

# The Value and Independence of the Voluntary & Community Sector

By Barry Knight & Sue Robson, July 2007

## Key Points

This study describes the distinctive values of the Voluntary and Community Sector (VCS) and assesses whether the government's service delivery agenda has impacted on the sector's independence.

## Independence

The research suggests that the voluntary and community sector does not see itself in danger of government takeover, even though many of the groups in our sample accept government money.

A group's sense of its own independence derives from its income, activities and attitudes. The following five factors enhance groups' feelings of independence:

- 1 If they receive funding from foundations and charitable trusts, particularly long-term core funding
- 2 If they raise a portion of their own income
- 3 If they have a positive attitude towards commerce
- 4 If they engage in advocacy
- 5 If they are creative in the way they meet the demands of funders

## Values

Voluntary and community sector groups have distinctive values and qualities that make them excellent providers of services and effective advocates of change:

- 1 Passionate, risk taking and persistent – they are willing to speak out and challenge the system
- 2 Knowledge and 'cultural competence' allow them to help the hardest to reach people
- 3 Holistic, person-centred approach allows them to deliver more effective services
- 4 They turn 'service users' into agents of social change
- 5 They are uniquely placed to work between different government agencies

## Recommendations

- Government needs to focus on the long term outcomes of VCS organisations' work, rather than on hitting short term numerical targets, in order to achieve its aims and objectives for the sector
- Foundations can play a unique role by supporting a cadre of bold organisations that challenge the system and operate outside of state funding
- VCS groups need to better measure their own effectiveness
- This limited study has acted as a barometer to test the state of the sector. More research is required to develop a deeper understanding of the issues facing the VCS

## Executive Summary

This study aims to describe the distinctive value of the Voluntary and Community Sector (VCS). It also assesses whether the government's service delivery agenda has impacted VCS groups' sense of their own independence. The research has grown from the concerns of seven charitable foundations that have funded voluntary and community organisations for many years.<sup>1</sup> The Foundations supported researchers from The Centre for Research & Innovation in Social Policy and Practice (CENTRIS) to write in-depth case studies of 14 voluntary organisations and to interview a wider sample of 121 randomly selected voluntary organisations.

## Independence: The findings suggest that the Voluntary and Community Sector does not see itself in danger of government takeover

The current debate over whether the government should commission VCS organisations to deliver public services is polarised. On the one hand, advocates argue that VCS groups can boost their income and deliver better public services. On the other hand, sceptics argue that accepting government money necessarily reduces the independence of VCS groups. The research in this study suggests that a more nuanced position is required.

The VCS organisations surveyed do not feel in danger of 'takeover' by the government. Members of most organisations, including those who receive government money for service delivery, feel capable of independently carrying out their core objectives. However, while many feel independent of 'mind', they concede that funding, particularly highly target-driven funding, can constrain their actual activities. Representatives of the organisations surveyed in this study also warn that the hunt for funding can lead to mission drift.

### The report uncovers five factors that enhance an organisation's sense of its own independence:

**1** If they receive funding from foundations and charitable trusts, particularly long-term core funding, organisations feel a greater sense of independence than if they receive public funding for service delivery. Organisations say that foundation funding enables them to more freely pursue their values because it involves fewer restrictions and targets.

**2** If they raise a portion of their own income. This could be through developing a "cash cow" project to bring in funding, or through charging membership fees, as in the case of groups such as London Citizens.

**3** If they have a positive attitude towards to commerce. Some organisations maintain a professional core, a contractual fringe and a flexible labour force, which allows them to keep core costs down and expand when there is the demand and money for extra work.

**4** If they engage in advocacy, organisations tend to select their funding partners with greater care, ensuring they can pursue their core activities without hindrance.

**5** If they are creative in the way they meet the demands of funders. Organisations have developed 'workarounds' that allow them to meet funders' targets but at the same time deliver their own, self-identified core objectives.

## Values: Voluntary and community sector groups have distinctive qualities that make them excellent providers of services and effective advocates of change:

**They are passionate, risk taking and persistent.** VCS organisations, such as London Citizens and INQUEST, speak out and challenge the system from the outside. They are tenacious in the pursuit of their cause. Their role, advocating for change, is one that the public and private sectors are either unable or unwilling to play.

London Citizens is a membership organisation made up of 90 groups ranging from diverse faith congregations, primary and secondary schools, student groups, trade union branches and community associations. They have successfully campaigned for a Living Wage for low-paid workers in London. Based on the group's successful advocacy, almost every national bank in London currently pays an increased rate to its cleaners. Now, London Citizens is targeting hotel chains, primary care trusts, local authorities and universities to push them to pay their workers a minimum Living Wage. London Citizens is independent of state funding, raising a significant portion of its own money from membership dues, and therefore free to openly challenge Government policies.

INQUEST is the only organisation in England and Wales that provides a comprehensive and specialist advice service to the relatives of people who have died in custody. INQUEST has accumulated a unique, specialist body of knowledge that enables it to work closely with lawyers, other advice agencies, NGOs, Parliamentarians and the media to help investigate and raise awareness over custodial deaths and problems with the inquest system. The organisation is dogged, persistent and unrelenting in the pursuit of its cause. INQUEST was a driving force behind the movement to establish independent investigations and greater public scrutiny following custodial deaths. Many of the bereaved families that INQUEST supports raise challenging questions about state and corporate failings. In order to tackle these questions, INQUEST ensures it has the independence to operate freely. Therefore, it does not seek funding from government departments whose conduct and policies it may challenge.

**They have 'cultural competence' and knowledge.** Many of the organisations in the study have a strong knowledge base derived from years of first hand experience working at the grass-roots level. This knowledge gives organisations 'cultural competence' and credibility among their beneficiaries, which enables them to help the hardest to reach people.

The Young Disciples group in Birmingham is an example of the voluntary sector working in the most difficult territory – far beyond the usual capabilities of state or private organisation. The group assists four hundred young people in deprived areas of North West Birmingham who are at risk of becoming involved in street gangs. Young Disciples makes contact with those at risk and offers them a route to safety. Workers from Young Disciples go wherever gang-members congregate – from streets to nightclubs to crack houses, yet equally crucially, still maintain a working relationship with the police.

Young Disciples is run by former gang members who have successfully walked away from a life of crime. Only a voluntary sector organisation with local expertise could navigate the perilous course between establishing the credibility with young people that allows them to do their work, and achieving necessary co-operation with the authorities.

**They adopt a holistic, person-centred approach** that allows them to deliver more effective services. This approach, in essence, treats a person according to his or her own wishes and needs, rather than as a 'patient' with a 'medical problem'. For example, the Circles Network, a disability rights organisation, embodies the former more progressive approach with what it terms a "passionate inclusionist" philosophy. The network encourages disabled people to represent themselves in discussions about where they choose to live, work, enjoy recreation and receive care.

**They turn 'service users' into agents of social change.** For example, Women Acting in Today's Society (WAITS), in Birmingham assists black and minority ethnic women suffering from domestic violence. The organisation helps them gain access to education and employment through mentoring and counselling, helping to build their confidence through a 12-week "freedom" programme. After a long period of support, WAITS encourages its clients to become volunteers, activists, and paid workers representing the organisation.

**They are uniquely placed to liaise between different government agencies.** For example, the Derwent Initiative is a charity that promotes a unified approach to tackling sex offenders. The charity's main project is Leisurewatch – an initiative that trains leisure staff to report effectively to local police forces to make venues safer for children. It has built a strong reputation over the last 12 years by promoting inter-agency cooperation while remaining unbiased. "We are not masters of any agencies of the community" a spokesperson said, "we have become brokers of our own values."

<sup>1</sup> Barrow Cadbury Trust, Calouste Gulbenkian Foundation, City Parochial Foundation, Carnegie UK Trust, Joseph Rowntree Charitable Trust, Joseph Rowntree Foundation and Northern Rock Foundation.

## Key recommendations:

**1 Government commissioners should focus on the long term outcomes of VCS organisations' work, rather than on hitting short term numerical targets, in order to achieve their aims and objectives for the sector.**

The fruits of VCS groups' work tend not to be immediately evident and cannot be judged according to narrow targets. Quantitative data can fail to take into account the often messy and complex work of VCS groups. In order to take advantage of the unique qualities of the VCS, Commissioners need to allow for varied and occasionally unorthodox processes and assess the full breadth of outcomes.

**2 Foundations can play a unique role by supporting a cadre of bold organisations that challenge the system.**

As government channels ever more resources towards VCS public service provision, charitable trusts and foundations must ensure that advocacy groups, which refuse on principle to take government money, remain well funded. Foundations need to support these groups with core funding, preferably over the long term, to ensure that the advocacy side of the VCS remains vibrant.

**3 VCS groups need to better measure their own effectiveness.**

In order to avoid accusations of inefficiency or ineffectiveness, VCS groups need to better document the knowledge that they have and the impacts that they make.

**4** This limited study has acted as a barometer to test the state of the sector and **more research is required to develop a deeper understanding of the issues facing the VCS.** The state of research into the benefits of organised voluntary and community action in the UK is far from satisfactory. Funders, academics and others need to gear up their story on what the VCS achieves and there needs to be more research on how VCS organisations can best evaluate their outcomes.

To read this report in full, please visit [www.barrowcadbury.org.uk](http://www.barrowcadbury.org.uk)

This research was supported by:

