



Co-production

A Manifesto for growing
the core economy

nef is an independent think-and-do tank that inspires and demonstrates real economic well-being.

We aim to improve quality of life by promoting innovative solutions that challenge mainstream thinking on economic, environmental and social issues. We work in partnership and put people and the planet first.

nef centres for:



global
interdependence



thriving
communities

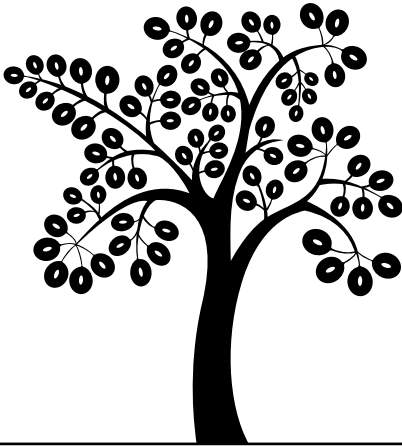


well-being



future
economy

nef (the new economics foundation) is a registered charity founded in 1986 by the leaders of The Other Economic Summit (TOES), which forced issues such as international debt onto the agenda of the G8 summit meetings. It has taken a lead in helping establish new coalitions and organisations such as the Jubilee 2000 debt campaign; the Ethical Trading Initiative; the UK Social Investment Forum; and new ways to measure social and economic well-being.



Co-production

A Manifesto for growing
the core economy

Contents

Foreword: A commentary from the United States, by Professor Edgar Cahn	1
Co-production: growing the core economy	7
What is co-production?	9
The emergence of co-production	11
The elements of co-production	12
The co-production practitioners	13
The purpose of co-production	14
What isn't co-production?	15
Co-production next steps	18
Find out more	21
Endnotes	22

Foreword

A commentary from the United States,
by Professor Edgar Cahn, the creator of Time Dollars
and the co-production principle

The primary focus of the Manifesto for co-production has understandably been concerned with enlisting people as co-producers of public services such as those provided by the National Health Service (NHS). Coming from England where statutory rights to effective service are extensive, that is an appropriate focus and co-production provides the appropriate framework for system change.

But coming from the United States, a country that does not guarantee such rights and that has instead embraced a kind of market theology, the value of co-production as a framework for system change shifts to another level. For me, it becomes important to point out that co-production entails a second, more fundamental partnership – a partnership between the monetary economy (comprised of public, private and non-profit sectors) and the core economy of home, family, neighbourhood, community and civil society.

The perspective from the States thus emphasises a different and overriding purpose to co-production: creating a new core economy which no longer can rely upon invisible labour exacted from the subordination of women and the exploitation of ethnic minorities and illegal immigrants. When focused on co-production, the prism supplied by a lens of social justice highlights the varied hues of racism and sexism that have historically undermined efforts in the United States to address economic disparity.

My development of the concept of co-production stems directly from examining the core principles underlying timebanking. And my development of timebanking stemmed from an appreciation of the limitations of government efforts to empower people for whom the market had no use and who did not enjoy the same rights to subsistence or to care that are a birthright in England. This commentary reflects the journey that led me to articulate co-production as a fundamental framework for public and charitable initiatives.

That journey began with my involvement in the civil rights movement, my co-founding of the National Legal Services programme, my work in the War on Poverty

and my subsequent efforts to address disparities which seemed destined to persist and to grow, so long as those who were disenfranchised were viewed, at best, as objects of pity and charity. The challenge was: how to value the labour and contribution of those whom the market excluded or devalued and whose genuine work was not acknowledged or rewarded.

“The value of household work in 1998 was estimated to total US \$1.911 trillion – about one quarter of the size of the US gross domestic product that year.”¹

First comes a rejection that money and market price is the sole acceptable measure of value. Timebanking rejects price, valuing all hours equally, because price equates value with scarcity relative to demand. Timebanking values what it means to be truly human and to contribute to each other as humans – as members of the human family. Those are the universals that enabled our species to survive and evolve: our willingness to come to each other’s rescue, to care for each other, to stand up for what we believe is right. There are domains we all recognise are beyond price: family and loved ones, justice, patriotism, spirituality, the environment. We cannot allow a rejection of market price to mean a denial of economic value.

From that, it follows that co-production need not and cannot be limited to the labour wanted by professionals to make their human service delivery systems work better. If co-production focuses exclusively on the types of labour needed to enable public systems work better, it will tend to undervalue the significance of the effort invested in giving love and comfort, approval and disapproval, caring and mentoring – and equally the effort involved in civic engagement ranging from attending meetings to making phone calls to mobilising social protest. And it will tend to overlook the contribution that co-production can play in redefining the labour force needed to rebuild community and reclaim habitat for our species – a labour force that must include children, teenagers, persons on public assistance, the disabled, the elderly and even the bed-ridden and housebound. Because timebank initiatives have consistently valued the hours expended by all making such a wide variety of contributions, it broadened my understanding of the labour force and the types of labour that Co-production would entail.

Third, timebanking has illuminated and heightened our awareness of the scale and magnitude of a critical portion of the non-market economy – the core economy. It is a genuine economic system of vast magnitude. Appreciation of that goes back before my work – to Hazel Henderson and the love economy; to Neva Goodwin who coined the term, the core economy. Marilyn Waring tried to wake us all up to that in her book:

If women counted. The women's movement and more recently, Nancy Folbre, have stressed the significance of caring work. Alvin Tofler reminds us of the obvious in his question to Fortune 500 executives: "How productive would your work force be if they were not toilet trained?" Different efforts to quantify the value of productive labour not reflected in monetary indices vary – but at a minimum they equal or exceed at least 40 per cent of the GDP. A calculation made in 2002 of the scale of unpaid labour in the United States that keeps seniors out of nursing homes topped \$250 billion dollars – six times what is spent on the market for equivalent services.

Robert Putnam has certainly tried to alert us to the decline of social capital. If social capital is critical to the well-being of society, then we must ask what its home base and source is. Social Capital is rooted in a social economy – and surely, the home base of that economy is the household, the neighbourhood, the community and civil society. That is the economy that co-production seems to rebuild and to reconstruct.

The extent to which that core economy has been eroded came home to me personally when we looked at 786 young people who had committed some offence and been sent to the Time Dollar Youth Court. Only 14 of them were being raised in a two-parent household.

Co-production is more than making social programs work. We see entire neighbourhoods depopulated in the States: a majority of young African American males are in prison; welfare reform sends the mothers elsewhere to work; and the neighbourhoods are populated by the gangs, the drug dealers, latchkey children, seniors – and a handful of neighbourhood workers sent in to regenerate the community from 9–5 on weekdays. Co-production involves reclaiming territory for the core economy – territory lost to the commodification of life by all sectors of the monetary economy, public, private and non-profit.

We will be unable to create the core economy of the future so long as we live in a bifurcated world where all social problems are relegated either to paid professionals or to volunteers whose role is typically restricted to functioning as free labour within the silos of the non-profit world.

It will take massive labour of all kinds by all to build the core economy of the future – an economy based on relationships and mutuality, on trust and engagement, on speaking and listening and caring – and above all on authentic respect. We will not get there simply by expanding an entitlement system which apportions public benefits based on negatives and deficiencies: what one lacks, what disability one has, what misfortune one has suffered.

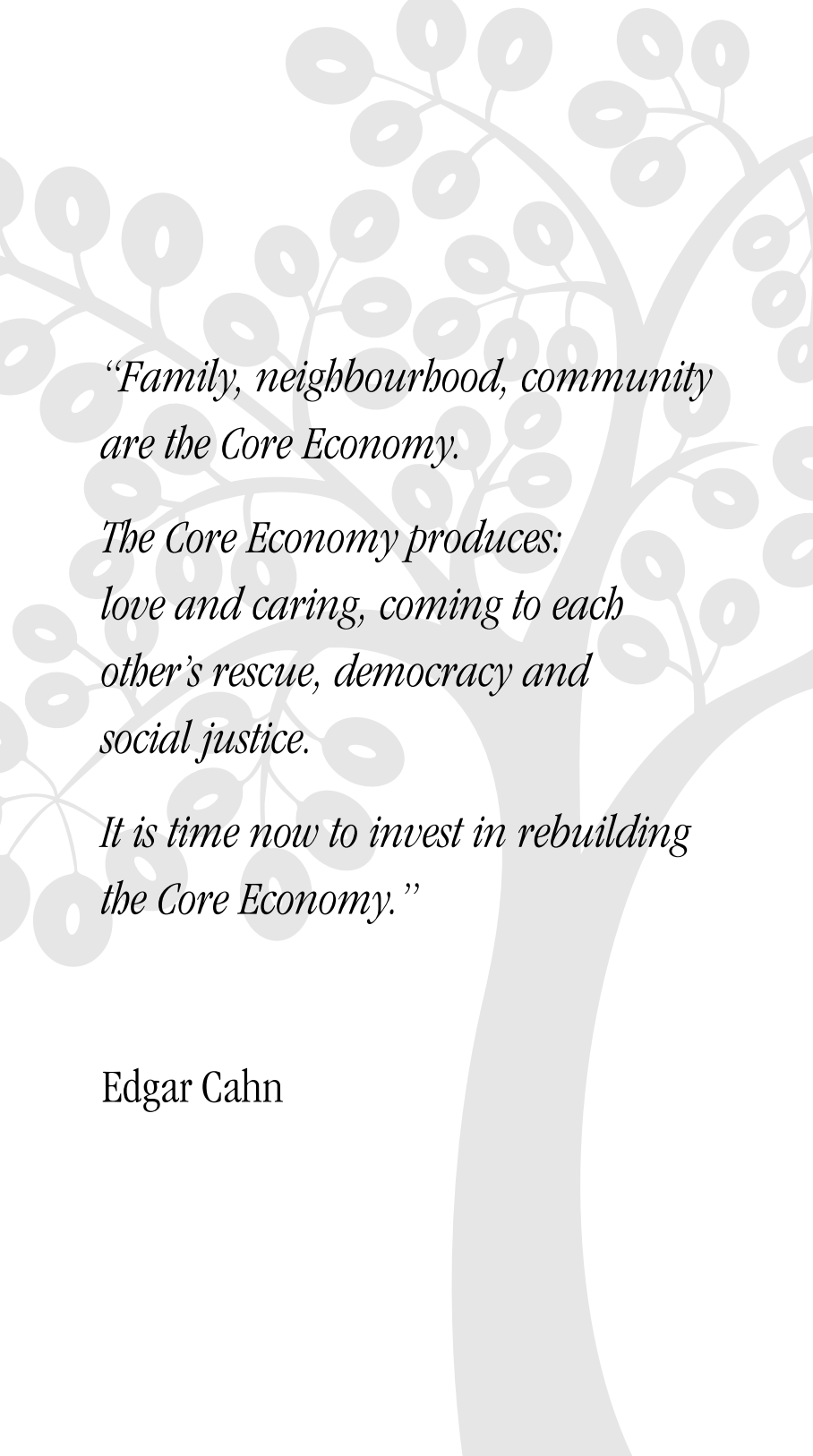
We have to begin creating a new species of entitlements: *earned entitlements* that vest by virtue of how one contributes to rebuilding the core economy. That is the new path we must blaze through co-production if co-production is going to transcend professionally defined domains of problems and rebuild an organic world of community that reunites the human family. Timebanking supplies a tool and a medium of exchange to help do that.

Finally, because timebanking and co-production grow out of my own life and work in the civil rights movement, I have to add that hell-raising is a critical part of co-production and of the labour that it entails and must value. Those with wealth, power, authority and credentials hold those assets as stewards for those who came before and in trust for those yet unborn. They must be held accountable – and sometimes that requires the creation of new vehicles that give rise to scrutiny, to questioning, to criticism, and to social protest. Timebank programmes can create those vehicles in ways that enlist the community – and that tap the knowledge that the community has about what is working and what is not working.

In Washington DC, 13 teenagers who had served as jurors on our teen court dealing with delinquency were organised as a Youth Grand Jury to investigate what the city was and was not doing about teenagers and substance abuse. The Youth Grand Jury undertook a six-month investigation. In a report titled, *Speaking truth to power*, the Youth Grand Jury indicted the mayor, the drug agency and the District government for failure to fund *any prevention or treatment programs for youth*. It recommended specific roles for young people as co-producers of a more adequate system of prevention and treatment for substance abuse including training and certification of teenagers as drug peer counsellors. To make it cool to be drug free they called for the creation of a drug-free club where dues were paid in Time Dollars earned doing community service and where membership carried rewards.

I add this only by way of illustration of the more fundamental point: democracy itself requires co-production in order to work if the people are to exercise their theoretical sovereignty. Native Americans have a saying: 'We did not inherit this land from our ancestors; we borrowed it from our descendants.' Co-production embraces the exercise of that stewardship.

Professor Edgar Cahn
June 2008



*“Family, neighbourhood, community
are the Core Economy.*

*The Core Economy produces:
love and caring, coming to each
other’s rescue, democracy and
social justice.*

*It is time now to invest in rebuilding
the Core Economy.”*

Edgar Cahn

And now you live dispersed on ribbon roads,
And no man knows or cares who is his neighbour
Unless his neighbour makes too much disturbance,
But all dash to and fro in motor cars,
Familiar with the roads and settled nowhere.
Much to cast down, much to build, much to restore.
I have given you the power of choice, and you only alternate
Between futile speculation and unconsidered action.
And the wind shall say: "Here were decent godless people:
Their only monument the asphalt road
And a thousand lost golf balls."

When the Stranger says: "What is the meaning of this city?
Do you huddle close together because you love each other?"
What will you answer? "We all dwell together
To make money from each other"? or "This is a community"?
Oh my soul, be prepared for the coming of the Stranger...
Oh my soul, be prepared for the coming of the Stranger.
Be prepared for him who knows how to ask questions.

T.S. Eliot, *Choruses from the Rock*

Co-production: growing the core economy

‘Our life doesn’t have to be going from one drop-in centre to another,’ says Bee Harries, a south London service user supported by the innovative mental health trust known as SLaM (The South London & Maudsley NHS Foundation Trust). She gets some of her support in the form of an individual budget that she uses in part to pay for her care worker to come on a year-long pottery course with her. She exemplifies some of the latest ideas in ‘personalised’ public services.

But it is more than that. As part of SLaM’s outreach, she is also involved in a local network where people contribute their time and skills and other social goods and get something of value to them in return. Through this ‘time bank’, she attends a regular afternoon poetry-writing session. Bee is clear that she is helping and advising other people, as much as she is being helped and advised herself.

This is more than just personalisation, and more than simply an individually tailored package of help with Bee as the passive beneficiary. Thanks to her individual budget, and to the supportive network she is helping to build around her, she is a prime example of co-production in action.

Those who work in the public services that support her recognise that they can’t do it on their own. They need each other, they need the contribution that Bee makes by managing her own budget and taking responsibility for managing her disabilities. They also need her neighbours and friends. Indeed, it is the supportive network of friends that makes all the rest possible.

And no-one assumes that the support is all one way. Bee has skills and experience to offer herself. Putting these to use – feeling useful – is what makes mutual support possible. It also makes Bee feel good about herself, as someone with a contribution to make.

The basic problem is not that our public services, and their committed professional staff, are somehow failing to support people – because they do so every day. The problem is that they still have to. Beveridge’s Five Giants – Disease, Idleness,

Ignorance, Squalor and Want – are different now, but although the immediate focus has evolved (from killer to chronic disease for example) they are still with us.²

The word ‘co-production’ is increasingly used in policy-making circles on both sides of the Atlantic. It is dropped into speeches by politicians of all persuasions. It is cited in support of a range of different innovations: some deserve it and some do not. When a good idea becomes a buzzword as this one has, there is always a risk that its meaning and purpose will be distorted. In the case of ‘co-production’, there is a danger that the radical critique of public services that it presents will be lost in the noise.

The idea of co-production suggests that conventional public service reform is failing because its design fails to grasp these central factors:

1. Neither markets nor centralised bureaucracies are effective models for delivering public services based on relationships. The author of *System Failure*, Jake Chapman, explains why, with market systems, ‘you can deliver pizza but you can’t deliver public services’.³ Market logic applies to narrow deliverables, but misses out the crucial dimension that allows doctors to heal, teachers to teach and carers to care: the relationship with patient, pupil or client. Centralised bureaucracies, public and private, find it equally hard to grasp these essentials.
2. Professionals need their clients as much as the clients need professionals. In practice, the consumer model of public services – where professional systems deliver services to grateful and passive clients – misses out what is most effective about their ‘delivery’: the equally important role played by those on the receiving end, without which, doctors are almost powerless to heal, just as teachers are powerless to teach and police to prevent crime.
3. Social networks make change possible. Social networks are the very immune system of society. Yet for the past 30 years they have been unravelling, leaving atomised, alienated neighbourhoods where ordinary people feel that they are powerless to cope with childbirth, education or parenting without professional help. Risk averse professional practices and targets imposed by government have exacerbated the trend.

This document sets out to define co-production, to explain it, to offer a range of possibilities for making it happen and to paint a broad vision of what public services might look like if they embraced it.

What is co-production?

William Beveridge's 1942 Report which founded Britain's post-war welfare state was cautiously hopeful, though it warned of the consequences of undermining people's sense of personal responsibility for tackling common problems.⁴ What seems strangest, reading it 60 years on, is that it assumes that spending on health and welfare will make people healthier and more self-reliant. Beveridge calculated that the cost of the NHS, for example, would fall.

More than six decades after his report, it is clear that the prediction was quite wrong. Far from a gradual improvement in health and a reduction in costs, health services the world over see the very opposite happening. What has been true in health is also true in other policy areas. Many parents feel alienated from their children's schooling and overwhelmed by the behaviour of the next generation. In crime, the legacy of over-professionalised policing cut off from neighbourhoods – the very connection which make crime-fighting possible – is all around us.

Professionals who work in these areas need their clients' help if they are going to succeed. Not just their clients, either, but their clients' families and neighbours too. These are vital wasted assets which professionals need if they are going to make permanent change happen. They are hidden resources, not drains on the system.

The term 'co-production' was coined originally at the University of Indiana in the 1970s when Professor Elinor Ostrom was asked to explain to the Chicago police why the crime rate went up when the police came off the beat and into patrol cars. She used the term as a way of explaining why the police need the community as much as the community need the police.

It was used again in the UK by Anna Coote and others at the Institute for Public Policy Research (ippr) and the King's Fund to explain why doctors need patients as much as patients need doctors and that, when that relationship is forgotten, both sides fail.

It was then developed and deepened by Professor Edgar Cahn, the Washington civil rights lawyer, who has written the foreword to this document. He used it to explain

how important neighbourhood level support systems are – families and communities – and how they can be rebuilt. Cahn clearly illustrated that relationships needed to be reciprocal for change to happen.⁵

Cahn recognised that this is economic activity, but in the broadest sense. As far back as Aristotle, philosophers have understood that these critical family and community relationships were a second economy, originally called *oekonomika*. Economists have since demoted it by calling it the *non*-market economy. The environmental economist Neva Goodwin reversed the hierarchy by calling it the ‘core economy’.

Cahn uses the analogy of a computer, which runs powerful specialised programmes, all of which rely on a basic operating system without which they cannot individually function. In the same way, our specialised services dealing with crime, health or education, rely on an underpinning operating system that consists of family, neighbourhood, community and civil society. This operating system is the core economy. It is vast, both in its range of activities and its economic impact, but it doesn't rely on price to enable it to be exchanged. The core economy operates an economy of abundance. Market prices value what is scarce and so will always overlook our abilities to love, care, mentor, tackle injustice and all the other things that make us human.

During the 1990's Robert Putnam focused attention on ‘social capital’ which captures some of the functions within the core economy. The consequences of free-riding on this core economy are all around us: isolation, time poverty, low levels of trust, engagement or social infrastructure. Just as we have been responsible for free-riding on the environment because its value was hard to establish, we have been blind to the critical nature of the core economy. Public service reform models that fail to value it and help it to flourish, instead relying more on price signals and narrow legal contracts of service delivery, are themselves part of the problem.

The idea of co-production points to ways we can rebuild and reinvigorate this core economy and realise its potential, and how public services can play a part in making it happen.

This is not about consultation or participation – except in the broadest sense. The point is not to consult more, or involve people more in decisions; it is to encourage them to use the human skills and experience they have to help deliver public or voluntary services. It is, according to Elizabeth Hoodless at Community Service Volunteers, about “broadening and deepening” public services so that they are no

longer the preserve of professionals or commissioners, but a shared responsibility, both building and using a multi-faceted network of mutual support.

What has emerged from this thinking is a new agenda. This is a challenge to the way professionals are expected to work and to policy-makers who are setting targets as indicators of success. It also helps to explain why things currently don't work.



The emergence of co-production

The reason today's problems seem so intractable is that public services, and technocratic management systems, have become blind to the most valuable resource they possess: their own clients and the neighbourhoods around them. When these assets are ignored or deliberately side-lined, then they atrophy. This is the key message inherent in the idea of co-production.

The fact that social needs continue to rise is not due to a failure to consult or conduct opinion research. It is due to a failure to ask people for *their help* and to *use the skills they have*. This is the forgotten engine of change that makes the difference between systems working and failing.

Instead, people are defined entirely by their needs and so those needs become the only asset they have. No-one should be surprised when people then behave in ways that perpetuate such needs. Advocates of a narrow kind of public service 'modernisation' may imagine it is safer and more efficient for their professionals to deliver narrow units of help to passive clients, compromised by a welfare system defined by target and risk. But they shouldn't then wonder why their costs are spiralling out of control and their targets fail to reduce the needs they are trying to address.

The past three decades have produced many successful examples of co-production in action around the world. People living in the squatter camps of Orangi in Karachi successfully provided themselves with drainage and mains water faster and at a far lower cost than the more accepted top-down method. Habitat for Humanity has made houses more affordable by including work building other people's homes into the mortgage payments. Some programmes – notably the *Bolsa Escuela* scheme in

Brazil that pays mothers to make sure their children attend school – have made direct payments to clients or their families to recognise the efforts they are making.

The timebanking movement in the UK and time dollar movement in the USA are explicitly aiming at a co-production approach by building alliances between individuals and their local public services. Timebanking is a practical approach that uses a ‘time credit’ system to measure and reward the efforts people make – often very small contributions like phoning neighbours – and gives them limited spending power for what they need. Around the world, these time credits can variously be used to gain access to training, neighbourly support, computers, legal services, healthcare services, housing, rides to the shops, and even enrolment in college courses.

But timebanking is not the only model of co-production. There are other projects that might be described as co-production which take other approaches, like the Expert Patient Scheme in the NHS.⁶ The charity Scope has been pioneering the idea in disability. CSV has been pioneering it in volunteering in schemes like Camden In Touch.⁷ Mind and other organisations are using the idea in the ‘Human Givens’ approach to mental health.⁸ The Citizens Advice Bureau’s ROTA project trains prisoners to support other prisoners.⁹ The KeyRing scheme sets up networks of young people with learning difficulties to support each other.¹⁰ Many schools are involving parents deeply in co-producing education (many are not).



The elements of co-production

Public organisations and charities that set out to co-produce with clients, and their families and neighbours, will have a range of different characteristics. They will not necessarily all look the same, but similar processes will be in place, which incorporate the following:

- Provide opportunities for personal growth and development to people, so that they are treated as assets, not burdens on an overstretched system.
- Invest in strategies that develop the emotional intelligence and capacity of local communities.
- Use peer support networks instead of just professionals as the best means of transferring knowledge and capabilities.

- Reduce or blur the distinction between producers and consumers of services, by reconfiguring the ways in which services are developed and delivered: services can be most effective when people get to act in both roles – as providers as well as recipients.
- Allow public service agencies to become catalysts and facilitators rather than simply providers.
- Devolve real responsibility, leadership and authority to ‘users’, and encourage self-organisation rather than direction from above
- Offer participants a range of incentives which help to embed the key elements of reciprocity and mutuality.



The co-production practitioners

In the UK, there is also a growing band of prophets of co-production – Zoe Reed, Diane Plamping, Becky Malby and Harry Cayton in health; Clive Miller in Children’s Services; Deborah Sowerby and Henry Tam in the voluntary sector; Sophia Parker and Matthew Taylor in the world of think-tanks and policy – and all those behind the growing world of timebanking. As a result, there is an emerging co-production sector in the UK – still not aware of itself as such – inside and outside the public sector. There is also an emerging cohort of experts who are called upon to make it work.

The difficulty for these new professionals is that they have to work in ways that seem, at first sight, opposed to the prevailing culture around them. Co-production demands that public service staff shift from fixers who focus on problems to enablers who focus on abilities. Their job is to re-define the client or patient before them, not according to their needs but according to their abilities, and to encourage them to put those abilities to work. This role is not recognised or rewarded within the management structures that are currently in place.

Front-line staff are essential to delivery and empowerment. Their morale is as important as client morale. Yet in practice, the participation that they are asked to extend to clients is often not extended to them. Part of the necessary management shift will be to change the way institutions measure and evaluate their own progress in order to incentivise and maximise co-production approaches.



The purpose of co-production

By shifting professional practice in this way, the basic objective shifts as well. Delivering public services ceases to be merely about tackling symptoms and immediate needs. It depends on reaching out into the surrounding neighbourhood to build the social networks that can tackle the underlying causes and increase the capacity of the core economy. We have had five years of ‘extended schools’; the NHS is feeling its way towards extended health centres and hospitals. Now, co-production suggests how those extended services can work effectively.

Their objective is to:

- Provide mutual support systems that can identify and tackle problems before they become acute, encourage behaviour that will prevent them happening in the first place, and advise people who find themselves in difficulties.
- Build social networks that will prevent crime, support enterprise and education, keep people healthy and make things happen locally.
- Provide supportive relationships that can help people or families continue to survive and thrive when they no longer qualify for all-round professional support.

The need is clear – how to recognise the hidden assets that public service clients represent, and make public services into engines that can release those assets into the neighbourhoods around them– and to do so even when public sector budgets are severely constrained whilst avoiding people becoming cynical about the role and motivation of the state.

What isn't co-production?

The term 'co-production' is occasionally used in policy circles to mean no more than yet more consultation, or the involvement of public service users in designing systems. For example, the pioneering work at the Design Council on co-design is only part of the picture. Co-design taps into the ability of clients to advise on their experience – basically their ability to rationalise and talk – and provides no guarantee that they will be involved in the delivery of broader services, which is at the core of the co-production idea. At its heart the 'production' of outcomes is vital.

Whilst there is no single formula for co-production – it is a broad and flexible approach – there are definitely key principles that apply in all cases. Without them, there is a danger of the idea being undermined and subsumed into a utilitarian public service agenda, aimed at reducing expenditure and the efficient pursuit of targets.

Co-production has also been used to describe the 'personalisation' of services, particularly when it is applied to providing social care clients with individual budgets to spend as they decide. Individual budgets are a key reform. Of course, clients often know best what priorities they have and how the money allocated to them should be spent. It is also a way that service users can play a role in their own development. But if all that public services do is to give clients a budget and tell them to get on with it, that flies in the face of the basic ideas behind co-production – that people need to be rooted in mutual support networks, and that not everything can be bought.

The charity In-Control makes a similar distinction between individual budgets and what they call 'self-directed support', in which money is only one of many assets on which people can draw. It is a vital part of the picture, but it definitely isn't enough.

Individual budgets without mutual support misunderstand the nature of public services. Day-care service contracts for people with mental health problems, for example, are contracted for years rather than months. These are not services that can always be dipped in and out of as if they were consumers: what users need is long-term relationships of mutual trust if they are going to benefit. Research by John Clarke at the Open University also confirms that service users don't usually regard themselves

as customers: they want long-term partnerships with professionals, and these are not so easily the product of individual budgets.¹¹

Personal budgets were never intended to cover every aspect of people's lives, to replace relationships with market transactions. But when they are used by policy-makers *instead* of rebuilding social networks, this can be the outcome: the recipients will have less money and less confidence than before.

By themselves, individual budgets entrench the ineffectiveness of the consumer model of care by encouraging users to 'buy solutions' rather than have an active stake in delivering (or 'producing') their own solutions. They may be a vital aspect of co-production, but like co-design they are only part of the picture. Mutual support networks, backed by 'community budgets' may be a better alternative, as would mechanisms that allowed people to pool their budgets collectively when they chose.

Individual budgets raise the question of how a universal NHS, still in many ways free at the point of delivery, sits with a model of cash payments or allowances borrowed from a selective social care system – a system whose funding and rationing are currently subjects both of raised public concern and government review. What will be included as part of people's individual budget, and what will continue to be part of their core NHS entitlement? What will happen to individual budgets if economic conditions get harsher?

Unless properly grounded in the principles of co-production, individual budgeting may risk leaving clients alone and isolated – even forced to spend some of that scarce resource on buying people to keep them company. If a genuine co-production infrastructure were in place, they could get the companionship they needed and spend the budget on the areas of support best provided by the market. There are some things, like friendship, which peers provide very much better than professionals.

Genuine co-production will always:

- **Define public service clients as assets who have skills that are vital to the delivery of services.** For example, when young people are old enough to leave local authority care, they are set up in a flat of their own, and it is considered bad practice for any of their former carers or case workers to maintain contact with them. This extraordinary situation is mirrored in other areas of public service, such as when families in crisis are inevitably left to fend for themselves. What they all need is local friends, supporters and mentors, but they could also be encouraged to be friends, supporters and mentors to other people.

- **Define work to include anything that people do to support each other.** If it is co-production, then it will actively break down the divisions between professional and client, between service provider and service user, work and volunteering.
- **Include some element of reciprocity.** Reciprocity ensures that people are actively involved because they are themselves being supported, and because we have a basic human need to give and take. The opportunity to feel needed and valued by others can play an important role in increasing self-esteem, personal aspiration and a sense of purpose. One example is timebanking, where what people do to help is recorded and rewarded, and entitles them to help from others – or more obvious rewards.
- **Build community.** Personal budgets without co-production do not build the kind of social networks people need. The core of co-production is that it allows public services to play an active role in building and sustaining networks and support. Edgar Cahn describes the ability of neighbourhoods to keep people well, bring up children and prevent crime as the 'core economy' – the operating system of society which makes everything else possible. Co-production is about growing the core economy.
- **Support resilience.** The purpose of co-production is to transform society. Developing the resilience of individuals and communities is about creating personal experiences upon which people can base future decisions. This requires opportunities for people to learn and take calculated risks that they can then learn from. To do this constructively, people need supportive networks around them. Current structures limit people's opportunities to experiment for fear of the consequences of failure. However, without these supported opportunities people may fail to develop the frames of reference that will make them more resilient and less reliant on the services in the longer term.



Co-production next steps: growing the core economy

If you are discharged from the Lehigh hospital outside Philadelphia, you will be told that someone will visit you at home, make sure you're OK, if you have heating and food in the house. You are also told that the person who will visit you is a former patient, not a professional, and that – when you are well – you will be asked if you could do the same for someone else.

The result is a dramatically cut re-admission rate, and all by using the human skills of patients and their own needs to feel useful. It is volunteering in a sense, but it is not some bolt-on volunteer scheme – with trained, monitored and semi-professional volunteers. It is part and parcel of the service itself. Those who help need not do so more than once (they don't have to help at all, of course) but in practice they come back time after time to help out in the neighbourhood. They stay in touch, not just with the hospital, but with the patients they visited.

That is co-production. Like other co-production projects, it has an immediate impact and a continuing one. That is why the architects of co-production, like Edgar Cahn, criticise conventional services for their failure to impact beyond day-to-day symptoms. Worse, all too often they are simply creating dependency – but a dependency of a peculiarly corrosive kind: one that convinces patients they have nothing worthwhile to offer and undermines any systems of local support that do exist.

The alternative is being tried in some of the most deprived schools in Chicago, engaging disaffected 16-year-olds by using them as tutors for 14-year-olds, and achieving both major academic improvement for both and reductions in bullying. You can see it in the Washington youth courts, where a quarter of all young people in Washington DC arrested for the first time for non-violent offences are now tried by juries of other teenagers – and must reciprocate by serving on similar juries themselves – and this has led to dramatic reductions in recidivism. In the UK, you can see it in the Chard and Ilminster Community Justice Panel, in Somerset with local people taking responsibility for tackling local disorder.¹²

More must be done to embed co-production in public services. This applies not only to traditional services like health and education, but to the management of public parks,

fighting crime, and even to the way MPs and councillors relate to their constituents – not just as magic providers of largesse, but as catalysts for mutual change. Here is our top ten set of measures to roll out what will be, in effect, the biggest revolution in social policy since William Beveridge introduced the welfare state:

1. **Reward reciprocity in funding regimes.** Assess the extent to which the ultimate beneficiaries of funded services have been enabled to play a role – and reserve part of the grant to reward this involvement.
2. **Reward people for their efforts in the local neighbourhood,** and review the benefits system so that it stops discriminating against voluntary engagement to support services by people outside paid employment.
3. **Shift the way professionals are trained** so that frontline staff are able to learn about the values and skills of co-production and recognised for putting these skills into practice.
4. **Develop ways of capturing the real benefits of co-production** and the loss when it is absent so that public service commissioning and measurement recognise and record what is important about mutual support.
5. **Set a duty to collaborate** not just between services, but bringing together services, their clients and the public, and require all public bodies to involve clients in the design and production of services.
6. **Embed networks of exchange,** such as timebanking, within public service institutions, including surgeries, hospitals, schools and housing estates.
7. **Swap targets for broad measures of well-being** that enable practitioners to demonstrate the value of co-production approaches in terms of individual and social well-being.
8. **Review current health and safety measures** to ensure that unnecessary regulation and a culture of risk aversion doesn't present a barrier to the involvement of service users and the communities based around public services.
9. **Launch a co-production award scheme and a co-production fund** to encourage innovation in the public and voluntary sectors.
10. **Acknowledge the importance of size and innovation** rather than looking to roll-out 'scaled up' blue print models of co-production. Recognise instead the importance of human-scale interaction and the ongoing innovation of this approach that leads to the development of appropriate local responses.

In the meantime, we at **nef** want to play our part to make this revolution happen. We are seeking partners to develop four linked projects that can help underpin the new sector:

- *Co-production auditing.* We want to help public and voluntary sector institutions work out how they can change practice successfully to value the assets that their clients represent. We are developing an auditing model that has been pioneered in the USA and adapting it for use in the UK. We are keen to use it to work alongside interested organisations as a way of revealing what works and what doesn't.
- *Co-production learning network.* The new co-production practitioners may not yet be aware of themselves as such. They may span a range of different sectors and professions, from timebanking practitioners to NHS professionals. But they urgently need some kind of forum where they can share experience and learn from each other.
- *Co-production training.* We are already being asked for training modules to help the new practitioners, and to help frontline staff master some of the techniques of co-production – just as the new professionals are seeking to have their valuable knowledge accredited.
- *Co-production commissioning.* We have developed a sustainable commissioning model which incorporates co-production techniques as a way to engage people to help improve public service outcomes for service users. We now want to work with organisations to help put this framework into practice.
- *Co-production fund.* Innovation is driven by seed-corn funding and it is our objective to launch a fund, for public and voluntary sector institutions, to experiment with new kinds of practical partnerships with their clients and users.

If you or your organisation is interested in working with us on any of these projects, we would like to hear from you.



Find out more

Co-production in practice

Boyle D, Burns S, Clark S (2006) *Hidden work* (York: Joseph Rowntree Foundation).

Cahn E (2000) *No more throwaway people: the co-production imperative* (Washington DC: Essential Books).

Smith K., (2005), *Yes we can: A practical guide to timebanking* (Timebanks UK)

Personalisation

Leadbetter C, Bartlett J, Gallagher N (2008) *Making it personal*. (London: Demos).

In-Control <http://www.in-control.org.uk/> In-Control for self-directed support and individual budgets

Measurement

www.proveandimprove.org

Commissioning

Ryan-Collins J, Sanfilippo L, Spratt S (2007) *Unintended consequences*. (London: **nef**).

Timebanks and other examples

www.timebanks.co.uk

www.timedollar.org

www.habitatforhumanity.org.uk

www.camdenintouch.org.uk

www.keyring.org

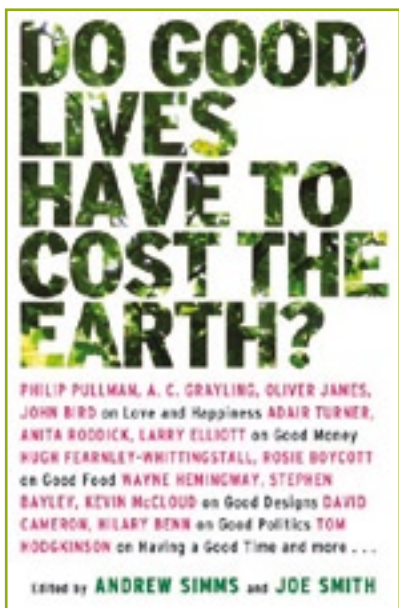
nef (the new economics foundation)

www.neweconomics.org

Endnotes

- 1 Cahn, E, *Priceless Money: Banking Time for Changing Times*, <http://coreeconomy.com>
 - 2 Beveridge W (1942) *Social insurance and allied service* (London: HMSO) <http://www.sochealth.co.uk/history/beveridge.htm> [6 June 2008].
 - 3 Chapman, J (2002) *System failure: Why Governments Must Learn to Think Differently*, (London: Demos)
 - 4 Beveridge op. cit.
 - 5 Cahn E (2004) *No more throwaway people: the co-production imperative* (Washington DC: Essential Books).
 - 6 The Expert Patient Scheme is designed to help people with long-term health conditions take control and have more power over their health. The aim is to attain the greatest possible quality of life by enabling individuals to live with their conditions and teaching them skills to manage both the symptoms and the challenges of chronic disease. The course aims to empower individuals to regain control over their lives and their disease. The Expert Patient Scheme is especially for people who have conditions such as diabetes, coronary heart disease, chronic lung disease, HIV, arthritis, stroke, ME, endometriosis and MS.
 - 7 Volunteers telephone an older person regularly for a chat. Many of the volunteers receive as well as make phone calls providing opportunities for reciprocity and enabling house bound people to make a contribution.
 - 8 We are all born with innate knowledge programmed into us from our genes. Throughout life we experience this knowledge as feelings of physical and emotional need. These feelings evolved over millions of years and, whatever our cultural background, are our common biological inheritance. They are the driving force that motivates us to become fully human and succeed in whatever environment we find ourselves in. It is because they are incorporated into our biology at conception that we call them 'human givens'. <http://www.hgi.org.uk/archive/human-givens.htm> [7 June 2008].
 - 9 ROTA Reducing Offending Through Advice – http://neprisons.org.uk/res_pro/rota.htm [7 June 2008]
 - 10 A Keyring scheme is where someone with learning difficulties who just needs a bit of support to keep their independence lives as part of a network of nine houses spread across the community.
 - 11 http://www.open.ac.uk/socialsciences/staff/people-profile.php?name=John_Clarke [7 June 2008]
 - 12 <http://www.realjustice.org/library/cicjp.html> [7 June 2008]
-

Do good lives have to cost the earth?



We tend to see climate change as an overwhelmingly daunting threat requiring impossible sacrifices. But it's time to rethink, say a range of notable experts brought together by **nef** and the Open University – who share a conviction that living well need not cost the earth.

Collectively they set out how we can turn climate change into a chance for a better life, and make a compelling case for the upside of the slow down.

Do Good Lives Have to Cost the Earth?

edited by Andrew Simms, **nef**'s policy director and Joe Smith of the Open University, *Do Good Lives Have to Cost the Earth?* includes among other contributions: author Philip Pullman on how we can make it turn out right; Anita Roddick, John Bird and Ann Pettifor on good work; Rosie Boycott and Colin Tudge on why good food is easy; Idler-editor Tom Hodgkinson on having a good time; Caroline Lucas MEP, Environment Secretary, Hilary Benn, and Leader of the Opposition, David Cameron on good politics, and the Chair of the Government's Committee on Climate Change, Adair Turner on the need to dethrone growth.



Written by: Lucie Stephens, Josh Ryan-Collins and David Boyle

With thanks to: Anna Coote, and Chris and Edgar Cahn

Thanks also to: Andrew Sozens at IDEa, Beckie Booth at WICC, Becky Malby at CIHM, Bee (Belinda) Harries, Clive Miller at OPM, John Gillespie at In-Control, Louise Telford at Northern Rock, Martin Simon at TBUK, Sam Hopley at HCCT, Sian Lockwood at NAPPS and Zoe Reed at SLaM.

Edited by: Mary Murphy

Design by: the Argument by Design – www.tabd.co.uk

new economics foundation

3 Jonathan Street
London SE11 5NH
United Kingdom

Telephone: +44 (0)20 7820 6300

Facsimile: +44 (0)20 7820 6301

E-mail: info@neweconomics.org

Website: www.neweconomics.org

Registered charity number 1055254

© 2008 **nef** (the new economics foundation)

ISBN 987-1-904882-32-9