allows the use of public money to be allocated according to need rather than according to the needs of the provider agency.

4. Establish common reporting formula and a credible cost base for public sector activity so as to allow informed and person centered commissioning.

Culture change and integration

Some efforts have been made at operational level to improve cross sectoral understanding, especially in the area of common training. There have also been some helpful schemes which have encouraged cross sectoral management placements/experience, although it is helpful to remember that many senior staff in the third sector were formerly in the public sector. We believe that one of the biggest challenges, other than that of self interest, is in moving public discourse from one of instinctive protection of the public sector and suspicion of anything which might be seen as a threat to it. It may be helpful when considering matters which relate to integration and reform to engage expertise from within the third sector to inform the process and encourage buy in. Our experience of current consultation based involvement is that there is much good discussion but that what eventually emerges in published form often bares no resemblance to what has been discussed or agreed. This can be a weakness of consultation only models and needs something more robust.

Creating a culture of innovation

Set up a mechanism for co-production rather than stifling innovation by allowing those with a vested interest in the status quo to set the scene because they have control of the finances. Innovation will not come through the medium of financial bargaining and competitive tendering, but in clarifying desired outcomes and encouraging creative thinking on how to achieve them. A truly creative environment is one which operates on a problem solving basis rather than one which seeks to force new outcomes from old models. Statutory core services funding should go to the local authority, but funding for more inventive approaches and for services which do not necessarily require public service to deliver them should be retained by the community planning process and allocated according to best value and greatest benefit.

Digital technology

Apex has already developed a useful partnership with SPS to provide virtual visits for families of prisoners where travel may not be easy for them. The opportunity to develop this into areas such as virtual interviewing, virtual meetings, virtual supervision etc is huge but requires both information sharing protocols and initial investment. We are already able to demonstrate significant savings in transport costs, staff time, accommodation rental and speed of access as well as the environmental impact of
reducing transport costs. Added to this are some spin-off advantages such as reducing the stress on families, enabling access for small children who might otherwise be excluded from contact with a family member, virtual interviews with potential employers before release from prison and greater contact levels with clients in remote areas especially Highlands and Islands. We have also seen advances in direct referral through electronic booking and transfer technology, improved access by referrers to attendance and progress made by their clients and person centered outcome monitoring through the use of client accessed personal progress software.

Community Planning

Community planning should be able to bring together the available expertise around their locality and have the power to action the desired outcomes eg they should be in a position to commission services which meet their requirements. Currently the third sector interface model working with the Community Planning Partnerships is not generally considered to be a success by most third sector organisations, and would not be sufficient to enable the effective engagement of relevant national as well as local entities. The CJVSF could as an example act as an informed advisor around community justice planning in a much more efficient way.

Lessons from other countries

The CEO of Apex has worked extensively with other European and Scandinavian countries including a term as President of a pan-European third sector consortium and representative body. From this experience we believe that there are a number of very effective models for engaging all sectors, the most universal being the social solidarity movement which is widely recognised and has been very influential in developing social policy. In particular the way in which Germany integrates its charity sector into its government policy through use of taxation assisted contracts and integrated policy teams, Denmark includes the third sector around the policy table at senior level and Holland does not differentiate between third sector and public sector in the way that the UK perceives them. We are also aware of many other excellent examples of integration and reform of centralised or local government dominated systems in Sweden and Finland where Government has first specified its desired outcome and then brought all parties together to work out how to achieve it. In the USA and in Norway, Sweden and Finland there are a number of very successful justice diversion schemes which prevent people entering the criminal justice system, favoring instead a re-training or re-educating approach. Scotland has the unenviable record not only of imprisoning more of its population per capita than almost anywhere in Europe, but around 35% of its male workforce has a criminal record and is therefore disadvantaged in the labour market. Apex advocates a significant change in justice funding towards managing entry level offending and keeping those involved away from the courts if at all possible. Audit
Scotland estimated the known and visible costs of every case brought to trial to be on average £2500 per event with no obvious evidence that doing so produces beneficial results. We strongly believe that significant resources could be saved and better utilised by addressing causal factors and adopting preventative approaches in the justice field.

What if the shift does not take place?

The costs of providing core services will continue to rise and dominate resource share.

The contribution of the not for profit sector will shrink, potentially even withdraw altogether.

The use of public money will continue to be inefficiently consumed by a reactive system which responds to demand rather than seeks to reduce the demand.

Increased rationalisation of public services (As can already be demonstrated by numerous local authorities entering into consultation with their communities around what services should and should not be cut) leading to an 'Oregon' situation of populist planning and decision making.

There will be significant further disconnect between policy and practice.

We hope that this response is of some value in taking the discussion forward. We are happy to provide any further information/evidence if required.

Alan Staff

CEO Apex Scotland