



MISSION CRITCAL 03

Mission-driven partnerships with civil society organisations

By Hamida Ali, Shadi Brazell, James Somerville, and Grace Wyld Published January 2025



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About The Future Governance Forum

Our mission is to shape a comprehensive new operating model for the way the country works.

FGF was founded to advance new approaches to progressive policymaking and delivery, with a focus spanning national, devolved, regional, and local government.

We are more than a traditional think tank. We concentrate on the *how* as much as the *what* of policy design and implementation. Through our research and our convening power - the *forum* at the heart of our project - we not only develop new ideas, but test and iterate them in practice.

Our approach is rooted in collaboration. We work closely with partners across our shared ecosystem and build new networks bringing together practitioners and diverse voices from across sectors, borders and tiers of government, facilitating insight-sharing and driving forward the ideas we advocate.

Our current programmes of work explore:

- **Mission Critical:** how can government translate mission-driven government from ambition into action?
- Impactful Devolution: how can government meaningfully and permanently devolve power to regional and local level in one of the most centralised countries in the world?
- Rebuilding the Nation: how can we utilise innovative models of public and private investment to spur growth and rebuild our crumbling infrastructure?
- Institutional Renewal: how can we rewire the state to ensure its institutions and people are fit to meet the challenges of the 21st century?

By prioritising these questions we are thinking about new progressive models of governance for the long term.

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About New Philanthropy Capital (NPC)

NPC (New Philanthropy Capital) is the think tank and consultancy for the social sector, dedicated to improving its impact. NPC's mission is to help charities, foundations, philanthropists, impact investors, social enterprises, businesses, and the public sector to maximise social impact in the lives of the people they serve.

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¹ Puvinathan, R. and Wyld, G. (2024). <u>Mission Critical 02: Governing in partnership with business and trade unions.</u> The Future Governance Forum.

² Mazzucato, M (2024). Mission Critical 01: Statecraft for the 21st century. The Future Governance Forum and Institute for Innovation and Public Purpose.

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Lloyds Bank Foundation for England and Wales is an independent charitable foundation funded by Lloyds Banking Group. They work in partnership with small and local charities, people and communities, changing lives and working towards a more just and compassionate society. Through unrestricted funding, support to develop, and influencing policy and practice they help small and local charities thrive, communities grow stronger, and people overcome complex issues and barriers so they can transform their lives.



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Mission Critical 03 - Mission-driven partnerships with civil society organisations

Executive Summary:

Missions require deep partnership and collaboration

The Labour Government elected in July 2024 has committed to a mission-driven approach to national renewal, focused on growth, net zero, public health, safer streets, and breaking down the barriers to opportunity.

A mission-driven approach to government is more than a communications tool to signal government intent. Missions are a method for meeting the complexity of today's societal challenges by:

- A. Shaping markets in line with social goals,
- B. Reforming public services for long term, preventative and sustainable change, and
- C. Doing both of these things in deep partnership with the whole of society, including businesses and civil society organisations, in the humble knowledge that government cannot achieve those missions alone

Missions can be understood as evidence-based leadership and policy making from the top-down, combined with a culture of innovation - to test and learn - from the bottom up. The best of civil society organisations are therefore critical partners throughout that spectrum: their knowledge, evidence and insights - often the first to identify a problem which the government is not yet aware of - are central to the direction setting and defining of mission goals. And at their best, their trusted relationships with communities, innovative design practices and culture of learning position them as crucial partners in prototyping new approaches to test and learn. Civil society organisations play a critical role in the delivery of services and the design of policy; but they are much more than just a delivery partner or a set of stakeholders to be managed and engaged with by the government.

A route to change

Our shared vision is clear, but how we get there is harder. Political hostility towards civil society - formalised by Lobbying Act restrictions on campaigning, gagging and no advocacy clauses in contracts and non-disclosure agreements in partnership working - has led to a widely held view that civil society organisations should "stick to their knitting" as delivery agents, rather than partners on policy and prevention.

In turn, this political environment has led to a climate in which a hollowed out civil service is increasingly inward-looking and fearful of external engagement, withdrawing from relationships because informal consultation with civil society experts has been seen by ministers as bringing more risk than benefit.

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A missions-approach in many ways rejects the idea that delivery is separable from policy and prevention: innovation on the ground can, with sufficient feedback loops, feed into evidence-based policy and leadership, which together will carve a path to tackling grand challenges.

The Civil Society Covenant is a positive start, but it needs to come with a set of practical mechanisms to ensure that it translates into a tangible difference in how policy is made. To allow for an equal partnership, there needs to be a route for civil society organisations to hold Government accountable to the principles of the Covenant. This will ultimately allow Government to make the most of the insight, innovation, expertise and challenge that civil society can provide.

Our focus in this paper is not on an idealistic vision for how things could one day be, but a pragmatic path to making a success of the government's programme of government, so that change towards missions is felt by people across the country. In this paper we make six practical recommendations:

Recommendation 1

Facilitate and catalyse partnerships from the centre

To lead with purpose as a mission-driven government, the centre must take on the responsibility for instigating and orchestrating meaningful partnerships. Relationships should always exist across departments, and local variation will be critical for the success of missions, including how the national missions are trusted, interpreted and owned by the nation. And so the centre's leadership on mission partnerships should be held lightly, focused on strategic orchestration rather than outdated modes of command and control.

Practical considerations for a mission-driven centre include a specialist 'partnership hub' within the Mission Delivery Unit. This would increase the strategic value of partnership, act as a centre of excellence and be a transparent 'front door' for civil society organisations.³ This would complement policy specific engagement via departments, and issues affecting the sector via DCMS.

Recommendation 2

Involve civil society throughout the policy development lifecycle

Expertise and partnership with civil society should underpin advice to ministers from civil servants. This could include embracing 'open policymaking', and structures to bring civil society into deliberations and decisions about policy and implementation across departments beyond standalone formal consultation exercises.⁴

Recommendation 3

Strengthen expertise across the civil service

Structural solutions on their own are insufficient; better partnerships require close attention to culture and leadership. Expectations of civil servants to partner effectively can be formalised through ministerial and civil service leads for civil society, two-way secondments, learning and development, policy appraisal and performance management.

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Involve civil society organisations in a 'test and learn' culture of innovation

Test and Learn practices are central to a mission-driven approach, and civil society organisations should be included in the bottom up, place-based experimentation required to innovate towards achieving missions.

Recommendation 5

Recommendation 4

Embrace disagreement in the interests of better policy development and decision-making

Successful mission-driven partnerships require a sophisticated view of one another's roles and constraints. The machinery of the civil service must recognise collaboration as both a value to cultivate and a skill to teach, including with organisations where there are different points of view to those held by ministers and civil servants. Government must embrace as a sign of a healthy democracy that there will continue to be strong challenge and even conflict from civil society. Civil society organisations in turn must keep the trust of civil servants when given, recognise political risk, and step up to conversations about transformational change which may stretch beyond organisational boundaries.

Recommendation 6

Create a satellite account for civil society

Finally, Government cannot and should not make decisions in the absence of evidence and data. A satellite account is a collection of data sets linked to, but separate from, the national accounts. They pull out information about particular sectors which aren't identifiable from other data sources. Central government should take responsibility for collecting and collating the data relating to the contribution of civil society to the UK economy, linked up with any local centres of data.

The new government has clearly indicated that it wants to build partnerships in the service of mission delivery and a decade of national renewal. To do so, it needs to work in deeper partnership with civil society, requiring cultural and operational changes for all involved.

To play a worthwhile role in the delivery of national transformation, civil society organisations themselves will need to raise their sights above their own fields and sector-based challenges. Many agree that this is necessary, but getting there will require significant culture change. Spaces to specifically explore transformational change with government are required, kept separate from the critical role infrastructure bodies play in advocating for the needs of the sector. Both are critical, but without some separation the former will always have a magnetic pull and will crowd out room for the latter.

Through our research and conversations, we hope to contribute practical ideas to realise a new culture of mission-driven partnership. We hope the ideas explored in this paper will lead to policy enhanced by civil society expertise, and ultimately therefore improvements to people's lives up and down the country.

³ The recommendation to establish a 'partnership hub' housed in the Mission Delivery Unit also featured in Mission Critical 02. The hub would facilitate engagement with partners across sectors of the economy, not just civil society. Ref: Puvinathan, R. and Wyld, G. (2024). Mission Critical 02: Governing in partnership with business and trade unions. The Future Governance Forum.

⁴ Department for Environment, Food & Rural Affairs (2016). Open Policy Making toolkit.

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Introduction: the challenges and opportunities

The Labour government elected in July 2024 has structured its political project around five core missions for a decade of national renewal. These missions are to:

- 1. Secure the highest sustained growth in the G7
- 2. Make Britain a clean energy superpower
- 3. Build an NHS fit for the future
- 4. Make Britain's streets safer
- 5. Break down barriers to opportunity.

A mission-driven approach to government is more than a communications tool to signal government intent. Missions are a method for meeting the complexity of today's societal challenges by:

- A. Shaping markets in line with social goals,
- B. Reforming public services for long term, preventative and sustainable change, and
- C. Doing both of these things in deep partnership with the whole of society including businesses and civil society organisations in the humble knowledge that government cannot achieve those missions alone.

Missions turn big societal challenges into concrete goals that people can understand and see will have a positive impact on their lives.

Mission-driven government can take us beyond the idea of a 'big' or 'small' state to new definitions of 'leading with purpose' and 'governing in partnership'. The centre can neither direct nor manage the missions alone, it can only orchestrate the activity of others, including departments, local and regional government, public services, industries and civil society. The government needs to marshal a wide range of partners to work together to create positive change.

In December 2024 the Prime Minister reinforced his commitment to mission-driven government through his Plan for Change, including partnership with experts and leaders outside of government, including civil society.

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Civil society organisations should be seen as an equal partner alongside businesses and trade unions in the design and delivery of good policy, and in creating the authorising environment for the government to be trusted by the public to act on its priorities. A new model of collaborative Mission Leadership across sectors and industries is required, which future strands of this workstream, and accompanying outputs, will explore.

The importance of civil society

Civil society organisations are an essential partner for any government taking good policy-making seriously at all levels of government and across public service. Through embedded and meaningful partnership the government will strengthen its missions and go further and faster on delivering them.

At their best, civil society organisations can be the first to identify the need for action and to develop solutions to the issues people face across the country. They hold a depth of experience in navigating complexity through their reach and connection with communities that the government cannot match⁵; and missions require an approach to policy design which explicitly embraces complexity, not one which considers complexity on the sidelines. Civil society organisations often have a more holistic, person-centred approach than many government services and know what is likely to work - and what will not - in efforts for public service reform. They can also raise the alarm on unintended consequences that can arise from well-intended policies

They are often uniquely placed to work alongside the state to deliver support and intervention, which is particularly true for people who have cause to mistrust the state. In the words of one of our interviewees: "in acute financial difficulty, a parent is not going to seek help from one arm of the state when there is a chance the other arm will swoop in and take their kids away." Sometimes civil society organisations might do so contractually by delivering a public service. In the delivery of missions - which must be motivated by efficacy rather than efficiency - partnership working can be particularly fruitful, where the state and civil society work together to redesign the work they do to improve outcomes with more preventative support. This applies to both local communities of place and communities united by mutual interest or experience across the country.

They are often made up of experts with radical and evidence-based ideas for policy change, and they have access to levers for change out of reach of the central government. And they can help to create the authorising environment across society for the government to press ahead and act on its priorities. To deliver their missions, the government should galvanise institutions that command trust amongst the public on the ambitions they share, and to counter narratives which seek to undermine them. To seek to do this without civil society would be a mistake. Whilst they are by no means exempt from

⁵ Barnard, H. and Hoare, G. (2022). A Shared Interest: The relationships between policymakers and charities, p1. Pro Bono Economics.

⁶ Charity Commission for England and Wales (2024). Public trust in charities 2024.

⁷ NCVO (2024). The True Cost of Delivering Public Services.

broader trends in declining trust, civil society organisations have been less severely damaged than other institutions. Across the country there are volunteers, campaigners and donors who hold civil society organisations in high esteem. They could be a conduit to building trust in the missions locally, which will be critical to the government's ambitions for a decades-long, national effort.

It is also likely that as a country we will see an increasing need for decisions and highly prescriptive regulatory frameworks that need to be applicable at a national level, as the state turns to face large-scale challenges (for instance, how the UK's energy system needs to change if we are to meet our climate change targets). That should not be a reason for civil society to be absent from the process. In fact, a diversity of voices at the table through the design process for these frameworks is likely to mitigate the political risks of mandating changes to people's everyday lives, and improve the reliability of implementation.⁸

The scope of this work

Early signs of this government's approach to partnership with civil society are promising. In October 2024 the Prime Minister and Secretary of State for Culture, Media and Sport, who is responsible for charities and civil society, announced the creation of a 'Civil Society Covenant' to support partnerships between national government and civil society organisations. Its goal is to "usher in a new era of partnership between government and civil society and help tackle some of the country's biggest challenges." It is encouraging to see the government recognising that these organisations have the experience, skills, evidence and expertise crucial to generating lasting solutions to our biggest challenges.

Since 2023 we have been exploring the prospect for mission-driven partnerships between government, business, trade unions and civil society through our *Mission Critical* programme. Our focus is not on an idealistic vision for how things should one day be, but a pragmatic path to making a success of the government's chosen programme of government, so that change towards missions is felt by people across the country.

Most recently we have published work specifically on partnership between central government, business and trade unions.¹⁰ Like this report, it argues for the importance of strong partnerships which introduce external expertise to every stage of policy development.

Civil society organisations should be seen as an equal partner alongside businesses and trade unions; indeed partnership on missions should be defined

by the expertise and practice most relevant to that mission, not the sector it belongs to or the legal structure of the organisation.

Further work is also underway focused specifically on the relationship between the state and citizens directly as part of our Impactful Devolution workstream, and so in an effort to contain the scope of this work we have focused on civil society organisations rather than a broader definition of civil society including individuals organising in their communities.

Finally, our next output in the Mission Critical series looks explicitly at what collaborative Mission Leadership could look like across sectors, industries and tiers of government; a central topic which has emerged throughout this research.

This work has also focused largely on central government. That is partly because, while far from perfect, local government engagement and collaboration with civil society is already more effective. We have sought to identify key principles from across layers of government that Whitehall can learn from where applicable.

Our aim is to contribute to the realisation of a mission-driven approach to government with some practical steps towards meaningful partnership, enhanced by civil society expertise, and ultimately in the pursuit of improvements to people's lives up and down the UK.

The challenges we face

The challenges faced by the new government in making demonstrable progress towards achieving their missions are well documented. Growth is sluggish, and public services are in desperate need of transformation but are unable to invest time or money into reform without further endangering frontline services. The government's Plan for Change¹¹ reflects a sustained commitment to the missions and mission-led government, while also offering the public more specific and granular metrics by which to judge mission delivery.

These challenges are in many ways echoed within civil society. The 2024 State of the Sector: Ready for a Reset report¹² by NPC describes a sector struggling to stay afloat in the context of below-inflation increases in the value of contracts and grants, increasing demand for services and support as part of the long legacy of austerity, and a fraught public discourse heightening the risk of getting caught up in the crossfire of culture wars. This is all borne out in our conversations with charity and civil society leaders.

Political hostility towards civil society - formalised by the passing of the Lobbying Act in 2012 which imposed restrictions on campaigning, compounded by gagging and no advocacy clauses in contracts and nondisclosure agreements in partnership working - has led to a widely held view

⁸ For more see Sheila McKechnie Foundation (2024) Forces for good: Vision for a new partner-ship between charities, government, and businesses and; Law Family Commission on Civil Society. (2023) Unleashing the Power of Civil Society.

⁹ GOV.UK (2024). Government partners with civil society to transform lives across the UK.

¹⁰ Puvinathan, R. and Wyld, G. (2024). <u>Mission Critical 02: Governing in partnership with business and trade unions</u>. The Future Governance Forum.

¹¹ HM Government (2024). Plan for Change: Milestones for mission-led government.

¹² Clay, T. et al. (2024). State of the Sector 2024: Ready for a reset. NPC.

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that civil society organisations should "stick to their knitting" as delivery agents, rather than partners on policy and prevention. Indeed, a missions-approach in many ways rejects the idea that delivery is separable from policy and prevention: innovation on the ground combined with evidence based policy and leadership will carve a path to tackling grand challenges.

This has contributed to a climate where a hollowed out civil service has become more inward-focused and fearful of external engagement, withdrawing from relationships because informal consultation with civil society experts has been seen by ministers as bringing more risk than benefit. This oppositional and politicised attitude that 'you're either with us or you're against us' was especially stark in the context of Brexit, when evidence presented on the impact of policy proposals was seen as a betrayal of the project rather than an attempt to make more robust policy. And the language Whitehall uses to describe and judge projects and programmes is often anathema to how civil society organisations work, particularly small or specialist organisations.

Civil society organisations call instead for a partnership of equals where they are involved in defining shared missions for the whole of society, and are trusted by the government to work with them on identifying the best route.

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Lead with purpose, govern in partnership

As we have so far explored, a fundamental principle of our work through our Mission Critical programme is that mission-driven governments lead with purpose and govern in partnership.¹³ This recognises both the government's ability to set a clear direction for society and to recognise with humility that it cannot deliver its ambitions without pulling together coalitions from across society, including every tier of government and civil society.

Truly mission-driven government will require a significant shift in behaviour from ministers and officials. Within a missions approach, the state should - in the main - be responsible for orchestrating that wider ecosystem and creating an enabling environment that can realise the potential of resources and creativity across society. Where higher levels of central government involvement is required, Whitehall should not retreat to a command and control approach but make the effort to remain open to partnerships with civil society.

Good engagement and strong relationships are the bedrock of good partnership

Good engagement practice is a necessary precondition for the development of reciprocal and equal partnerships and this government will need to revive the principles of engagement and return to practices that have been lost in recent years, including - at the most basic level - 12 week formal consultation periods and other formal and informal methods of consultation. This must include moving beyond 'set-piece' moments to a more meaningful relationship that facilitates continuous dialogue across the policy development lifecycle.

While there needs to be deeper change to create the conditions for partnership working, there are some high-level things that the government could do that would signal its intent to work more meaningfully with civil society. An annual meeting, chaired by the Prime Minister, secretaries of state and civil society leaders in which the latter are expected to represent the views of the wider sector, and be clear about how they have gathered views is one.¹⁴

We have previously argued that the government should establish five multistakeholder Mission Councils aligned to the newly established Mission Boards. These would also bring together insights from the outside government to guide ministers' decision-making, help facilitate participation in the policymaking process and build joint ownership for mission delivery.¹⁵

¹³ Mazzucato, M (2024). Mission Critical 01: Statecraft for the 21st century. The Future Governance Forum and Institute for Innovation and Public Purpose.

¹⁴ See our joint Civil Society Covenant response

¹⁵ For more, please see Puvinathan, R. and Wyld, G. (2024). <u>Mission Critical 02: Governing in</u> partnership with business and trade unions. The Future Governance Forum.

As with an annual meeting with the Prime Minister, civil society leaders must be able to organise their collective voice, sharing insights from beyond their specific organisation's perspective alone.

That said, while good engagement practice itself is a necessary feature of mission-driven partnerships, it is not the end destination. The Civil Society Covenant presents an opportunity to create the conditions needed to enable meaningful partnership between government and civil society, and to make that arrangement stick for the long term, and for the broad diversity of civil society organisations. And for their part, civil society leaders will need to be willing and open to working not only with traditional or natural allies in the ways that they always have, but also to working in new ways and spaces with government, trade unions and businesses.

Genuinely two-way partnerships where both parties are on an equal footing is unusual, even within regional and local government. Too often the terms of engagement are set by government rather than arrived at together through negotiation. For the Covenant to drive a meaningful shift in this dynamic, civil society should be empowered to hold government departments to account where they are not living up to the standards set out in the Covenant. Practical mechanisms to underpin the Covenant's principles are essential. The Covenant will not shift the behaviour and attitudes of either civil servants or civil society. This behaviour shift is essential if we want to see effective collaboration to tackle social issues.

Effective partnerships require leadership and commitment at the right level. Engagement from Ministers and senior civil servants at Director General level is currently lacking but will be necessary in demonstrating more meaningful engagement.

There is also huge value in making space for time without a set agenda, allowing civil society to raise new and emerging issues as a result of their work. Some of the best examples of collaboration involve the public and voluntary sectors working together to listen to people at the sharp end of social issues to create a shared understanding of what needs to change and how to do so.

Our shared vision for meaningful partnerships involves working relationships between organisations that are open, honest, reciprocal, capable of being both relational and transactional, adaptable, and constructively challenging. It is positive that this is reflected in the proposed principles to underpin the Civil Society Covenant.

But how to get there consistently at both a national government scale and at every tier of government is harder to codify.

The adage 'culture eats strategy for breakfast' has surfaced time and time again in our conversations about how to change Whitehall so that it is more capable of developing deep and productive partnerships with civil society.

For every specific practical or process-focused recommendation, there are examples of partnerships working without those components, or not quite working even where they were in place. The success factors for partnership working are therefore as much in the spirit in which they are conducted

as in the letter of how they are organised. Whitehall must recognise that collaboration is both a value to cultivate and a skill to teach.

Our work has focused on the 'how'. Some of the recommendations may seem small or prosaic, but they would cumulatively indicate a rise in the profile and value of partnership with civil society organisations within central government.

Recommendation 1

Facilitate and catalyse partnerships from the centre

To lead with purpose as a mission-driven government, the centre must take on the responsibility for instigating and orchestrating meaningful partnerships across government. Relationships should always exist across departments, and local variation will be critical for the success of missions, including how the national missions are trusted, interpreted and owned by the nation. And so the centre's leadership on instigating partnerships should be held lightly, focused on strategic orchestration rather than gatekeeping or command and control.

We have previously recommended that the centre of government takes a lead on partnership working and we are therefore pleased that Number 10 are coordinating external partnerships as a first step in a wider programme of engagement from the centre. Though the Department for Culture, Media and Sport (DCMS) holds the ministerial relationship with the sector, there is the need for a functioning gateway to engage on policy and mission delivery (as opposed to issues affecting the sector as a whole) as an equal partner alongside businesses, trade unions, academics and other experts. We recommend that this partnerships hub be part of a reinvigorated Mission Delivery Unit, to act as a 'front door' for engagement and a centre for excellence for government departments.

The 'partnership hub' should be designed both to catalyse engagement with government and to raise the bar on stakeholder engagement by promoting best practice across Whitehall. It should not be responsible for all engagement activity itself but instead act as both a co-ordinating and enabling function, and to assist in embedding partnerships with civil society across government. This should include leading on the co-development of core principles to act as a connection between national missions and local interpretation and activity surrounding those missions. By establishing and agreeing on core, shared principles, local variation and innovation will be able to thrive.

There are mixed views among civil society organisations we spoke to on which government department was best placed to be the 'entry point' for relationships geared towards mission delivery, but there is consensus that DCMS has not historically had the formal mechanisms or the soft power to champion or embed civil society partnerships across government. Relationships with relevant civil society organisations should of course be held across Whitehall within departments, but for the purposes of bringing the expertise of civil society in to help achieve the missions specifically, and on an equal footing with the private sector, a central, transparent and welcoming 'front door' would be useful.

¹⁶ Principles should draw from existing work, including from The Better Way Network.

And yet, our challenge is primarily behavioural, and so structural solutions on their own are insufficient. To achieve better partnerships we must also turn our attention to leadership and culture.

Recommendation 2

Involve civil society throughout the policy development lifecycle

Civil servants should always remain the first and main source of advice for ministers, but that advice should be underpinned by a meaningful partnership to make use of the rich evidence and knowledge that exists in civil society. Civil society should be represented in decision-making throughout the lifecycle of policy development, as part of the early thinking and process of deciding on recommendations put before ministers - not siloed in separate engagement processes.

The government should revive previous attempts to make policy making 'open by default.'17 For example:

- Supporting departments and ministerial teams to diversify the ways
 they make policy decisions and the advice they receive. The Mission
 Delivery Unit should re-invigorate, update and promote the use
 of the Open Policy Making Toolkit (published by the Department
 for Food, Environment and Rural Affairs in 2016¹⁸), expanding its
 relevance and take-up of its recommendations and techniques.
- Ministers and civil servants should 'lean in' to accountability and scrutiny processes as opportunities to improve policy, rather than inconvenient hurdles to be cleared. Pre-legislative scrutiny by Select Committees, green papers and draft legislation, robust consultations and responding to informed parliamentary scrutiny are all mechanisms through which the views and expertise of civil society and other relevant experts can be brought into policymaking to strengthen its design and rigour.
- Formal consultation is foundational, but should sit alongside day to day, informal engagement. Space to talk without an agenda enables organisations to raise what they are observing which may not yet be on the radar of the government.
- Include consideration of external engagement as a standard feature within written submissions to ministers which document the views of civil society stakeholders, to encourage higher standards.
- Professionalise relationship management practice to build partnerships with civil society which are led by the organisation rather than reliant on individuals, to mitigate against inevitable churn within the system.

A mission-driven approach relies on the central government setting overarching goals, co-developed with external experts, and acting as orchestrator, giving local areas autonomy over how these objectives are delivered. But, there are instances where central leadership is required. Some aspects of a mission to achieve net zero such as decarbonising power are essentially undeliverable in the next decade without high levels of central control and regulation. A more expansive reimagining of the role civil society could play in driving change towards shared missions is required.

Recommendation 3

Strengthen expertise across the civil service

The vision we have so far described requires a civil service that is equipped with the dynamic capabilities and sector-specific knowledge necessary to cultivate effective partnerships and drive mission delivery.

While increasing diversity has ostensibly been a priority for quite some time, the civil service remains (particularly at senior levels and within particular departments) largely unreflective of the communities it serves in terms of ethnicity and socio-economic background in particular. This can create tensions related to class and culture when the civil service reaches into deprived communities for, at worst, validation of their existing policy proposals. There is a clear need for culture change where civil servants engage at a point where they do not have all or any of the answers for meaningfully co-developed solutions, with a sophisticated power analysis and understanding of the risks of insensitive engagement.

A culture change in the civil service could be achieved by:

- Establishing a civil society lead at Director General level for civil society, in every department, alongside a minister. Part of their role could be to report to the minister and Mission Boards on their programme of culture change.
- Bringing collaborative skills and engagement with external organisations into the Civil Service Learning and Development framework to support officials across the hierarchy to reach out to relevant areas of civil society. This would acknowledge that collaboration requires a set of specific skills including active and empathetic listening, navigating differences and communicating clearly.
- Establishing a 'Missions Secondment Programme' to develop greater exchange within the system by bringing external talent into Whitehall across the hierarchy at a range of levels of seniority, and working with civil society organisations to develop opportunities for civil servants to gain experience and build relationships with other sectors through placements (or more informal arrangements) within civil society organisations. There is good practice in the homelessness sector, where higher levels

¹⁷ HM Government (2012). The Civil Service Reform Plan. See Institute for Government analysis for more

¹⁸ Department for Environment, Food & Rural Affairs (2016). Open Policy Making toolkit.

of interchange between the civil service, local government and frontline delivery organisations has improved levels of understanding of the constraints on each throughout their workforces.

The government's Test and Learn drive is a promising move in this direction. Multidisciplinary teams from central and local government will work in partnership on the most complex place-based issues, supported by a £100 million innovation fund, reflecting a mission-driven approach both to public service reform and collaboration across the system. That said, we believe that a genuine exchange which also embeds civil servants in different external contexts and settings is as important as bringing expertise into the civil service. And the benefit of secondments should be complimented by lighter touch arrangements, such as shared away days between senior civil servants and civil society leaders.

- Including external engagement within performance appraisal arrangements for civil servants, including senior civil servants. For example, a complete lack of engagement outside the civil service could trigger the performance management policy procedures for anyone in a relevant role, including senior civil servants.
- Providing greater transparency of roles and responsibilities within government departments (while still safeguarding the identities of junior civil servants) to ensure that civil society organisations can make contact with the appropriate team or individual.
- Ensuring that the impact assessments of new policies and on the Spending Review include a section on how civil society organisations have been involved, the impact the policy will have on them, and most importantly the impact the policy will have on the communities they serve.

Recommendation 4

Involve civil society organisations in a 'test and learn' culture of innovation

Mission-driven government is also about recognising the need for innovation; to test and learn. Mission-delivery offers a new way of working and therefore not all initiatives will be successful. Mission-teams seeking new approaches should be given the permission to experiment, iterate and fail forwards.

The risk of failure through innovation is a difficult concept to embrace in public service and civil service delivery given the repercussions for individuals at the sharp end of social injustice. But given the status quo is failing certain communities, safely de-risking the routes to innovation which could radically improve outcomes should be a priority. The central partnerships hub (explored in recommendation 1) should also help to create a test and learn culture,

encouraging departments to monitor, evaluate and shift their approach accordingly. Evaluation should aim to increase understanding of system dynamics, not just seek to prove impact of interventions, drawing not only on quantitative but qualitative and participatory data too. Appraisal should move beyond asking 'is it working?' to 'who is it working for, where, and why?'.'19

The government's Test and Learn programme announced by the Chancellor for the Duchy of Lancaster, on 9 December 2024 will offer significant opportunities for partnership and knowledge exchange, including civil society organisations.²⁰ Indeed some of the priorities identified by the test and learn programme, such as innovations in family hubs and temporary accommodation are challenges which civil society organisations are already developing solutions to.²¹

Recommendation 5

Embrace disagreement in the interests of better policy development and decision-making

A culture of fear of external engagement within the civil service has intensified over time, driven by an increasingly politicised view from ministers of civil society, reinforced by Lobbying Act restrictions on campaigning, gagging and no advocacy clauses in contracts and non-disclosure agreements in partnership working.

This has resulted in an ever inwardly focused-civil service, who have largely withdrawn from crucial relationships with civil society. Much of that fear is rooted in a risk of information leaking or losing control of the narrative. This risk is impossible to mitigate entirely, but is outweighed by the considerable benefit of civil society insight and expertise in difficult policy areas. It is also the case that failing to consult can lead to unintended negative consequences which could have been avoided through better relationships and discussion.

A difficult environment for civil society organisations has also led to a difficult internal culture. Competition will always be a part of the civil society landscape, but to achieve transformation through deep and equal partnership with government, and for efforts to add up to more than the sum of their parts, there will be moments when competition must be put to the side. There will also be times where organisations must also step up to solve problems together which may be seen beyond their obvious remit rather than only working on siloed issues which compete for attention (and they must be given the license by their trustees to do so). This should include representing more than their organisational specific views on Mission Boards or Mission Councils.

¹⁹ See Appendix B, Mazzucato, M (2024). <u>Mission Critical 01: Statecraft for the 21st century</u>. The Future Governance Forum and Institute for Innovation and Public Purpose.

²⁰ GOV.UK (2024). Pat McFadden vows to make the state "more like a start-up" as he deploys reform teams across the country.

²¹ Bishop, M (2024). The promise of Test and Learn: what I've learnt tackling homelessness. The Future Governance Forum.

Page 20 Lead with purpose, govern in partnership

The whole system therefore needs to be better able to cope with differences of opinion:

- Ministers and civil servants must accept the dual role of civil society organisations in both contributing advice based on their expertise and delivering specialist services, and holding government to account publicly. Civil society organisations can be contractors for (central or local) government, without sacrificing their independence. Politicians must lead from the front and maintain relationships with organisations which publicly disagree with them, not restrict the information available to them when their public positions on issues differ from those of the government.
- Ministers and civil servants must also be open to local variation and disagreement rather than seeking standardisation, to be loyal to a test and learns culture as explored in recommendation 4.
- Civil society organisations should keep the trust of civil servants
 and politicians where it is given, and be able to engage with the
 political realities and practical constraints that politicians and civil
 servants face. For civil society organisations wanting to work in
 deeper partnership towards missions, the benefits of prioritising
 a strong, long-term relationship should be considered over the
 short-term publicity of leaking information to the press.
- For shared action towards achieving missions, civil society organisations must also embrace a degree of collective accountability for those missions. But there must also be an explicit understanding throughout the policy and decision-making process that political risk specifically cannot be shared. If a project does not comply with the law, does not represent value for money or fails to deliver, it is the politician who is ultimately accountable to the electorate. Being open about the reality of political risk in the course of building and working in partnerships means everyone can be more honest, understand one another's constraints, and shared challenges can be addressed head on.

Mission Critical 03 - Mission-driven partnerships with civil society organisations

Recommendation 6 Create a satellite account for civil society

Finally, government cannot and should not make decisions in the absence of evidence and data. Data is central to the way that government talks to itself; to how departments make their case to the Treasury, to how progress is measured and success claimed, and to how the benefits and costs of projects, programmes and policies are calculated and compared. That gives the government a responsibility to make sure that useful, appropriate data is being collected and is therefore available to inform decision-making.

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That is not always the case, as we see with the economic contribution that civil society makes to the UK. The contribution of volunteering isn't counted at all, and because civil society activity is spread across many different sectors and industries, it is invisible.

A satellite account is a collection of data sets linked to, but separate from, the national accounts. They pull out information about particular sectors which aren't identifiable from other data sources. Satellite accounts already exist in the UK for tourism, sport and household production. In New Zealand, Canada and Mexico, satellite accounts already exist for civil society, and the UN has a published handbook on how to do this, including how to identify in-scope organisations.

Local centres of data may be necessary to feed into a central account, so this should be considered within the remit of the devolution agenda.

A satellite account would have multiple benefits, and the good news is the government is already considering it, with a feasibility study published in November 2024.²² Acting on the recommendations of that study would be another indication that this government is serious about harnessing the power of civil society to achieve its missions.

22 GOV.UK (2024). A feasibility study for a Civil Society Satellite Account.

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Conclusion

In order to achieve its missions, the government must orchestrate the public sector together with civil society, businesses and trade unions and local government in the service of shared goals.

The Civil Society Covenant is a positive start, but it needs to come with a set of practical mechanisms to ensure that it translates into a tangible difference in how policy is made. To allow for an equal partnership, there needs to be a route for civil society organisations to hold government accountable to the principles of the Covenant. This will ultimately allow government to make the most of the insight, innovation, expertise and challenge that civil society can provide.

Government needs to build, embed and sustain a culture of partnership across departments and across missions. This must mean resisting the temptation to centralise, focusing on creating the conditions for change and making space for other partners to drive solutions to all the challenges we are facing - across all and not just some of the missions. That remains true, but we acknowledge that achieving some of the government's ambitions will require programmes with high levels of central control. In those instances, the government must find ways to bring civil society into the process, to improve the quality of the outcomes and to mitigate political and implementation risk.

Government must also not only accept but embrace as a sign of a healthy democracy that there will continue to be strong challenge and even conflict from civil society.

Equally, civil society would need to step up to embrace this new role in British civic life, should Whitehall enact any/all of these recommendations. Given the financial pressure that civil society has been under for considerable time, this would have its own practical and potentially financial implications, given the limited amount of unrestricted funding in particular. But to play a worthwhile role in the delivery of national transformation, civil society organisations will need to raise their sights above their own fields and sector-based challenges. Many agree that this is necessary, but to getting there will require significant culture change. Spaces to specifically explore transformational change with government are required, kept separate from the critical role infrastructure bodies play in advocating for the needs of the sector. Both are critical, but without some separation the former will always have a magnetic pull and will crowd out room for the latter. As these new spaces are built and strengthened, civil society organisations must be disciplined about leaving sector-based influencing at the door where appropriate.

Mission Critical 03 - Mission-driven partnerships with civil society organisations

Our recommendations for change are:

• Recommendation 1: Facilitate and catalyse partnerships from the centre via a specialist 'partnership hub' within the Mission Delivery Unit, to act as a centre of excellence and as a transparent 'front door' for civil society organisations. This would complement policy specific engagement via departments, and issues affecting the sector via DCMS.

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- Recommendation 2: Involve civil society throughout the policy development lifecycle - to embrace 'open policymaking', and to bring civil society into deliberations and decisions about policy and implementation across departments beyond standalone formal consultation exercises.
- Recommendation 3: Strengthen expertise across the civil service
 to formalise the expectations of civil servants in relation to
 external partnership and collaboration through ministerial and civil
 service leads for civil society, two-way secondments, learning and
 development, policy appraisal and performance management.
- Recommendation 4: Involve civil society organisations in a 'test and learn' culture of innovation - to include civil society organisations in the bottom up, place-based experimentation required to innovate towards achieving missions.
- Recommendation 5: Embrace disagreement in the interests of better policy development and decision-making - to enable the machinery of the civil service to recognise collaboration as both a value to cultivate and a skill to teach, including with organisations where there are different points of view to positions held by ministers and civil servants.
- Recommendation 6: Create a satellite account for civil society

 for which central government takes responsibility for collecting
 and collating the data relating to the contribution of civil society to
 the UK economy, linked up with local centres of data.

The new government has clearly indicated that it wants to build partnerships in the service of mission delivery and a decade of national renewal. To do so, it needs to work in deeper partnership with civil society, requiring cultural and operational changes for all involved. Through our research and conversations, we hope to contribute practical ideas to realise a new culture of mission-driven partnership. We hope the ideas explored in this paper will lead to policy enhanced by civil society expertise, and ultimately therefore improvements to people's lives up and down the country.

