Independence of the voluntary, community and social enterprise sector in NI: finding a new story to tell
Interim report
ABOUT THE BUILDING CHANGE TRUST

The Building Change Trust was established in 2008 by the Big Lottery Fund with a National Lottery grant of £10 million as an investment for community capacity building and promotion of the voluntary and community sector in Northern Ireland.

The Trust supports the community and voluntary sector in Northern Ireland through the development, delivery of, and learning from a range of programmes including commissioned work, awards programmes and other interventions.

Between now and 2018, our resources will be used to support the community and voluntary sector to achieve more and better collaboration, increased sustainability and to be a learning sector which identifies, shares and acts on lessons of others’ actions. This work will be carried out across 5 overarching thematic areas: Collaboration, Social Finance, Social Innovation, Inspiring Impact, and Creative Space for Civic Thinking.

To date, the Trust have been involved in the commissioning of a number of successful programmes and organisations including Collaboration NI and Inspiring Impact NI.

In the realm of Social Finance, the Trust has also made a £1 million investment in Charity Bank and has commissioned Cooperative Alternatives to bring a community shares programme to Northern Ireland.

In Social Innovation the Trust has made grants for socially innovative projects, undertaken research in key areas such as Digital Social Innovation and has commissioned a number of social innovation processes to experiment with new ways of designing solutions to social problems. To date these have included the Young Foundation’s Amplify NI programme, SI Camp, and the Techies in Residence programme. Most recently the Trust has embarked on a co-design process to establish Social Innovation NI, a collaborative partnership to deliver a range of supports to social innovators.

As part of their work in Creative Space for Civic Thinking, the Trust has been instrumental in the setting up of the Northern Ireland Open Government Network and has stimulated and resourced innovation in civic engagement at local level through its Civic Activism Toolkit and Awards Programme. The research partnership with Ulster University examining the independence of the VCSE sector - of which this report is the first output - is also a core part of this.

ULSTER UNIVERSITY - INSTITUTE FOR RESEARCH IN SOCIAL SCIENCES (IRiSS)

The Institute for Research in Social Sciences (IRiSS) seeks to harness and develop the highest quality research within the broad areas of social and public policy with social work, education, politics and international studies.

It provides an institutional framework for undertaking high-quality research and for the development of a vibrant research culture through organising seminars, colloquia and lectures, funding participation by Institute members in national and international conferences and a forum for engaging with policy makers and those involved with service delivery in the public and voluntary sectors.

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Beveridge defined voluntary organisations as “as one which, whether its workers are paid or unpaid, is initiated and governed by its own members without external control”.

From its beginnings in the voluntary activism and philanthropy of the 19th Century the purpose of the voluntary and community sector has been the free association of citizens to improve one’s lot and that of fellow citizens. It has always been more than the delivery of services and whilst this is a significant aspect of voluntary action the freedom to give voice to the most vulnerable and marginalised people in society is a keystone of the voluntary and community sector and indeed as Beveridge states “the distinguishing marks of a free society.” The agent for social change is as Margaret Simey states ”voluntary action.” She goes on to say, “No government is elected to contravene its own manifesto. It is to the conscience of the dissenter and the non-conformer that we must look for the will to change.”

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The issue of the sector’s independence has been a recurrent theme across the Trust’s work and lifespan to date, raised by sector representatives themselves, usually based on a sense that independence was being undermined or even taken away.

In 2013 we commissioned an opinion piece by Dr. Nick Acheson to give his own view on the situation through piecing together the evidence that then existed. Dr. Acheson’s work gave further validity to the widespread perception that VCSE sector independence was under threat through a combination of co-optation, instrumentalisation and incorporation.

This also chimed with the findings of work at UK level by the Baring Foundation’s Panel on the Independence of the Voluntary Sector and the National Coalition for Independent Action.

However Northern Ireland, whilst sharing many features of the broader UK and Irish contexts, is also its own place both in terms of the political and historical context, as well as the character and make-up of the VCSE sector.

Consequently, and on the urging of sector representatives, we commissioned Ulster University to carry out a two year research initiative to probe the issues further and build a local evidence-base. Through this our intention is to inform and equip the sector to debate and self-reflect, as well as to engage in meaningful dialogue with government about the nature and practice of its relationship.

We are pleased to be able to offer this first of two reports as a catalyst and initial step towards these ends and hope you find it engaging, thorough and most of all, useful.

A further, final report will follow in late 2016, as will an independence toolkit to provide practical help for organisations to consider and reflect on where they sit in relation to the multiple facets of independence.

Bill Osborne MBE
Chairperson
Building Change Trust
1. INTRODUCTION

This report details the interim findings of research into the independence of the voluntary, community and social enterprise (VCSE) sector in Northern Ireland, commissioned by the Building Change Trust in 2015. The purpose of the report is to share early findings and to initiate debate, rather than present final conclusions. This interim report will provide a clearer understanding of the levels of independence of VCSE organisations and the sector’s understanding of the wider environment within which it operates, initiating a dialogue about how the VCSE sector perceives and understands the notion of independence.

The report builds on earlier work commissioned by the Trust, as well as on research conducted in England by the Baring Foundation’s ‘Panel on the Independence of the Voluntary Sector’ and the National Coalition for Independent Action (NCIA). The research provides the first robust empirical evidence on the state of independence in the Northern Irish context. This interim report forms the first of three outputs from this research, with a final report and Independence Toolkit to be published in the autumn of 2016. The primary aim of this preliminary report is to generate debate and provide the background for further discussions about the VCSE sector’s independence.

Unpacking independence and Lessons from the Wider UK

Defining the independence of the VCSE sector is not an easy task. The sector is a “loose and baggy monster”, with a myriad of organisational types and sizes.1 The sector conducts its work in many policy fields, its organisations have a range of geographical remits and each organisation has a particular relationship with government and other funders. This means that experiences and understandings of independence are likely to be equally varied. However, amid growing concerns that certain policy developments were threatening the independence of the sector, the Baring Foundation seems to have taken the view that ‘we need start somewhere’ and initiate a debate about the sector’s relationship with government and threats to its independence. It therefore established a ‘Panel on the Independence of the Voluntary Sector’ in 2011. This research has drawn on the ground-breaking work of the Independence Panel, and in particular, its three-way conceptualisation of independence.2

- **Independence of purpose** – this refers to the ability of organisations to stay true to their mission and values.
- **Independence of voice** – this concerns the extent to which organisations are able to exercise a critical voice, protest, campaign and negotiate without fear of negative consequences or retribution.
- **Independence of action** – this concerns the ability of organisations to design and deliver effective activities and services, take risks and innovate and respond to beneficiaries’ needs creatively.

In 2015, the Independence Panel concluded in its fourth and final report that:

- There has been a loss of the sector’s distinctive identity and respect for its independence.
- There is a lack of meaningful government consultation with the sector.
- Statutory funding is not supporting a strong, independent and diverse sector, and poor commissioning and procurement practices fail to draw on the distinctive strengths of voluntary organisations.
- There are ineffective safeguards for sectoral independence.
- There are threats to independent governance.

The experiences of the National Coalition for Independent Action resonate strongly with the above concerns over independence, and this research has also drawn on NCIA’s conceptualisations of independence and the body of evidence they have collected. The Coalition was established in 2007 to mobilise support from community and voluntary groups at grassroots level to challenge “the complicity of big national charities and infrastructure organisations in the government’s co-opting of the voluntary sector.”4 NCIA’s campaigning called on voluntary organisations to remind themselves of their commitment to social justice and the importance of being seen as champions of positive social, economic and environmental development. Despite its campaigning, the outcome was not wholly positive, and the campaign ended its operations in 2015 stating that:

> “We have failed in our other aspiration – to persuade mainstream voluntary services to speak out with others in pursuit of social justice and defend their autonomy as independent forces for change. We realise now that we are not in a position to rescue voluntary groups from co-option into the mess created by destructive state action and profiteering corporations – only they can do it, if they so choose. So we have decided to stop. Something else is needed now to occupy the space we have taken. We believe the future lies in grassroots activism and the re-imagination of voluntary action able to speak out its politics. There is no need for NCIA in this. Individuals involved in NCIA will continue the struggles in these different places.”

In essence, this research set out to uncover to what extent the processes and outcomes outlined have the potential to be replicated in Northern Ireland. For the VCSE sector, the English context continues to be informative, given the influence of New Labour ‘partnership’ policies on the development of the VCSE sector’s relationship with government in all regions of the UK. Indeed, the similarities in the policy context - not least, the greater use of contracts for services - have led to concerns that independence could be under threat in Northern Ireland. In both contexts, the VCSE sector’s relationship with government has evolved from relative independence, to an extension of public services to becoming a part of a mixed economy of service delivery and contracting for services.5 Each of these phases in the relationship has led to greater degrees of engagement between the sector and the state, thus raising increasingly complex questions about the sector’s independence. At the same time, Northern Ireland remains exceptional in

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1 Kendall and Knapp, 1995: 67
2 Alcock, 2010
3 Baring Foundation, 2015
4 Kelly, 2008
5 Benson, 2015
6 Lewis, 1999
THE RESEARCH PROCESS

As in the UK, there is no consistent and undisputed data source on the size and shape of the sector, in part because of disputes about what it is that is being measured and about how to gather data (for example, many organisations are considered ‘below the radar’ of government or infrastructure bodies).

In the UK, NCVO and the Charity Commission have different estimates for the sector’s size and income. In Northern Ireland, existing sectoral profiles, such as that produced by the Northern Ireland Council for Voluntary Action (NICVA) are based on survey data of self-selecting organisations and the sampling frame (the database of organisations) is incomplete. For these reasons, it is impossible to gauge the extent to which any survey sample is representative of the population of organisations. Using an open-survey link and through direct targeting of organisations, the questionnaire was completed by 179 individuals from 166 organisations. This included responses from 83 chief executives. Chief executives were also asked a number of additional questions about funding, staffing and the wider policy environment. These questions allowed for further disaggregation of the data to tease out differences between policy fields, size of organisation or funding sources. As we have little information on population parameters, it is not possible to make statistical inferences about the data. However, it is possible, by triangulating survey data with focus group and interview data and other research literature, to identify repeated themes and patterns. It is not the aim of the research to make statistical generalizations, but rather, to shed light on processes and understandings within the sector. By identifying themes that are repeated within the types of data, and across the types of data, we can be confident that similar findings would be made by other researchers asking similar questions. This research is based on participatory research methods where research participants – members of VCSE sector organisations - have an opportunity to participate in shaping the research design and the analysis of the findings. These opportunities – such as workshops and focus groups – will continue to be organised until the final report is completed in autumn 2016. In particular, the design of the Independence Toolkit will draw on the cooperation of sectoral representatives, sharing their experiences of using the toolkit and providing feedback on the usefulness of draft versions. The interim findings will inform the next stage of research, consisting of:

- Continue with a more in-depth investigation of the experiences of organisational independence through focus group interviews and case studies.
- Engaging with government representatives so as to incorporate their experiences into the findings
- Devising an Independence Toolkit

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12 NICVA’s State of the Sector VI estimated that the sector in Northern Ireland consists of 4,836 organisations
MAIN FINDINGS

As noted above, the sector is a “loose and baggy monster” with each organisation having its own breadth of experiences, and with every organisation dealing with their own challenges or capitalising on new opportunities.

However, there are repeated themes within and across the different data types. Similar practices and processes are experienced by organisations working in very different policy fields, and there are processes and practices that are experienced by individuals working in very different types of organisations. There is no doubt from the initial findings that the VCSE sector in Northern Ireland is facing challenging times, just like its counterparts in other regions of the UK. The findings suggest that independence is strongly linked with specific challenges and changes currently being experienced by organisations in Northern Ireland:

• Pressure from some funders is making some organisations copy the practices of the public and private sectors or dominant organisations within the sector, with the result that the VCSE sector is losing some of its distinctiveness and becoming internally homogeneous.

• Many organisations feel that government funding is available only for activities that meet pre-defined objectives, making it difficult for organisations that wish to develop innovative ways to meet newly identified needs.

• In the view of some respondents, access to funding has become the new measure of success amongst many organisations, and competition for funding is having a negative effect on collaborative relationships and trust.

• Some organisations are moderating their critique of government or policy directions, often out of fear of losing funding.

In sum, the findings of the research point towards four specific challenges for the VCSE sector in terms of independence in Northern Ireland, and we can see the emergence of organisations that share one or a number of organisational characteristics.

Four organisational responses to the challenges posed to independence:

THE AGENT
Organisations that operate as arms of government. They come to be used as a means to an end, fulfilling a role and delivering services to a pre-written script.

THE RETICENT
Organisations that begin to moderate their critique of government. This can arise out of attacks on the independence of voice of the sector or a fear of losing funding.

THE MIMICKER
Organisations that start to behave increasingly like the public agencies that they came in to replace or they act like other organisations within the sector.

THE COMPETITOR
Organisations that collaborate and trust others less. Prioritise vertical resource transfer relationships with government over horizontal networks.

2. FINDINGS: INDEPENDENCE - AN IDEA CENTRAL TO THE SECTOR’S SELF-IDENTITY.

According to the Baring Foundation’s Independence Panel, the sector can be “innovators and risk takers” and a “voice speaking truth to power” because of its independence.

However, it is the Panel’s view that, in the UK, the “very identity of the sector is in question”. The Panel argues that the sector is increasingly being treated as interchangeable with the public and private sectors; there is a push toward more bureaucracy and a private sector business model is leading to mission drift. There is also a “lack of financial support and effective safeguards for independence.”

Yet we can see from Figure 1 that the VCSE sector in Northern Ireland does see the idea of independence as important, and organisations believe that a sense of mission and key principles guide their work. As Figure 1 illustrates, the importance accorded to independence and mission is shared across all levels in organisations, from non-management to management to chief executive.

Figure 1. % Agree/Strongly Agree

13 Kendall and Knapp, 1995: 67
14 It should be noted that we treat these four characteristics as ‘ideal types’, describing a range of possible behaviours by identifying the essential characteristics attached to each. In practice, organisations may express a mixture of characteristics or shift between or in and out these characteristics. The types should be seen as heuristics and as a way to simplify some of the complexity involved.

15 Baring Foundation; 2012
16 Baring Foundation; 2012
17 All % in Figures refer to valid item responses
It is in the responses to the final statement in Figure 1 that we start to see some slippage in the sector’s positive response to statements about independence. In comparison to the other statements, a smaller proportion of all respondents (87.2%) and respondents in non-managerial roles (77.3%) agreed that their organisation’s mission always reflects the needs of their service users. As shall be discussed below, this slippage may be due to processes whereby more and more organisations are trying to make their services align with government objectives. Of course, for many organisations their services will naturally align with government objectives, but for those whose original mission lies outside of stated government objectives, mission drift may be a real threat to their independence.

In the UK government’s narrative of the voluntary sector it is being increasingly characterised as a service deliverer, a depoliticised actor that has value only as a contractor for public services at low cost. Such a conceptualisation of the sector is explicit in some government documentation in Northern Ireland. For example, the NI assembly has reiterated government’s commitment to act collaboratively with partners in the sector, and it has made clear that one of its priorities is to build effective partnerships and to promote the role of the VCSE sector, but the sector’s role will be “contributing to the attainment of government objectives.” Certainly, a belief that government views the sector as part of a cost-cutting exercise is a much repeated theme in the data: The sector is suffering a real assault to its true mission, purpose, ethos and independence…we are seen by government as the cheap option to public spending and service cuts.

Research in the UK suggests that when the sector becomes locked into a hierarchical system, and where government takes an instrumental view of the sector, the sector’s actions and services come to be increasingly regulated by the state. Such top-down processes are reflected in the survey findings, for although 79.7% of chief executives believe that their services are shaped by their service users, only 64.9% of chief executives agree that their services are shaped more by their service-users than the demands of funders. Another common theme running through the data is that it is those most locked into restrictive hierarchical funding relationships that will be most affected by top-down instrumentalist pressures. As one chief executive interviewee notes: It all comes down to money in the end, where do people get their funding from? Follow the money and that will show how independent an organisation is.

As we can see in Figure 2, a much higher proportion of those that receive the majority of their funding from a non-government source are confident that their services are shaped more by their service-users than the demands of funders, with a fifth (20%) of those that are funded mainly by government disagreeing that their services are shaped more by their service-users. As research in the UK shows, what are seemingly voluntary partnerships often mask the use of hierarchical power by the state to orchestrate and control the sector, and partnerships have
become a common form of incorporation of VCSE sector organisations into public service delivery. The Northern Ireland government seemed to acknowledge the difficulty of putting into practice the more boosterist rhetoric of partnerships, with an official report stating that “an effective relationship between the Sector and public bodies, built around partnership and mutual trust and respect is essential. However this has not always been the case.”

Interviewees express real concern for the future of the sector if it comes to be made up of organisations that are trying to fit into a funding system that is only concerned with government objectives.

“...I don’t see there being any room for the community sector in the future...soon all there will be will be the big vols...definitely not the vibrant community sector we used to have...this is all about mission drift and chasing money and it’s making the sector very very homogeneous.”

The way I see it going is you will have your big organisations delivering services and a small number of politically well-connected community organisations.

Interviewees also express frustration about a funding system that they feel puts forward safe and tested programmes and partnerships with government, with interviewees lamenting the perceived loss of the sector’s purported creativity:

“We have had young civil servants coming to ask us to get involved in their new thing and they think this is all brand new, and I’m sitting there thinking ‘I was doing that 30 years ago’, but they think it’s all new...in my view there has been too much partnership...there isn’t any of the creative chaos that the sector should be...”

Though a relatively small proportion of chief executives believe that their funding (no matter what the source) gives them flexibility and the capacity to innovate, when we begin to unpack this finding we get a much more complicated and messy picture. A higher proportion of those funded mainly by government (30.8%) than those funded mainly by non-governmental sources (25.9%) agree that their organisation has flexibility and a capacity to innovate. Secondly, of those funded mainly by government, a higher proportion of those funded mainly by contracts (33.3%) than those funded mainly by grants (30.8%) agree that their organisation has flexibility and a capacity to innovate. State funding is increasingly through contracts rather than grants and there is often an assumption that grants are less restrictive than contract funding. However, contracts bring stability, clarity in and formalisation of relationships, plus clear accountability lines. Therefore, it may be the case that for a significant proportion of organisations that are mainly funded by government, contracts allow top-down objectives to shape what service the organisation actually delivers, but the security, clarity and the strength of the relationship with the funder that comes with a contract, may give the organisation more freedom to act strategically and innovatively within the bounds of the contract, so long as they deliver the desired outputs (interviews suggest this can often be contingent on the personalities involved in the relationship). This is further reflected in the responses to the question of whether or not chief executives would refuse funding if it explicitly threatened their independence.

If more than two-fifths of chief executives that are funded mainly by government are sceptical that their services are shaped more by their service-users, can the sector innovatively respond to the needs of its service users?

Figure 3 illustrates that less than a third of chief executives believe that the funding system allows their organisation to act flexibly and innovatively. These findings would seem to stand in stark contrast to government rhetoric about how the sector’s independence gives it a “capacity for innovation” in efforts to tackle existing social challenges.

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25 Muir and Mullins, 2014
26 NIA, 2012, 1st Muir and Mullins, 2014
28 Small in comparison to the claims made for the sector’s innovativeness
29 Baring foundation, 2014
30 Overall, just two-thirds (66%) of chief executives explicitly stated that they would refuse funding if it compromised their independence
therefore independence drops further down the list of organisational priorities. However, a quite high proportion (37.5%) of chief executives that are mainly funded by government stated that they neither agreed nor disagreed if they would refuse funding if it compromised their independence. It would therefore seem that there is a realisation that the sector has been placed in a role where it increasingly services government objectives, with the findings to this question suggesting that a significant number of chief executives would approach this issue of independence pragmatically. Reflecting the findings outlined above, it may be the case that organisations that are mainly funded by government would take on contracts that are essentially designed around top-down objectives (and thus there is some sacrificing of independence of mission), but they do so in the belief that there will be independence of action within the bounds of the contract. In addition, 73.7% of organisations that receive their funding mainly from government agree that they are delivering objectives that have been agreed in collaboration with government. If there is a strong belief among those funded mainly by government that their relationship with government is a collaborative one, we can see why almost a third would believe they have flexibility (Figure 3). Those who receive the majority of their funding from non-government are much less ambivalent about the question of funding being a threat to independence, with 82.1% agreeing that they would refuse funding if it compromised their independence.

However, despite possible claims to pragmatism among those who receive the majority of their funding from government, the fact remains that more than two-fifths of chief executives are sceptical that their services are shaped more by their service-users, and almost 70% are sceptical that they have real flexibility or capacity for innovativeness within the current funding systems (Figures 2 and 3). Research in other jurisdictions suggests that governmental actors have relatively fixed priorities, objectives and definitions and answers to ‘the problem’.31 Sector organisations commissioned by government are expected to deliver these objectives, with the state maintaining its surveillance role through the control technologies of the audit culture and the internalisation of performance cultures by sector groups and leaders.32 The findings above suggest that a significant proportion of organisations are operating in an environment where decision-makers take an instrumental view of the sector, and with this top-down instrumentality, and with fixed government objectives, comes a rigidity that is incompatible with innovativeness or creativity. It is clear that, as in the rest of UK, some organisations in the sector can become just another tool in the achievement of government objectives, with the sector having value only in so far as it can deliver public services in an efficient manner “to a pre-determined script”.33 This is confirmed in the qualitative data, with interviewees pointing out how the ‘added-value’ of the sector is, in their view, excised from the decision-making process, with government funders issuing restrictive edicts about how a service will be delivered and to whom that service will be delivered. From the findings of the survey, it is clear that the sector is operating in an environment where it does not feel that its independence is respected or recognised by its main funder. Just 21% of all respondents believe that government recognises and respects the independence of the sector, with more than half of respondents (50.6%) (Figure 5) disagreeing, and this is a finding that holds across a range of different groups within the sample.

| Figure 4. |
|-----------------|-----------------|-----------------|
| ![](image) |

| Figure 5. |
|-----------------|-----------------|-----------------|-----------------|
| ![](image) |

As the sector moved from the margins to the mainstream of public service provision, and as communities took on more responsibility (and risk) by accepting government resources, there was always the risk that its independence could be compromised.34 However, as outlined above the sector’s relationship with government was framed as a partnership bargain,35 with organisations dealing with more bureaucracy and top-down directives, but being offered in return a refreshed legitimacy and more recognition and influence. In an almost satirical embrace of New-Labourite language, the sector in Northern Ireland was promised a role in bottom up solutions to complex problems.

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31 Davies, 2011.  
33 Asherson, 2015: 10  
34 Milbourne, 2011.  
This governmental rhetoric continues in more recent policy programmes:

Community participation in the community planning process should be open and inclusive, and methods of engagement and consultation should be used that are most appropriate to a particular council's circumstances. Effective public consultation and engagement will help ensure that the views of the whole community will be taken into account in decision making. However, just 10.4% of all respondents believe that government has devolved decision-making powers to communities or service users. This is not a view held only by small organisations or organisations operating solely in marginalised communities, for as Figure 6 suggests, the vast majority of chief executives, some of whom are operating the largest of organisations, do not believe there has been any real transferal of decision-making powers. This suggests that the sector may have traded away independence by becoming increasingly involved in government programmes and contracting, but what was supposed to be the counter-balancing transfer of power and influence has failed to materialise. To a large extent, it would seem that, as in the UK, the government’s partnership rhetoric has been fully embraced by the sector. The findings thus far suggest that because of an instrumental view of the sector by government, the policy rhetoric of a vibrant independent sector, and of relationships based on ‘mutual trust’, is promulgated so intensively because there is very little substance behind it.

MIMICRY – LOSING ORGANISATIONAL DISTINCTIVENESS AND VALUES?

Research in the UK has for decades been capturing how some sector organisations are sounding and acting more and more like businesses, with the sector’s claims to distinctiveness and its special fiscal privileges being increasingly questioned. The volunteer organisations are becoming mirror images of the statutory organisations, that’s tending to happen, and it’s a push/pull factor you know; they feel like they have to be like that to get the contracts. As another interviewee seems to suggest, it may be possible to make significant changes to an organisations culture and structure by making small imperceptible changes over a long period of time. You make wee small changes that don’t seem important at the time, then you look back ten years later and the organisation is unrecognisable.

Research in other regions of the UK has found that many of the practices advocated for managing for-profit organisations or government bodies are already in place in VCSE organisations, and public sector management cultures have transformed management practices in the VCSE sector. For decades, research in England has been challenging some of the stereotypes about voluntary organisations being more egalitarian, more participative and more cooperative than their for-profit counterparts, as well as challenging the idea that members of staff in VCSE organisations are united by working for a common cause. According to interviewees, some of Northern Ireland’s organisations are going through similar changes, often due to mimicry of other organisations or due to top-down pressures to change their organisational culture.

In terms of shared decision-making and hierarchy within the organisations that responded to the survey, 82.7% of chief executives and 85.1% of Management agree that staff have their voice heard in internal decision making processes, though this drops to 65.1% amongst non-management (Figure 7).

36 Social Development Minister Margaret Ritchie. Ministerial announcement of Phase III of the Areas at Risk Pilot Programme, MEF, 2009
37 OECD, 2013
38 Acheson, 2013: 10
39 Leat, 1995
40 Milbourne and Cushman, 2011: 15
41 Leat, 1995
Because relationships between funder and funded, between organisations and within organisations are governed by managerial cultures, competitive interests and excessive levels of control through contractual frameworks and audit, there is little attention given to relationship building. So it is perhaps not surprising that more than a third of non-management are sceptical that their organisation is non-hierarchical in terms of decision making. However, in a context where organisations are increasingly being pushed and pulled towards managerial cultures, there are still 65.1% of non-management respondents believe they have their voices heard in internal decision-making. Data from interviewees may help explain this figure. For one, a number of interviewees suggest that there are processes in place for staff to be heard, but being listened to might be a different matter. Some management level interviewees also pointed out that organisations (or parts of organisations) can grow up around personalities whose only managerial qualification is their purported commitment to the issue, they may be lacking in basic management or other skills, which then have to be brought in from outside. As a result, a staff member can carve out an area of operations within the organisation that no-one else can interfere with, and by default their voice must be included in internal decision-making processes.

In 2009, a YouGov survey conducted for the Chartered Institute for Personnel and Development of 3,314 UK employees found that public sector and voluntary sector workers are significantly more likely to report that they have been affected by bullying in the last two years than those working in the private sector,\(^{42}\) which again implies structures of dominance and control in voluntary organisations that are incompatible with the participatory and egalitarian rhetoric. As some of the sector has morphed into a professionalised service delivery arm of the state, departmental politics and jealousies may be just as important in voluntary organisations as in for-profit and public sector organisations.\(^ {43}\) Much of the language that surrounds the sector in Northern Ireland is a rhetorical hangover from New Labour’s active citizenship agenda. This agenda had drawn heavily on communitarian theories of social capital. These theories drifted into governmental discourse about “participatory structures” and the sector’s “significant contribution to democratic governance”.\(^ {44}\) However, these theories are premised on a very particular conceptualisation of a ‘voluntary’ voluntary and community sector, a sector that promotes horizontal civic bonds, trust and collaborative norms. As one chief executive interviewee suggests, these idealised conceptualisations may not fit with the character of today’s VCSE sector in Northern Ireland:

> There are people who are attracted to working in the sector...but the sector isn’t attracting the campaigners, let’s say, it is attracting people who see it as a job, a professional job.

As Figure 8 illustrates, just 55% of non-management staff agree that senior staff in their organisation consult junior staff when making important strategic decisions. This figure is quite low for a sector that makes claims to participation, and thus reinforces the finding across the different data types that significant proportions of the sector may have become business-like and hierarchical. Research conducted in other regions suggests that organisations that had valued collective action and shared decision making in the past are increasingly being restructured into organisations that have management hierarchies.\(^ {45}\) It may be the case that in Northern Ireland, in response to top-down pressures and the rollout of dominant organisational cultures, local organisations may be following similar processes.
As noted above, the UK public sector has operated with a growing focus on audit and performance measurement and the dominant managerial cultures in public agencies have transformed management practices in the VCSE sector.\textsuperscript{46, 47} As is illustrated in Figure 9a over a fifth of chief executives (22.4%) and more than two-fifths of non-management staff (42.9%) agree that the sector mimics the practices of the public sector. Interviewees for this research confirmed that this mimicry is often a process that is driven top-down by government, with contracts specifying how a service will be delivered and to whom.

In other areas of the UK, research suggests that another driver in this mimicry is the desire for public management ‘solutions’ to their work with voluntary organisations.\textsuperscript{48} Often the skills being sought from a consultant are already present within the sector, but perhaps due to a fear of losing their competitive edge, organisations are often unwilling to collaborate and share skills, preferring instead to allow the private sector to siphon off money from the voluntary sector.\textsuperscript{49} Interviewees involved in this research explained that even the strongest cooperative bonds can be dissolved through the antagonisms that arise out of competition and mimicry of private sector practices, making it difficult to share information or expertise.

Almost a quarter of the sample (24%) agrees that the sector tries to copy the practices of the private sector. A smaller proportion of chief executives and management (Figure 9b) agree that such mimicry takes place, but over a third of non-management staff agree that the sector tries to copy the private sector. In the current climate, non-management staff could feel that they are working in an environment where the bottom-line and winning the next contract trumps all other values.

As one chief executive interviewee observes:

“The competition is fierce and really dirty... there are people who at all costs it’s about ‘we are going to exist and I am going to keep it open’, but are you really thinking about who you are working for?’

With this explicit mimicry of other sectors, the VCSE sector risks losing its claim to distinctiveness and grassroots informality. As an interviewee involved in policy and lobbying explains:

“When you go into a meeting or an event now, it is three quarters of men in suits, businessmen, who I do not know... when years ago, and this is really true, everybody was wearing jeans and jumpers. The whole face of people, the whole face of the sector has changed because it’s not the community and the voluntary, it’s the big service providers.”

UK research suggests that one of the clearest consequences of this ‘keep it open at all costs’ mentality has been a race to the bottom in employee terms and conditions.\textsuperscript{50} Research by NCIA found that there is mounting evidence that the pressures of outsourcing and contracting, together with austerity cuts, are forcing pay rates down amongst frontline staff, whilst top management pay remains protected or has even increased. NCIA found that frontline workers at one charity saw their pay cut by between £4,000 and £6,000 in the same year that the chief executive received a performance-related bonus. Another charity imposed pay cuts on 200 frontline workers in the same year that the chief executive saw his overall pay increase by £31,000 to £176,000. Research by NICVA\textsuperscript{51} suggests that chief executive pay in Northern Ireland has been largely recession proof.\textsuperscript{52} NCIA also found that the management culture in many voluntary organisations frowns upon Trades Unions, and ‘managerialist’ tendencies and hierarchical cultures are used as opportunities to control and exploit staff, rather than to encourage and support. Indeed, some service-delivering voluntary organisations are even in direct contravention of the National Minimum Wage.\textsuperscript{53} Giving voluntary organisations the benefit of the doubt, it could be argued that the race to the bottom in pay and conditions has been driven by marketization and contracts, a process that the sector simply didn’t have enough independence of voice, power or political will to challenge.

\textsuperscript{46} Lewis, J. 2005
\textsuperscript{47} Milbourne and Cushman, 2011
\textsuperscript{48} Flumme, 2006
\textsuperscript{49} Pudelek, 2013
\textsuperscript{50} Cunningham, 2008
\textsuperscript{51} NCIA. 2012
\textsuperscript{52} NCVA. 2014
\textsuperscript{53} Walker and Sullivan, 2014.
In Northern Ireland, a Concordat between the voluntary sector and government was agreed by political and voluntary sector representatives in 2011. This document describes how partnership arrangements between the sector and government were mechanisms that “would assist citizens and communities to empower themselves” and in the process, “make a significant contribution to democratic governance”. That a vibrant and independent sector is essential for a healthy democracy, and that the sector gives voice to and supports those not represented in traditional democratic structures, is central to discourses surrounding the sector. According to the Baring Foundation Panel, the voluntary sector plays an important role in providing checks and balances on the power of the state, and its independent voice has become more central to political debate as trust and engagement in traditional politics has declined. However, in the Panel’s view, the right of some voluntary organisations to campaign and criticise government is now coming under direct challenge and self-censorship is increasingly common.

For decades, both local administrations and New Labour and Conservative ‘helicopter rule’ administrations have publicly recognized the supposedly distinctive expertise and value of the sector, the value of community knowledge, and government has committed itself to including those with local knowledge in decision-making and implementation as part of a process of democratic renewal. There are geographical differences in the participation of organisations in public debates, perhaps reflecting the fact that within the sample, 36% of organisations that are based outside Belfast have an income of more than £250,000, compared to 61.6% of organisations that are based in Belfast. It is the larger organisations that have the capacity for policy officers or ‘public affairs’ departments, and they can devote time to writing consultations or attending forums and meetings. It is therefore not surprising that 84% of chief executives of organisations based in Belfast agree that their organisation engages in important political debates, but this drops to 76% outside of Belfast. 81.2% of all respondents based in Belfast city agree that their organisation engages in important political debates, but this drops to 68.8% outside of Belfast. These findings may help explain why a common view in the qualitative data is that public debate in Northern Ireland can tend to be Belfast-centric.

As illustrated in Figures 10 and 11, the vast majority of all respondents (74.4%) and chief executives (81.6%) agree that their organisation participates in important public debates.

There are geographical differences in the participation of organisations in public debates, perhaps reflecting the fact that within the sample, 36% of organisations that are based outside Belfast have an income of more than £250,000, compared to 61.6% of organisations that are based in Belfast. It is the larger organisations that have the capacity for policy officers or ‘public affairs’ departments, and they can devote time to writing consultations or attending forums and meetings. It is therefore not surprising that 84% of chief executives of organisations based in Belfast agree that their organisation engages in important political debates, but this drops to 76% outside of Belfast. 81.2% of all respondents based in Belfast city agree that their organisation engages in important political debates, but this drops to 68.8% outside of Belfast. These findings may help explain why a common view in the qualitative data is that public debate in Northern Ireland can tend to be Belfast-centric.

We can also see from Figure 12 that it is the smallest of organisations that are least likely to participate in public debates. This may be down to personal choice, but it may also be an issue of time and capacity. As these may be some of the most organic and grassroots associations (and hence the most independent), it is important that their voice is included in public discourse.

54 Milbourne, 2011: 37
55 Taylor, 2007
56 There is little systematic comparative evidence on the added or distinctive value of sector organisations in providing services over and above public or private sector provision. In 2008 the House of Commons Public Administration Select Committee concluded that “The central claim made by the Government, and by advocates of a greater role for the sector in service delivery, is that third sector organisations can deliver services in distinctive ways which will improve outcomes for service users. We were unable to corroborate that claim. Too much of the discussion is still hypothetical or anecdotal.”
58 DSD, 2011: 2.
Overall, 62.2% of chief executives agree that their organisation has the freedom to be critical of decision makers in government, quite a low figure for a sector whose independence of voice has apparently been codified in the Concordat. There are clear trends in the data that suggest that organisations that receive the majority of their funding from government have less confidence to speak critically (see figure 13). In addition, irrespective of the funding source, a smaller proportion of chief executives funded mainly through contracts for service delivery (58.8%) agree that they have freedom to be critical of government compared to those funded by grants (66.7%).

However, a higher proportion of those receiving the majority of their funding from government claim to have been critical of government decision-makers in the past than those receiving the majority of their funding from independent sources. What may be more surprising is the fact that, with all the challenges facing Northern Irish society and the sector itself, almost a fifth of organisations that receive most of their funding from government, and more than a quarter of those funded mainly from independent sources, haven’t had cause to be critical of decision-makers (Figure 14).

Those in less senior positions within an organisation are more sceptical that their organisation has been publicly critical of decision-makers, with just 49.3% of those below senior manager and 44.2% of those below manager level agreeing that their organisation has been publicly critical of decision-makers. Senior staff may ‘pick their battles’ and take a pragmatic approach to being critical of government so as not to risk the organisation’s mission, and as they are responsible for the organisation and its staff, it is easy to see how non-management staff could come to see senior staff and chief executives as overly cautious. Plus, there is the often repeated view in the qualitative data that chief executives will not ‘bite the hand that feeds’ or ‘rock the boat too much’ because they are operating in an environment where, as one respondent explains:

“There is no independence, if you step out of line you will very quickly have your knuckles rapped.”
As one experienced fundraiser working in the charitable sector explains, what passes as critique of policy or as campaigning and lobbying, is often simply a self-interested and ‘too little too late’ campaign to keep an organisation open:

“If there is criticism, it will be as a result of a cut being handed to them, but they won’t say beforehand that this policy direction is wrong, this approach is wrong, strongly enough. When the writing is on the wall, and the cut is handed to them and they are about to close, then they will shout. It is a reaction to their own funding cut; it is not a reaction to policy.”

Staff working outside the dominant management hierarchy within an organisation might believe that the organisation is acting too cautiously and as a result would like to ‘rock the boat’ within their own organisation, but they should perhaps be cognisant of lessons from English research. At a time when the sector is undergoing cuts and hence redundancies, it has been found that some chief executives use the restructuring process to remove underperforming staff, but also, other staff that are seen as ‘problematic.’

Because organisations are forced to compete for contracts, many are also forced to underbid on costs to remain competitive, and this leads to a loss of independence in terms of the structuring and staffing of the organisation. NCIA research found that some large charities ‘restructure’ in ways that allow them to successfully push out anyone perceived by management to be “troublesome” (including, in one case, a union activist who was ‘restructured’ out of a job while on maternity leave).

More than a third (36%) of chief executives from organisations that receive the majority of funding from government agree that they have avoided being critical of decision-makers in government for fear of negative consequences, whereas only 10.3% of chief executives that receive the majority of their funding from non-government sources agree that they have avoided being critical of decision-makers in government (Figure 16).

Figure 16.

We have avoided being critical of government for fear of negative consequences (Chief Executives)

<table>
<thead>
<tr>
<th>Majority of Funding from Government</th>
<th>Majority of Funding from Non-Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>Disagree</td>
</tr>
<tr>
<td>39%</td>
<td>36.6%</td>
</tr>
<tr>
<td>58.6%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

Overall, 13.5% of chief executives agree that voicing criticism of government resulted in funding cuts for their organisation and 29.2% agreed that voicing criticism of government had negative consequences for their organisation. These figures can be interpreted in a number of ways. First, a proportion of organisations may have the freedom, the independence of action, to be critical of government, but they are not free of the consequences of this action. If the chief executives’ perceptions are correct, and the negative consequences are a direct result of their criticism, this would call into question the Concordat commitment to independence of voice.

Another interpretation is that the threat to independence of voice may be overstated. For example, the 2012 ‘Give it back George’ campaign illustrated that the sector can, when its own interests or those of its donors are threatened, enlist the help of powerful backers and rail against the decisions of the highest echelons in government. This campaign sought to reverse the Chancellor’s decision to impose a cap on tax-free giving that enables rich donors to offset tax against giving. This two-tier tax system allows the wealthy to decide if, and to

59 Macmillan et al, 2013: 11
60 Walker and Sullivan, 2014: 8
61 We cannot be sure if a loss of income is directly due to being critical of government
62 Ramesh and Jowit, 2012

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Figure 15.

Our organisation has been critical of decision-makers in the past

<table>
<thead>
<tr>
<th>Non-Management</th>
<th>Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>Disagree</td>
</tr>
<tr>
<td>61.2%</td>
<td>16.6%</td>
</tr>
<tr>
<td>44.2%</td>
<td>18.4%</td>
</tr>
</tbody>
</table>
what extent, they pay taxes. Rather than paying their taxes, they can instead donate money to a favoured cause; an option that is not available to the majority of the population. Some of the most powerful voices in the sector were arguing for rich donors to have preferential tax regimes and they vociferously stood up to central government to protect the wealthy and their own interests. The sector was endorsing the right of the wealthy to decide societal priorities through their charitable giving. Writing in Third Sector, the UK’s leading publication for the voluntary and not-for-profit sector, chief executive of Voluntary Action Westminster explained that:

“The sector won a major concession from the coalition government in persuading the Chancellor, George Osborne, to reverse the decision to impose a cap on tax-free giving… the sector has won a major victory, of which it is rightly proud… in the Give it Back, George campaign the sector has lobbied hard for big donations that generally go to big causes (and big charities). But at the same time, the most deprived in the community are seeing unprecedented attacks on their living conditions and life prospects, with cuts to housing, welfare and disability benefits, as well as cuts in support services. Often this has meant cuts to small local voluntary organisations and community groups that do not have recourse to big philanthropy. Where, then, was the sector-wide campaign against these cuts? The website? The tweets? The emails? Of course, there are some notable exceptions – Shelter and the Joseph Rowntree Foundation, for example - but there is no hourly drumbeat of tweeting anger. By choosing to fight so publicly for big donations, the charitable sector has created an impression that it is more interested in its own needs and those of the rich than the most disadvantaged in society.63

Indeed, some parts of the sector have been a key part in rolling out government’s neo-liberal and marketization projects, and therefore we have clear examples of where sector elites, in order to survive in this market, have conflated their own interests with those of the common good. They have displayed independence of voice when it was organisationally and personally necessary. As a result, some of the sector is likely to be in the crosshairs of any emerging progressive grassroots movement. This is crucial when we discuss the issue of independence, for not only must those that wish put to put forward progressive agendas or alternative narratives ensure their independence from government, they may also have to seek independence from some of the most dominant voices within their own sector. As in the case of the “Give it back George campaign”, it is clear that the sector can seek and achieve policy change, even if this locks it into an antagonistic relationship with government. But as we can see from Figure 17, a significant proportion of respondents, particularly those outside of management roles, seem to believe that minor policy change is the height of the sector’s ambitions, thus implying that it is losing its claim to be one of the drivers of major change in society. As in the UK, we may be seeing the emergence of a sector that is an increasingly depoliticised space.

The NI Government has funded an expensive “social capital building” infrastructure, an infrastructure of spaces and forums that could facilitate the kinds of interactions that would allow the sector to put forward a distinctive perspective to decision-makers. This investment could be seen as part of government’s efforts to meet its Concordat commitment to recognise, respect and support the right of the sector to comment on and challenge government policy.64 Much time, money and energy is expended on this infrastructure and on mechanisms for engagement between the sector and government, but the sense of depoliticisation, of running out of new things to say, is clear in the comments of one policy officer interviewee who is involved in government-sector and intra-sector meetings and lobbying.

Figure 17.

Voluntary and community sector lobbying seeks minor changes to policy rather than major reform

<table>
<thead>
<tr>
<th>Chief Executive</th>
<th>Non-Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>56.3%</td>
</tr>
<tr>
<td>Disagree</td>
<td>44.6%</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>22%</td>
</tr>
</tbody>
</table>

63 Collier, 2012

64 DSD, 2011
COMPETITION

Despite widespread claims that the VCSE sector is a driver of progressive social change, it may be the case that it acts as a site through which dominant political ideologies and values are rolled-out into wider society.

We can see this quite clearly in the way the sector adopts governmental language, narratives, practices and orthodoxies. As was clear in the last section, much of the sector has embraced dominant organisational cultures, and over the last few decades, the sector has covered itself in the language of collaboration, partnership, social exclusion and active citizenship, all of which have been central to government rhetoric about the sector. Through building partnerships with the sector and communities, government also sought to instil in the sector competitive norms. This project has been very successful, with the sector accepting and participating in a contract culture, with organisations describing themselves in terms such as enterprising, innovative and efficient. For some, competition is a positive, with the market favouring the best and most efficient and effective organisations, thus keeping standards high for service-users. This is a debatable claim, as cuts to the number of employees, low wages and even lower morale are likely to impact badly on service quality.

For example, for many decades the sector has claimed that it is a sphere for collaborative citizen action that cuts across social divides. This may be the case at the organisational or community level, but as we can see from Figure 18, for most respondents and most chief executives the sector is locked into an environment where the weight of competition makes it difficult to build trusting relationships with other organisations.

One of the people in our network put so much work in getting a project up and running, all his own work, doing it on a shoestring, taking the time to go out and recruit volunteers and users. It was going great then the department put it out for tender. In swoops [larger voluntary organisations] and wins the tender. Why is a big organisation applying for such small amounts of money…why are they [small projects] going out for tender. Within months you never heard of the project again because they didn’t have the local networks to deliver it.

This interviewee’s comments call into question the idea that competition and markets will favour the organisation that is best placed to deliver the service, as well as the idea that competition delivers the best possible service for users. In addition, a recurrent theme in the interview data is that a significant amount of ‘collaboration’ and partnership is a tick-box activity that is enforced top-down, and it often involves building relationships between organisational and community elites, with little buy-in from the wider community.

65 Taylor, 2000, 301
66 Davies, 2011: 120
67 Walker and Sullivan, 2014
The respondents were asked their views on a number of statements that sought to capture their perceptions of the broader environment within which they are working. These questions ask respondents to make generalisations, and so the responses can only be based on their individual views. However, trends in the data will provide a context for further discussions on these topics during the next stage of the research project. As we can see from Figure 19, despite the uncertainty of a significant proportion of the sample, almost half of chief executives and half of management agree that too many organisations measure their success by the amount of money they have accessed. This is a considerably high proportion for a sector that claims to measure its success in social value. Following the findings as regards to hierarchy and mimicry of other sectors, those in non-management positions (70.7%) are more certain that too many organisations in the sector measure their success in terms of income generated.

We can also see the impact of the sector’s embrace of competition when we look at attitudes about the openness and transparency of the sector. The vast majority of respondents, whatever their role, believe their organisation to be open and transparent, but this figure drops significantly when respondents are asked about the openness and transparency of the wider sector. Though the majority of respondents believe that the sector is generally transparent and open, a significant proportion seem sceptical that the wider sector is made up of organisations that are as trustworthy as themselves (Figure 20). This is to be expected, for competitive environments are inherently antagonistic and as a result it is difficult to build trust. A significant proportion of organisations that have an income below £10,000 agree that larger organisations should be able to compete for services delivered by smaller organisations, perhaps reflecting the fact they will have little interest in service delivery or contracts. A third of chief executives in charge of £1,000,000+ organisations agree that larger organisations should be able to compete with smaller groups in the name of efficiency. This is a significant proportion given the fact that, in interviews with smaller organisations, a repeated theme in the qualitative data is that too many of the larger organisations have no commitment to a diverse sector, or no commitment to ‘leaving room for others’. Loss of diversity is also a top-down driven process. England-based research shows that with the phasing out of grants, and partnering by local Councils and the NHS, many medium sized and small groups offering niche services are now being side-lined as national charities ‘hoover up’ local contracts or the private sector moves in. In the English context, the VCSE sector is clearly no longer the automatic or preferred supplier for specialist niche roles.

3. DISCUSSION – CONTEXTUALISING THE FINDINGS HISTORICALLY AND IN THE WIDER INDEPENDENCE LITERATURE

THE POLICY CONTEXT

The challenges to VCSE independence are not new. Over the twentieth century the sector's relationship with government evolved from relative independence, to an extension of public services to becoming a part of a mixed economy of service delivery and contracting for services.70

Each of these phases in the relationship has led to greater degrees of engagement between the sector and the state, thus raising increasingly complex questions about the sector's independence. However, it was the New Labour governments that took this sectoral-government relationship to new heights, and a hyperactive promotion of programmes of partnership and network building has led to a fundamental reshaping of the sector's relationship with the state—with very real consequences for its independence.

Partnerships

For New Labour, partnerships with the sector were a new paradigm for policy-making and service delivery71 and their cultivation became central to UK public policy in general and the New Labour project in particular.72 Partnership was concerned with sharing responsibility, overcoming the inflexibility created by organisational or sectoral silos,73 and the development of a collaborative and less authoritarian form of governance.74 What was needed, according to New Labour ideologues, was effective collaboration and coordination at ground-level between diffuse centres of delivery and decision-making, with the joining-up of the diverse resources and competencies of actors from different sectors.75 In effect, the “governance mess” of quangos, arms-length agencies and private and voluntary sector contractors inherited from the Conservatives would be held up as a virtue, branded as a ‘new’ paradigm of partnerships rather than being represented as a barrier to effective governance.76

Major new programmes of ‘horizontal’ funding from government to organisations and agencies across the voluntary sector stood in contrast to previous government support linked to ‘vertical’ funding streams in particular service areas.77 The sector was believed to be an important partner in collaborative spaces, because not only did it have the potential to “provide the glue that binds communities together”78 it also “create[d] the opportunities for people of different backgrounds to work together for shared goals”.79 These majorized decision-making and implementation processes would deal with cross-cutting issues in ‘joined-up’ ways,80 they would not rely on purely public sector solutions and they would involve and connect all relevant stakeholders, including those from outside government. A commitment to partnership would purportedly allow government to become a facilitator of networks that “harness the talents” and contributions of multiple agencies,81 including the talents of the “loose and baggy monster”82 that is the voluntary and community sector.83 As this research, and indeed government’s own documentation suggest, it is hard to develop partnerships based on mutual trust and shared ownership because hierarchy and differentials in power are always operating in the background.

This partnership agenda was embraced by the major infrastructure agencies in the sector and by the large charities heavily involved in delivering public services.84 Indeed, to some extent the initiative for an improved and more proactive engagement between the sector and the state came initially from the sector itself, and in particular from the work of an independent commission established by NCVO to review the role of the sector for the new century. The commission concluded that relations with the state were now of critical importance to the development and operation of the sector and that therefore both parties would benefit from some formalisation and regularisation of relations. However, it wasn’t just larger organisations that became involved in partnerships. For many community activists, conscious of their marginalisation by previous administrations, saw this New Labour ‘big tent’ partnership agenda as a progressive move forward.85

Communities

Equally important, in New Labour’s world-view, was the revival of a lost spirit of mutualism and (re)engendering an ethos of self-help in disadvantaged communities.86,87 This would set free the latent capacity of these communities and (re) integrate them back into the social, political and economic mainstream.88 To achieve this goal, government would enter into a bargain with communities that were seen as flawed or dependent, offering them the benefits of support, shared ownership of decision-making and investment, if these communities took on a level of responsibility for refreshing relationships within the community and refreshing relationships between community and local government. The state would now enable families and communities to “improve their own performance”89 and communities, through their community and voluntary groups, would have to shoulder more responsibility for their own development. In return, New Labour promised communities and sector organisations that old asymmetries in power and influence would be addressed, with local authorities no longer directing, dictating and delivering services, but instead, weaving and knitting together the contribution of various stakeholders. Voluntary and community organisations were offered a central role in governance and service delivery and government promised the sector more influence as insiders to decision-making.90

The rhetoric of inter-organisational collaboration, partnership, joined-up working, ‘cross-cutting’ issues, ‘citizen-centred’ services and community level solutions, alongside a substantial increase in the resources allocated to the sector, had obvious appeal for some sector organisations for such access and resources could potentially shift them from the margins towards the mainstream.91

Why all this support for communities from New Labour? New Labour’s policy programme had significant continuities with the Conservative neo-liberalism’s aim of enroling new participants (i.e. the sector) into the state-shrinking neoliberal goals of central and local government agencies.92 In this respect, the overall aim of New Labour’s ‘Third Way’ politics was still the transformation of nation and people for a globalized world that required workforce flexibility, business deregulation and the modernization of the welfare state.93 A central part of this ‘modernization of the welfare state’ agenda was the outsourcing of services to the voluntary and community sector. However, New Labour also claimed that it did not support the operation of unfettered markets and competitive individualism because they were inefficient and

70 Lewis, 1999
71 Newman, 2001
72 Davies, 2012
73 Lowndes and Sullivan, 2004
74 Hastings, 2003
75 JVI, 2012
76 Lowndes and Sullivan, 2004
77 Alcock, 2012
78 Kendall, 2003
79 Cochrane, 2001
80 DCLG, 2006
81 Sullivan and Swincher, 2002
82 Bilan, 1998
83 Kendall and Knapp, 1995
84 Myers and Sacks, 2001; Cochrane, 2003
85 Alcock, 2008
86 Davies, 2011
87 Leonard, 2004
88 Blunkett, 2002
89 Leivitas, 2005
90 Blair, 1998 cited in Hodgson, 2004
91 Milbourne, 2011
92 Davies, 2011
93 Blunkett, 2002
94 Levitas, 2005
95 Myers and Sacks, 2001; Cochrane, 2003
96 Alcock, 2008
97 Davies, 2011
98 Leonard, 2004
99 Blunkett, 2002
100 Leivitas, 2005
101 Blair, 1998 cited in Hodgson, 2004
102 Milbourne, 2011
103 Haigh and Kilmart, 2007
104 Davies, 2011
105 Newman, 2005
they had an erosive effect on social interaction and civic engagement.95 Therefore the new “turn to community” under New Labour, with politicians from all parties actively courting and embracing the voluntary and community sector96 was largely driven by a belief on the part of policy makers that community governance and the sector could help counter the socially erosive and fragmenting effects of their neo-liberal economic model.97

**Big Society**

When the coalition government took power in 2010, they sought to change the nature of the relationship that had developed between the sector and government under the Labour administrations. In particular, this has taken the form of a new policy discourse centred on the ‘Big Society’. The Big Society was intended to be contrasted with the Big State (or ‘Big Government’) that Labour had supposedly advanced, and amongst other things was intended as an endorsement of the positive and proactive role that voluntary action and social enterprise could play in promoting improved social inclusion and ‘fixing Britain’s broken communities’.98 99 By ‘returning’ power from the state to the citizen, social change could be put back in the hands of people and communities.

Though hailed as a new beginning in sector – government relations, the Big Society rhetoric of getting more resources into the sector and making it easier for organisations to work with the state was uncontroversial, and could easily have been articulated by the previous New Labour administration. The Big Society agenda included initiatives for promoting volunteering, community organising and a commitment to localism, but perhaps most importantly there was the commitment to reforming the delivery of public services by extending the role of private and voluntary sector organisations as provider agencies.100 Following this commitment, one of the largest and most high profile exercises in out-sourcing of services, the Work Programme, was rolled out through a commissioning process. However, virtually all of the major contracting agencies were large private companies, with smaller voluntary sector providers expected to become involved only at the level of sub-contractors.

Despite the rhetorical continuity from partnerships to Big Society, the public resources to support new developments have been drastically reduced. With a political commitment to remove the public expenditure deficit through cuts in spending programmes, the Office for Civil Society has received significant cuts and programmes that provided for horizontal support to the sector have ended. There has also been a phasing out of financial support for the major sector infrastructure agencies that enjoyed generous resourcing under New Labour. But the most far-reaching cuts were those that followed the reductions in the budgets for local government, which had always been the major providers of public support for voluntary and community activity. Critics pointed out that the Big Society discourse was a convenient cover for spending cuts, promoting the virtues of voluntary and community action and social enterprise as possible alternatives to universal state-run services.101 In line with the largely interchangeable policy rhetoric of New labour and the Conservatives about freeing up the potential of the sector and voluntarism, the voluntary sector has increasingly come to be seen as a contractual arm of the state without an independent mission or voice, and just one player among many in the competitive environment of austerity.

**IMPACT ON INDEPENDENCE**

Despite high profile endorsements of partnership, the concept was not without its critics, and with new support came new problems for the sector. Not least, the greater use of contracts for services had attendant regulatory and accountability frameworks, leading some to fear that independence could be challenged.

Some claimed that the sector were dupes, or active collaborators in, the government’s project of roll-back/roll-out neoliberalism.102 Drawing on the misplaced perception that the voluntary sector is more democratically accountable, progressive or grounded in local communities than state agencies, a sectoral elite acted as “the people’s friend”, bearing “witness to and participating in the destruction, erosion and fragmentation of state run welfare services.”103 For others, ‘partnership’, be it with government or corporations, had led to the “deradicalisation” of activism and community development.104 105 Other criticisms were more operational than political, and the themes that emerged out of this research (mimicry, competition, threats to independence of voice and serving a top-down agenda) mirror closely the themes in the wider research. For example, there were concerns in some quarters that partnership may also lead to incorporation, with organisations increasingly dependent upon public funding and support; isomorphism, with those delivering public services looking just like the public providers they have replaced; exclusion, with some organisations no longer able to compete for public funding or support; competition, with vertical relationships being strengthened at the cost of horizontal/cross community relationships; self-surveillance, with organisations selecting to censor their own voices and instrumentalisation, the process whereby organisations are funded only to deliver on government objectives to a restrictive and pre-determined script.106 In conclusion, this sketch of the policy background strongly suggests that the policy rhetoric of partnerships, community empowerment and Big Society has, in practice, led to significant erosion in the independence of purpose, voice and action of VCSE sector organisations.

95 Irimie and Raza, 2003
96 Carrin, 2009
97 Davies, 2011; Paddison, 2001
98 Cameron, 2010
99 Davies and Pill, 2012
100 Akosik, 2012
101 Macmillan, 2013
102 DaVereuil, 2015
103 Popples, and Radnom, 2000
104 Collins, 2002
105 Dauvergne and LeBaron, 2014
106 See The Baring Foundation’s Independence Panel’s reports for further discussion of these threats
Northern Irish Exceptionalism?

It is the partnership policies of New Labour that are of particular relevance in the context of Northern Ireland. Although the Good Friday Agreement created a power-sharing Executive and an elected Assembly in 1998, it was suspended between 2002 and 2007. Therefore, the sector (and its relationship with government) was moulded into its current form under a New Labour direct-rule interregnum.\(^{107}\)

Devolution of policy making has resulted in some differences in interpretation and initiative in Scotland, Wales and Northern Ireland, which have combined with the distinct histories of voluntary action to create four separate policy regimes. Despite this, for most of the first decade of the 21st century, the broad policy and discursive frameworks continued to be set by Westminster, with policy towards the sector following a largely similar trajectory to that of England.\(^{108}\) In sum, however, the VCSE sector in Northern Ireland appears to have fully bought into some of the partnership themes that migrated across the Irish Sea on a New Labour wave, thus buttressing a local policy discourse that is “little more than the reproduction of barely digested neo-liberal nostrums.”\(^{109}\)

However, due to the political conditions in Northern Ireland, the development of voluntary and community action was different from other regions. During and after the Second World War, the role of the sector in Northern Ireland was more directly influenced by state policies, including the establishment of the National Health Service and a wide range of welfare services, and in this period many Westminster based policies promoted cooperation between sector organisations and the state.\(^{110}\) The latter half of the 1960s and early 1970s saw the emergence of numerous local community groups, many of which were involved in the civil rights movement.\(^{111}\) At the local level, many groups came into existence as a response to the violence and communal conflict of the 1960s and early 1970s.\(^{112}\) Community groups were set-up to provide mutual-aid and deal with damage to houses, homelessness and evacuations, and some also played a vigilante role within the community.\(^{113}\) This illustrates the complex, difficult and often dangerous conditions within which much voluntary and community action emerged. VCSEs can be instrumental in drawing resources into some of the most deprived and conflict-torn communities. Some sector groups still provide much needed services to some of the most deprived and marginalised individuals and communities in Northern Irish society, with many organisations dealing with isolation and spatial and intergenerational deprivation and trauma.\(^{114}\)

Throughout much of Northern Ireland’s history, the voluntary and community sector has been afforded a privileged role in the governance of the region.\(^{115}\) This has been accompanied by huge resource transfers from government and external funders, and a level of access to decision-makers that would be unusual if not unknown elsewhere.\(^{116}\) Its position was secured by the development of close relationships between some VCSE sector elites, civil servants and funding bodies, a huge flow of resources and a boosterist narrative that celebrated the sector as the ‘glue holding society together’.\(^{117}\) The sector grew substantially in the 1970s and 1980s as it stepped into the vacuum left by the suspension of the Stormont administration in 1972.\(^{118}\) During these years the sector was a major channel for funds from London, the EU and other international funders and the sector had become a major player in the implementation of programmes and policies.\(^{119}\) By this time, the sector was already largely dependent on funding from government and philanthropic organizations. To shore up its vacuum-filling role, the sector has been the beneficiary of extraordinary funding packages, with a service-delivery and infrastructural bureaucracy sitting alongside a well-funded peace-industry. It is perhaps unsurprising, therefore, that the sector should be described as having a ‘big ego’,\(^{120}\) or that sceptical local commentators have described the sector as “professional hair-splitters backed up by the blank cheques of an incompetent bureaucracy”, whose role is to incessantly celebrate “the vibrant diversity of our 99.5% white, Christian, English-speaking society.”\(^{121}\) With the funding boom, the close connections with decision-makers, and a government discourse that described the sector as a ‘valued partners’, independence of action has been deprioritised by an increasingly professionalised sector.

It is important to note the disproportionately large role that public sector funding plays in supporting VCSE sector activities. Northern Ireland has a much higher proportion of public expenditure as a proportion of economic activity (€10.961 per head, or 23% above the UK average),\(^{122}\) which is also reflected in per capita public spending on the VCSE sector, €67 in Northern Ireland compared to £40 in England during the peak of the New Labour years.\(^{123}\)

Northern Ireland has followed closely national UK trends in changing patterns of funding for the voluntary and community sector, with two major differences. The first is the far higher level of dependence on various sources of government support; the second is the delayed impact of austerity led cuts which have been much smaller than in England, and which reflect a redistribution of funds rather than reduction. Indeed overall income from government increased substantially between 2006/07 and 2010/11.\(^{124}\) Income from government has been rising both in absolute terms and as a proportion of total income. By 2006/7, income from government amounted to 45% of all income, and of this 65% was in the form of contracts. Between the years 2003/04 and 2006/07 there was an almost exact swap in the proportion of government funding that came in the forms of grants and contracts. Roughly one-third contracts and two-thirds grants in 2003/04 became two thirds contracts, one-third grants in 2006/07. But since then, the trend has accelerated with estimates that government now accounts for almost 53% of all income, 68% of which was in the form of contracts (NICVA, 2012). This is much higher than the average in England, Scotland and Wales, where closer to a third of income comes from government.

\(^{107}\) Acheson, 2013
\(^{108}\) Alcock, 2009
\(^{109}\) Acheson, 2014
\(^{110}\) Kearney, 1995
\(^{111}\) Binfield, 1995
\(^{112}\) Griffiths, 1975
\(^{113}\) Binfield and Williamson, 2001
\(^{114}\) Shirlow and Hughes, 2015
\(^{115}\) McCall and O’Driscoll, 2008
\(^{116}\) McCall and Williamson, 2001
\(^{117}\) DCLG, 2006
\(^{118}\) Emerson, 2005
\(^{119}\) McCall and Williamson, 2001
\(^{120}\) Acheson, 2014.
\(^{121}\) Emerson, 2005
\(^{122}\) House of Commons Library, 2015.
\(^{123}\) Cabinet Office, 2007
\(^{124}\) NICVA, 2012
suggesting that the funding relationship is likely to have a more negative impact on independence than has been found in England.

For a long time, the underlying task of transition from conflict (variously conceived) provided a framing narrative for the voluntary and community sector’s identity (although by no means all voluntary and community organisations). An important basis for its engagement with government was the sector’s supposed contribution to the process of peace and reconciliation, although organisations had become increasingly involved in various forms of out-sourced public service delivery during the 1990s, from a very low base. Thus the Compact agreement, introduced in 1998, as in other parts of the UK, was given particular weight by sector elites who had bought into a narrative of modernisation and ‘moving on from the past’, a narrative shared with government. By the 1980s and 90s voluntary sector elites and civil servants had for decades been bound together “in a shared endeavour of maintaining sufficient stability for public administration to continue to function” through the years of The Troubles, and the sector has enjoyed a privileged position ever since.

The deeper funding relationship with the state has meant an even stronger buy-in to the partnership agenda, where government control and hierarchical coordination were always operating in the background and presenting a challenge to independence. The sector has been tasked with addressing the worst consequences of deprivation, division and inequality but without any changes in the broader structural, economic and fiscal policies that brought about these difficulties in the first place. With little top-down political support for change and with no bottom-up articulation of a progressive new vision for Northern Ireland, peace walls remain a stubborn presence in Northern Ireland’s sectarian geography and community relations attitudes seem to be at the mercy of key political events. Despite the best efforts of some dedicated community workers and volunteers, and a lengthy series of generously funded urban-renewal schemes, the names in the list of most disadvantaged areas of Belfast have remained consistent over the years. Indeed, government’s own research found that: there is generally a lack of solid evidence of the overall impact of geographically targeted programmes on multiple deprivation. Such evidence as there is suggests that the gap between the most deprived areas in Northern Ireland and the rest has not closed in any substantial way.

The sector is also trying to interact with what is a highly dysfunctional Northern Ireland administration in which major economic and social issues remain unresolved. The political settlement based on compulsory coalitions has solidified the power of the DUP and Sinn Fein as representatives of what are constructed as two mutually antagonistic ethnic groups, each with a power of veto, conducting politics as a zero-sum game and reducing government to a ‘lowest common denominator’ in which difficult decisions are parked. Few organizations have found it prudent to challenge this in order to construct effective cross-community coalitions capable of creating alternative narratives. In addition, though UK Government and EU policy and support has been concerned with using the voluntary and community sector in the development of a new civil society, many voluntary agencies are embedded in the sectarian structures of Northern Ireland society in ways that closely reflect wider social processes. With this being the case, there was always a risk that certain elements in the sector could be colonised by the party political machines of the dominant parties. For a sector that had become accustomed to negotiating directly with senior civil servants and direct rule ministers without the intervention of local political representatives, the devolution of power has created new opportunities for the sector, but also distinct threats and challenges to its independence.

125 Acheson, 2012
126 Acheson, 2009
127 Power, Rees and Taylor, 2005
128 Nolan, 2013
129 DSD, 2011
130 Gray and Birrell, 2012
131 Acheson 2014
127 CRU, 2005
133 Birrell and Williamson, 2001
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