

Supporting a Stronger Civil Society Consultation response

This is a response from the sector development officer of the Northumberland VCS Consortium. The Consortium is made up of 22 voluntary and community organisations comprising a broad range of delivery and support organisations active in Northumberland. They cover themes including: advice-giving, employability, health, infrastructure as well as target groups: people with disabilities, faith, older people, children & young people. Public bodies like the County Council, Care Trust and Jobcentre Plus also attend as valuable partners and advisers.

In the introduction to the accompanying document, *Building a Stronger Civil Society*, it is stressed that the reforms required to incorporate the three core components of Big Society (empowering communities, opening up public services, promoting social action) will “radically recast the relationship between state and charities, social enterprises and voluntary and community groups over the coming years”. This level of change requires careful assessment of the level and nature of support required so the opportunity to contribute to the Office of Civil Society’s thinking on this is welcome.

Much has changed since the publication in 2008 of the Conservative Party’s Green Paper *Voluntary Action in the 21st Century* when it was proposed that frontline voluntary organisations should be resourced so that they themselves would be empowered to commission infrastructure services needed.

Since that date, the new national Compact (December 2010) makes explicit the Government’s commitment to fund support bodies directly by the undertaking to:

1.3 Ensure that the Government collectively (through the Cabinet Office) recognises the need to resource national and local support and development organisations in order to assist CSOs with their capacity and capability to deliver positive outcomes.

In Northumberland we interpret this as an acceptance that it is unrealistic to expect the market to provide essential support services. This is particularly true in a county with an abundance of small voluntary and community organisations. In any one year some start-up, others disappear and people move-on and so there is always a need for high quality generic advice of the kind traditionally provided by local support and development organisations. The services offered by the organisations referred to, like CVSs and Rural Community Councils, exist because of market failure. Frontline groups do not have perfect knowledge. They will initially often seek advice on one topic but need it in another and are therefore unlikely to be overly willing to purchase it. As a consequence it is unreasonable to have expected a market to develop in generic support services. We welcome the Government’s intentions for the VCS to provide the building blocks for its Big Society ambitions, so it is vital to get this right.

Big Society creating additional demand

The Localism Bill plans to extend new rights to communities which will inevitably increase the demand for advice and support. The Right to Challenge will allow voluntary organisations, social enterprises and parish & town councils to challenge the County Council by expressing an interest in running any service. The Right to Buy and changes in the planning regime would transfer new powers to communities thereby creating new responsibilities and expectations, all of which will create additional demand from support providers.

Support services and providers

In Northumberland a number of VCS organisations provide infrastructure services to frontline groups. In addition to the two CVSs and RCC, other specialist organisations concentrate on organisations working with children and young people, people with disabilities, training etc. They take on a variety of roles but they include the following:

- Informers, signers & advisers
- Disseminators
- Trainers
- Advocates
- Representatives
- Encouragers
- Developers – particularly of thematic or area based VCS networks
- Occasional incubators for new groups

Local authorities, government departments, trusts and foundations have long recognised the high level of return from investing relatively small amounts of revenue funding in these services. The local multipliers from the funding advice alone are in the region of 10 to 1. The relationship between funders and support bodies is therefore not one of dependency but of mutual benefit.

April 2011 has for many months been seen as a precipice in terms of VCS funding. In these circumstances it is not surprising that demand for infrastructure services will never be higher. It is not simply a question of helping with the management of short and medium term funding problems – fundamental governance issues like organisational structure, trustee responsibilities and exit strategies will be crucially important. All this is coming at a time when our own research in Northumberland shows that 75% of those surveyed predict a rise in demand for their services¹.

Predictions that over £1 billion will be lost to the sector in 2011-12 rising to £3 billion in 2014-15² seem to be reflected in Northumberland's experience to date. Contracts terminated early and funding for support bodies planned to be reduced by 38% in just 2 years are an indication of how the new unitary County Council is prepared to pass on cuts to the sector.

¹ Northumberland VCS Consortium Survey December 2009

² ACEVO, quoted in Saturday Times pp12-13, 1 January 2011

Alternative way forward

There is a strong argument for removing that element of support for local infrastructure which flows from the public purse away from local politicians and the financial pressures to which they are currently exposed. This view is particularly appealing in Northumberland where the sector appears to have been disproportionately targeted.

A nationally accepted formula taking into account population level, social capital, deprivation, rurality etc. could be one way forward. The amount allocated to a particular local authority area would be set by central government, with agreed outcomes, but part-funded by the Local Authority which would manage the funding stream, agree and monitor the outcomes. In this way basic support services would be guaranteed in each locality but its management controlled locally.

National Survey of Third Sector Organisations

Great store is made in *Supporting a Stronger Civil Society* of the results of question 19 in the National Survey of Third Sector Organisations. "We found that only 18% of organisations receive support from infrastructure organisations...". The implication is that if less than 1 in 5 frontline groups benefit from the presence of VCS support organisations then their value is in doubt. We think this is misleading for a number of reasons.

- a) The actual question answered by those 492 organisations in the county which returned the survey in the autumn of 2008 was: "*Do you currently get any support from other third sector organisations in your local area (e.g. Council for Voluntary Service, Local Social Enterprise Network, Co-operative Development Agency, or other capacity-building bodies) or not?*" The percentage responding Yes in Northumberland was 20% (slightly higher than the national figure of 18% but probably not statistically significant). The point is that "support" is likely to have been interpreted by participants as direct, probably one-to-one, contact. Although this is an important component of the support offered, it takes little account of the other important and valued mechanisms of support like newsletters, e-bulletins, post-outs, mass emails etc. These are growing in importance and are recognised as value-for-money methods of communicating advice and support which empower recipients to travel at their own pace.
- b) Even if the figure of 20% was accepted, it is not altogether surprising that in a single year 1 in 5 should have used infrastructure services. Often support is sought at times of crisis and when the survey was conducted back in 2008 few delivery organisations had any inkling of the challenging times they were about to enter, let alone the additional roles that they were soon expected to perform.
- c) The VCOs surveyed were either registered charities or incorporated bodies. Much infrastructure support is received by groups which are neither of these and tends to favour groups in greatest need and/or with the least capacity. The result would therefore underestimate the extent of the reach in Northumberland.
- d) Importantly it is acknowledged that the organisations which are in receipt of support report greater success in grant applications, bidding for

contracts and develop stronger local partnerships. These are all recognised as important outcomes for support bodies and provide clear evidence of their value.

The findings that emerged from the National Survey of Third Sector Organisations showed very substantial differences between Northumberland and the all-England average. In Northumberland groups are more likely to be smaller, cover a smaller area, be more involved in cultural activities and manage community buildings. These differences have clear implications for arrangements of support provision because they, on average, will have lower capacity to buy-in specialist support but will tend to have greater need for that support.

1. 40% of Northumberland VCOs main area of work is in culture & leisure (including sport, arts, music and recreation) compared to 31% nationally.
2. 23% of organisations take a main role in buildings/facilities (village halls, other community buildings) than across England with only 14%.
3. 35% replied that they only work within the county boundary as opposed to 13% for the national figure.

Northumberland VCS Consortium's own survey

In December 2009 we conducted our own on-line survey of over 350 VCOs in Northumberland (response rate 49%) which was triggered by a round of spending cuts announced by the County Council. It included a question asking respondents to rank the impact to their organisation of the withdrawal of a range of support services. Of the 12 services offered, the withdrawal of the three below was considered to have the greatest negative impact:

- Enabling organisations to work more effectively with public bodies
- Representing and promoting the sector
- Encouraging similar organisations to work together in networks

A reasonable interpretation is that these services would be the most difficult for individual VCOs to acquire in isolation. Individual organisations recognised that there were real benefits to be gained from working together through the auspices of local support bodies.

Questions & responses over proposed priorities for action

1. How can online services for frontline groups be improved?

The key to this is to keep websites pertinent and accessible to users. Keeping the provision local but ensuring that regional and national links are up-to-date and relevant is important. There are a plethora of national sites containing very useful material. The problem very often is for frontline groups to find it. This is where locally based support bodies can score. They have the trust, the local knowledge and the communication systems in place to summarise, explain and signpost. Email communication is rapidly developing to be the main means of supporting the majority of the sector but some face-to-face support and networking is still essential. There will always be room to reduce duplication and minimise repeat email communication but we see the route to on-line support as "start local".

2. What can Government do to forge more effective links and transfer skills between small civil society organisations and businesses or larger charities?

3. How could brokerage of pro bono support be improved?

Much advice is already exchanged informally between organisations and the 5200+ trustees & directors of VCOs in the county will be using their experience, often of a business nature, to improve the skills base. In terms of transfer between organisations, it has to be recognised that many have reached the limits of their capacity. In the North East both Business in the Community and the Community Foundation serving Tyne & Wear and Northumberland have successfully brokered links.

In terms of what Government could do to encourage better links for the supply of no or low-cost support from the business sector then it could encourage businesses to realise that taking corporate social responsibility seriously can hugely benefit their workforce, customers and shareholders.

With the decline in funding from the public sector, we are all too well aware that other sources of funding are required to ensure that support bodies continue to provide the services which frontline groups need. Local support bodies are well placed to broker pro-bono support but we are not convinced, in the present economic climate, that businesses will be falling over themselves to provide it. The private sector has of course long provided commercial services to the sector. Indeed it would be surprising if accountants, solicitors, HR companies, and IT providers did not sell their specialist services to the sector.

In addition, some public bodies also provide an alternative source for specific areas of support. Social Enterprise Northumberland, a unit within the County Council, has supplied advice over trading issues to parts of the sector for about a decade and the Council also provides funding information. Regular Government reminders to Local Authorities of the danger of taking the easy option by cutting support to the sector is always very welcome. Equally important is the need to ensure that the public sector and the VCS work closer together to ensure the best outcomes and the minimum of duplication. In this respect, the source of the best advice is invariably from those closest, culturally and geographically, to its recipients.

4. What support might your organisation need to become more resilient?

We imagine that this question is mainly directed at individual frontline organisations.

5. What do you think should be the priorities for a bursary fund?

6. How could any bursary fund be delivered simply and fairly?

Northumberland's limited experience of bursary programmes has confirmed that they have a place in the provision of specialist services in those circumstances where there is already a market for providers and it is beneficial for recipients to identify particular providers. However, there is little possibility of developing bursary programmes for more generic support for the reasons outlined on pages 1 & 2. Northumberland's experience with Capacitybuilders' Modernisation small

bursary scheme, which enabled 14 VCOs to apply for £1000 grants to spend on specialist advisers to help them with collaboration and merger plans, was highly successful. Its success arguably rested on the presence of a single coordinating support organisation which marketed the scheme and linked the bursary recipients with the chosen advisers. The fact that it was all managed & monitored on the Internet proved to be a further advantage. It should also be noted that the successful applicants all had to have a turnover of greater than £150,000 and so larger, established organisations were favoured. Nevertheless this programme could form the model of further schemes given the *caveat* above.

7. How could consolidation grants help ensure the sustainability and efficiency of infrastructure services?

There is a general acceptance by support bodies that financial constraints will mean that all will be looking to make further economies. Some of these will undoubtedly be economies of scale. Experience has shown that, at least in the short run, additional costs are incurred. There is some evidence that, even in the medium term, costs savings are difficult to achieve given that the local nature of the provision is the essence of local support body delivery. Consolidation grants would therefore compensate for necessary additional costs and provide the incentive for support bodies to work more closely together to continue and improve the efficiency of their offer to frontline organisations. In this respect consolidation grants would be welcomed.

8. Are there ways that expert intervention can support areas which are lacking social capital to improve local relationships and develop a stronger civil society?

Great care needs to be taken in attributing a particular intervention as the cause of a sought outcome. Commonly used proxy measures for social capital are the concentration of VCOs, volunteering rates and percent positive responses to questions like “Do people from different backgrounds get on together?” On all these measures Northumberland experiences a high degree of variation between different parts of the county. There is a strong conviction that, over time, and by using the principles of community development, social capital can be enhanced.

Communities are about more than organisations. Community development involves the totality of issues affecting a community and could include car sharing schemes, broadband availability and GP surgery hours. This cannot be achieved without the close cooperation of the VCS as well public sector partners. This support is best managed by voluntary and community support organisations which are responsive to the needs of the communities they serve.

George Courtice
Sector Development Officer
Northumberland VCS Consortium
01670 500817
georgecourtice@ca-north.org.uk