

The worst of times?

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'What is the Future for the Third Sector in the UK?'

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Literary preambles (1)

“You are part of my existence, part of myself. You have been in every line I have ever read...

You have been in every prospect I have ever seen since - on the river, on the sails of the ships, on the marshes, in the clouds, in the light, in the darkness, in the wind, in the woods, in the sea, in the streets.

You have been the embodiment of every graceful fancy that my mind has ever become acquainted with”

Great Expectations (1861)

Literary preambles (2)

*“It was the best of times, it was the worst of times,
it was the age of wisdom, it was the age of foolishness,
it was the epoch of belief, it was the epoch of incredulity,
it was the season of Light, it was the season of Darkness,
it was the spring of hope, it was the winter of despair,
we had everything before us, we had nothing before us,
we were all going direct to Heaven, we were all going
direct the other way”*

A Tale of Two Cities (1859)

'Unsettlement'

A third sector in transition?

- *economic* context – (dual) impact for the sector of recession, austerity and cuts
- *political* context and priorities – the Coalition's framing of a fiscal crisis; the 'Big Society' as a (partial) decoupling of sector and state?
- '*Shaking-out*' - contraction and closure? enough 'room' for everyone?
- '*Shaking-up*' - organisations encouraged to be more 'enterprising', demonstrate value and pursue greater consolidation
- Transition as a trend, or as a project

An 'unsettlement'?

- Where resources, relationships, approaches and understandings are called into question (from Fligstein and McAdam 2012)
- Crisis and precipice politics?
- Continuity and change – compared to what? leading to what?



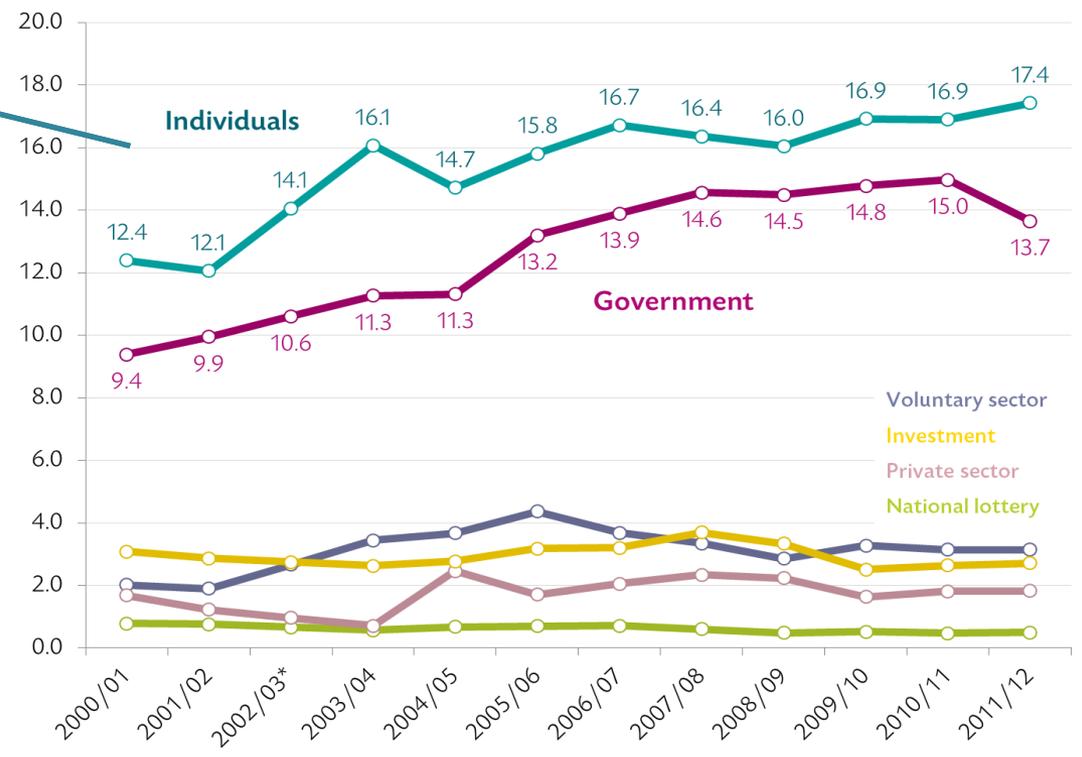
Source: NCVO/TSRC, Charity Commission

Overall picture

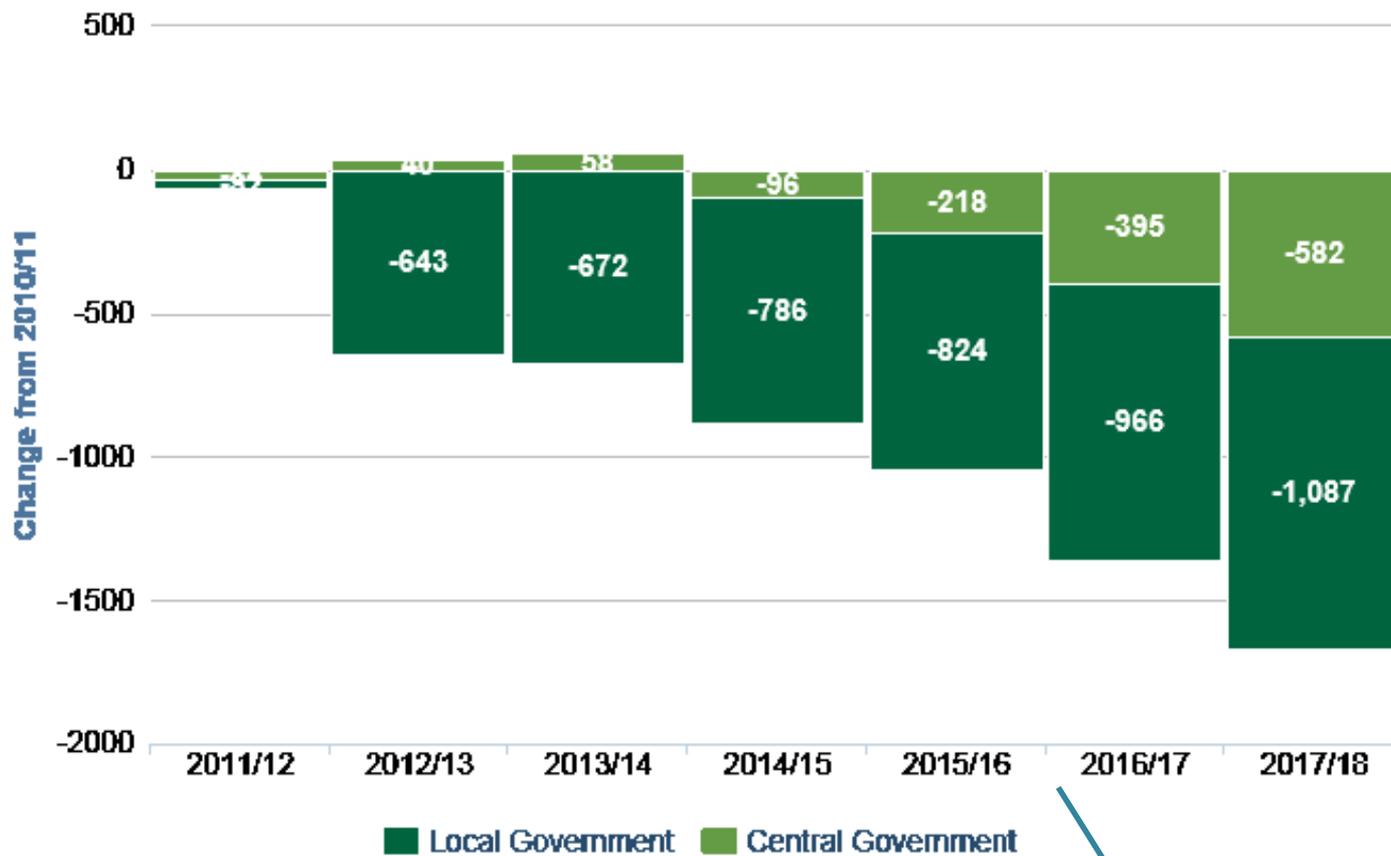
- Peak sector = 07/08...
- ...followed by recession and then austerity
- Spending maintained through reserves

Sources of income (£bn, real terms)

- 80% of the sector's income comes from individuals and government
- Cuts fall heaviest in social services and employment & training



Source: NCVO Civil Society Almanac 2014



The worst is yet to come?

- Predicted change in spending on the voluntary sector by central/local government
- £, millions, 2010/11 prices
- Using OBR estimates
- Assumes proportionate cuts

Source:
NCVO Civil Society Almanac 2013

Qualitative longitudinal studies

Study	Findings in a nutshell
Third Sector Trends (2009-12, n=50)	Mixed picture – a ‘variety of circumstances and experiences’; uncertainty and an ‘abyss mentality’
Scottish Third Sector Longitudinal Study (2009-13, n=20)	Change and uncertainty in the policy and funding environment; absorbing cuts, but not as bad as expected
‘Real Times’ (2010-14, n=15)	‘Unsettlement’ and adjustment strategies – <ul style="list-style-type: none">• restructuring/redundancy;• reconfiguration/merger;• repositioning/rebranding
Recession Watch (2012-13, n=60)	Bewildering set of challenges; ‘paring back for survival’ and rationing; complexity (public services) and distress (poverty and hardship amongst users)

Restructuring and redundancy

“People come in and really look you in the eye and tell you how desperately they want their job and they enjoy their job and you just feel dreadful because, you know, it’s not about whether you want your job or not...It’s about how much money we’ve got and as much as you like your job, we’re not going to have a job for everybody at the end of this and it’s shit, what can I tell you?” (Advice services)

Reconfiguration and merger

“so there’s quite a lot of potential basket cases out there if I’m honest, and it wouldn’t be sensible for either charity to... the coming together of two baskets is not a good idea” (Family support)

Repositioning and rebranding

“you’ve got to be aware of what other people are doing. We certainly try and stay close to key competitors and their tactics to understand what the world is going to look like and we try and adjust our plans accordingly.... what is the world going to look like, what are the political directions, how do we position ourselves to work in that way....” (Social housing)

Transition

The defining characteristic of this environment is that of continuous transition, in which survival means being able to adapt to new and shifting sets of circumstances...

...transition has become an essential and permanent feature of what it is for an organisation to survive, thrive and make a difference.

IVAR (2013) 'Turning a Corner', p.9

Transition as a project

It will be vital for civil society organisations to improve their business skills, become more entrepreneurial and strengthen their governance .

*Government wants to invest in a new programme of strategic interventions which will **help organisations modernise and become more efficient and more entrepreneurial** in order to take advantage of the opportunities ahead*

(Cabinet Office 2010: 6, 8)

 CabinetOffice
Office for Civil Society

Supporting a Stronger
Civil Society

An Office for Civil Society consultation
on improving support for frontline civil
society organisations

Transition as policy

*Organisations need to be **resilient, entrepreneurial and agile**. Many will need to adapt and develop their business models in order to continue to deliver and grow their services, developing new skills and capability along the way (p.6).*

**CONSULTATION ON A NEW FUND TO
SUPPORT THE SUSTAINABILITY OF
VOLUNTARY, COMMUNITY AND SOCIAL
ENTERPRISE SECTOR ORGANISATIONS**

1st May 2014

*The working aim for the fund is to identify VCSE sector organisations delivering vital services to vulnerable people in our communities, but struggling to adapt to their changing environment, and **to put them on the right pathway** to securing the long term future of their services (p.8).*

Uncertain futures – ‘Birch’ (advice services)

- Timescales of transition – fast and slow
- Weathering the storm, cuts and reprieve through ‘transition’
- Buying time – ‘laying down funds’

“It’s been difficult to plan for....and that’s the big thing even at the moment, that actually it is still difficult to see what’s in front of you.. The plans have to be ‘we’re as flexible as we need to be to do what we need to do’, you know...

But it doesn’t necessarily feel comfortable really, that you’re having to be so quick on your feet that actually you don’t want to lay things down because that might slow you down, so let’s keep it open and fluid”