

# National Coalition for Independent Action

*Celebrating voluntary & community action to change and challenge the world around us*  
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Newsletter No: 10

April 2009

## News from the Coalition

### A Decade of Civil Society under New Labour

If you want to know where we are coming from in the Coalition, this is **indispensable reading**. Colin Rochester's presentation at the British Academy ARVAC event on the 24<sup>th</sup> February powerfully argues our case that:

"After a decade and more of New Labour the need for a healthy and vigorous civil society is clearer than ever. Overall the government has signally failed to create a better, more just and more democratic society and the need to address inequality and injustice is as strong as ever. At the same time, the impact of New Labour's policy towards the voluntary sector can be seen as neutering the ability of voluntary agencies to address that agenda."

You can cop the whole magnificent piece by following this link

<http://www.independentaction.net/civilnewlabour> and the response it brought from the Guardian here <http://www.guardian.co.uk/society/joepublic/2009/feb/25/public-sector-voluntary-sector>

### Joint project with AdviceUK to prompt advice sector fightback

The Coalition has begun a joint project with AdviceUK to help local advice and rights agencies resist their co-option by Government policies and local authority actions; and regain independent agendas which promote and enforce rights. Following on from the Coalition's work in London Borough of Hackney, where advice agencies successfully opposed the introduction of commissioning, we are looking to work in 4 other local areas. If you work in independent advice services, want to loosen the noose around your and your client's necks, contact NCIA at [info@penandy.co.uk](mailto:info@penandy.co.uk)

### Joint project with Adur CVS asks 'what kind of funding do we want?'

Evidence is being gathered from frontline groups in West Sussex about their recent experiences of funding regimes, including commissioning. From this we hope to take messages about both what to

avoid and what kind of funding arrangements would truly encourage and strengthen voluntary and community action. The local contact for groups in the area who want to be involved is Adrian Barritt on [adrian@adurcvs.org.uk](mailto:adrian@adurcvs.org.uk).

## Wha'do we want? When do we want it?

The Coalition has begun the long march to speak out (sorry about mixed metaphor), not only what we think is going wrong for voluntary and community action, but what we think needs to be done, to put things right.

Using small working groups, we are aiming to produce a number of pamphlets which set out our critique, where we stand, and what we think needs to happen, for particular topics, such as partnership working, commissioning, managerialism or for particular areas of work, where we have people willing to work on these, such as advice work, community arts, youth work.

Papers setting out the detail of this programme of work can be got from the Coalition office by e-mailing [info@penandy.co.uk](mailto:info@penandy.co.uk). If you'd like to join or contribute to one of these groups please get in touch and we can draw you in.

## New Coalition Assembly

To prove that we can 'modernise' and 'transform ourselves' too, we've set up a new forum for debate, to share information about what's happening where and to get solidarity and support in the struggle to be independent. Anyone can be part of the Assembly, as long as they are actively engaged in work that supports Coalition aims. The Assembly meets 3 times a year and acts as a sounding board and source of advice on the direction, activities and shape of the Coalition, provides contacts and a means of people sharing resources and working together. The next Assembly will be in mid-May. Contact NCIA if you want to come or find out more [indyaction@yahoo.co.uk](mailto:indyaction@yahoo.co.uk)

## Organising, mobilising and keeping-on-keeping-on

### Youth workers speak out

Our friends over at the Critically Chatting Collective have had enough, and have launched an open letter 'In Defence of Youth Work' , which begins:

*"Thirty years ago Youth Work aspired to a special relationship with young people. It wanted to meet young women and men on their terms. It claimed to be 'on their side'. Three decades later Youth Work is close to abandoning this distinctive commitment. Today it accepts the State's terms. It sides with the State's agenda. Perhaps we exaggerate, but a profound change has taken place."*

This elegant piece sets out the problem and highlights what needs to be done to act on it. There are plans for a series of regional workshops to spread the debate and attract support for the position. Have a look at the letter and sign up to it if you support its thesis -

<http://indefenceofyouthwork.wordpress.com>

The CCC's regular blog can be found at <http://criticallychatting.wordpress.com>

## **Councillors are the villains when it comes to commissioning**

Kevin Curley from NAVCA has called on local councillors to stop small charities being sidelined by commissioning strategies. He blamed 'crude competitive tendering' for the destruction of local organisations, and said that it was wrong to assume competitive tendering automatically improved services.

"Big is not always ugly, but small is certainly often beautiful", he said. "Small organisations are fundamentally democratic: an expression of our freedom to form new associations for community benefit. It is nothing short of madness to allow organisations like these to be extinguished in the name of European procurement regulations and competition law, and councillors can stop it happening."

See the separate article later in this newsletter for the latest on resisting EU procurement madness

## **Defending Grants**

Meanwhile, NAVCA, on behalf of the Local Grants Forum, has published a pamphlet of resources that can help local groups convince councillors and commissioning officers of the importance of grants. Printed copies of 'Defending Local Grants - resources you can use' are also available free by emailing [resources@navca.org.uk](mailto:resources@navca.org.uk). Or have a look at <http://www.navca.org.uk/publications/defendinggrants>.

## **Scottish mock funeral highlights 'climate of fear'**

Trade unions Unison and Unite recently staged a 'funeral' for the Scottish voluntary sector outside the Scottish parliament to highlight concern about funding cuts. Union members dressed in black gathered with a horse-drawn hearse and coffin outside the Parliament, before a delegation from the unions and the Scottish Council of Voluntary Organisations handed over a 4,000-signature petition. This urged the Scottish Government to ensure front-line voluntary sector employees get the same pay and conditions as public sector workers. Simon Macfarlane, regional organiser for the community and voluntary sector at Unison Scotland, said charity staff worked in a "climate of fear" and that "Vital projects providing lifeline services are being shut and increasing numbers of jobs are being lost.

This coincides with a report from Unite (*Death by a Thousand Cuts*) which reveals that 73 per cent of Unite voluntary sector members had experienced negative effects on their working conditions and/or their pay and benefits as a result of funding cuts or retendering. "Pay and conditions for workers in the sector have reached crisis point," said Roz Foyer, senior regional organiser for Unite and author of the report.

You can find the press release here - <http://www.unison-scotland.org.uk/news/2009/marapr/0316.htm> but we couldn't find the report itself anywhere.....

## **Welfare reform protest**

March 9<sup>th</sup> saw an occupation of the London offices of the DWP by campaigners from the London Coalition Against Poverty in opposition to the proposals contained in the Welfare Reform Bill. The building was blockaded at both the front and side entrances between 11am and 2pm. The demonstrators, many of whom were dressed as bankers, were protesting the Government's contrasting approaches to rich and poor.

"Everyone knows that the Government's welfare Bill was designed by ex-banker David Freud", said a spokesperson, "Even if it weren't for the banks' track records, the fact that he has recently defected to the Tories should make it clear this Bill needs to be thrown out. The Government is bailing out the banks and giving them bonuses whilst cutting welfare benefits for the poor. This Bill does not make sense - the Government should be targeting the rich not the poor to pay for their crisis."

You can catch the action at <http://thecommune.wordpress.com:80/2009/03/09/photo-report-of-protest-against-welfare-reform-bill/>

### **Salford Star battles on (but with no money)**

All attempts to raise the funding needed to keep printing the Salford Star have been unsuccessful, despite a good deal of exposure in the Big Issue, the Guardian and the Campaign for Press and Broadcasting Freedom (see for example <http://www.guardian.co.uk/media/2009/feb/02/media-recession-innovation-grassroots>).

As Stephen Kingston, the editor, says, "In some 'less enlightened' countries they don't mess about with meddling journalists - they just shoot them or blow up their offices. Here in England they censor and execute you economically". The Salford Star's failure to find economic backers is contrasted with the substantial sums of money that most local authorities spend on their own freebies that constantly broadcast the news of their goodness and efficiency, their empowering, modernising and transforming impact on the good people of their area (NOT).

For the moment, the alternative news of Salford will be found on-line at <http://www.salfordstar.com/>. If you want to tell Stephen to keep-on-keeping-on e-mail him a message of support at [info@salfordstar.com](mailto:info@salfordstar.com).

### **Judicial Review halts Birmingham funding cuts**

Birmingham City Council has extended the grants of a number of voluntary organisations in the city after a successful legal challenge to its commissioning process. Funding of the charities was due to end on 31 March, but seven clients of Omnicare Community Care, which provides support and shelter for black people with mental health problems, sought a judicial review of the funding decisions. They argued that the council had not consulted service users about the impact of ending its funding to Omnicare, and had not carried out a Race Equality Impact Assessment.

These grants have now been extended by six months to give the council time to review all applications. A Birmingham City Council statement said its selection process had been extensive and transparent and aimed to provide a more consistent way of funding organisations: "The third sector is a crucial partner in delivering high-quality care to adults in Birmingham and we regret any inconvenience caused."

### **Shelter compromises its independence and campaigning potential for Government contracts, says union**

Unite, the trade union, has accused Shelter of selling out its independence and freedom to campaign by agreeing to Government terms for its Legal Aid contracts. After a long and bitter industrial dispute in the homelessness charity, Shelter announced that it would make five redundancies, abolish

incremental pay rises and increase working hours by 2.5 hours a week to conform to new Legal Services Commission processes. The union accused Shelter of "bullying and intimidating" its staff.

"How can the charity be taken seriously as a potential critic of the Government if, when they are told to do something by ministers, they do it immediately at the expense of their staff?" said Alan Scott, regional industrial organiser at Unite.

But Adam Sampson, chief executive of Shelter, said: "If anything, securing more contracts will allow Shelter to campaign on a wider set of issues, such as debt advice and community care advice. We have been a campaigning organisation since we were established more than 40 years ago, and we will continue to do so without compromise."

Well Adam won't actually, as soon afterwards it was announced that he was leaving to become the first chief ombudsman at the Office for Legal Complaints, a Government quango that deals with consumer complaints about legal services. From campaigner to regulator, oh well, it's a funny old world!

## **Detention centre protests**

Saturday 21<sup>st</sup> March saw a national day of action against detention centres from the No Borders Network. Protest marches were held at Yarls Wood detention centre in Bedford, Pennine House in Manchester and G4S was targeted by Edinburgh campaigners.

Before that, on Friday, immigration minister Phil Woolas was treated to a dose of his own detention when two dozen local residents occupied his Oldham and Saddleworth constituency office. The group of migrant rights advocates and anarchists took over for 30 minutes to demand the abolition of all immigration prisons, and specifically Pennine House at Manchester Airport.

The action was partly prompted by the fact that the same week, Home Secretary Jacqui Smith opened the latest addition to UK plc's capacity for locking people up, Brook House - the largest immigration detention centre yet - with space for 426 prisoners. 2,500 people are currently locked up in 13 British immigration prisons and the government want to be able lock up another 1,500. Next up is a 'mega-detention centre' near Bullington in Oxfordshire and one in Bedfordshire.

Early morning raids by the Immigration Police continue to target families fleeing persecution, with some groups being targeted for deportation despite the well-documented political violence in their home countries. Such places as Democratic Republic of Congo and Iraqi Kurdistan are classed as 'safe' to deport asylum seekers to, yet the foreign office simultaneously advises against all but essential travel to these areas for everyone else. Over 350 people have been deported by charter flights to Iraqi Kurdistan in the last six months. Recent deportees have committed suicide, been kidnapped or killed in car bombs.

You can connect with No Borders at <http://noborders.org.uk/>

## **Neighbourhood networking**

Here's a useful site that can help you connect with groups in your neighbourhood. Searching the site can locate email lists, forums and community blogs near where you live. And by adding your own group you can attract interest in your activities. The site also encourages neighbourhood e-mail groups as a way of increasing connections between people involved in different activities. Check it out at <http://www.groupsnearyou.com/>

## **What does global meltdown mean for the voluntary and community sector?**

The extent of the global meltdown and the sheer scale of resources being committed by Governments to spend their way out of it, defies comprehension. As is trying to understand what kind of effect all this might have on voluntary and community action. Here's a link to some interesting commentary on the mess we're in and the effects that all this might have for us:

<http://www.guardian.co.uk/commentisfree/series/capitalism-in-crisis>. As our correspondent says:

"This is pretty important to understanding not only the current wider economic crisis, but also the ways in which the government is posturing about "the voluntary sector", and the ways in which some parts of this "sector" are trying to exploit the "crisis" to their own advantage. I think the issues and relationships for government and voluntary action are fundamental, and apart from NEF and ourselves can't see anyone picking this up."

## **Government plans and perspectives under attack**

### **Call to reverse public service privatisation**

A recent report from the Association for Public Service Excellence - *Insourcing: A Guide To Bringing Local Authority Services Back In-house* - concludes that some public services outsourced to charities or private sector organisations could be improved if they were brought back under local authority control.

The report, based on case studies of about 55 local authorities, said the benefits to councils of bringing services back under their control include improved cost-efficiency, better-performing and higher-quality services, as well as enhanced community wellbeing. The reasons for bringing services back in-house typically include low levels of service user satisfaction, unmotivated contractor workforces and better value for money.

You can check this one out at <http://www.apse.org.uk>.

### **OTS 'wasting money' on new funding website**

The Directory of Social Change will continue to offer its web-based information service on Government funding opportunities (<http://www.governmentfunding.org.uk>), despite the Office of the Third Sector letting a new three year contract for a 'third sector funding gateway'. DSC's site has been supported by government grants to the tune of £2.2M since 2003. It is thought that the new contract will go to NCVO. DSC declined to bid for the new service after trying to influence the OTS to adopt a different approach. "The OTS contract proposals appear to represent a wasteful duplication of effort to be funded through the public purse," said Simon Hill, chair of the DSC.

## **ChangeUp and Futurebuilders get it in the neck from the NAO**

A report from the National Audit Office (*Building the Capacity of the Third Sector*) slams the 'capacity building' work of ChangeUp and Futurebuilders as wasteful and badly planned, and as having failed to set targets or give thought to sustainability. The two programmes between then have cost a total of £446M since 2003.

Edward Leigh MP, chair of the House of Commons' Public Accounts Committee commented on the report: ""It is astounding, for example, that ChangeUp was established without setting any outcome targets. Its financial administration was a mess from the start.

"There was an underspend of £8m in the first three years and third sector organisations had to spend £80m in only 21 months, leading to taxpayers' money being wasted. Furthermore, services that ChangeUp has established will run into difficulties if they do not secure alternative financing.

"Futurebuilders also encountered difficulties with one basic flaw - that its own users do not fully understand how it works. About half of the organisations that the NAO spoke to did not know that their loans had to be repaid."

Meanwhile Kevin Brennan, our very own Third Sector Minister, put a brave face on the debacle by saying "The Capacitybuilders and Futurebuilders initiatives pioneer ways of supporting the sector, so it is great news that they are having a positive impact. I am pleased that the report finds we have dealt with many of the early problems. I want to ensure that we continue to develop our approach to get the best value for money possible."

You can find the press release and download the report at [http://www.nao.org.uk/whats\\_new/0708-1/0809132.aspx](http://www.nao.org.uk/whats_new/0708-1/0809132.aspx)

## **New government programmes to cope with recession, but money falls short of expectations**

Just what we need to cope with a recession - a £16.5m 'modernisation fund' to help the voluntary sector with mergers and partnerships! This is the biggest component of the Government's £42.5m action plan for the third sector. Of more possible use will be a £15.5m for a 'community resilience fund' that will give grants to small and medium-sized voluntary organisations that provide services such as skills development, and debt and family breakdown advice in the most deprived areas.

A third strand of the plan is £10m for a volunteer brokerage scheme by the Department of Work and Pensions that will aim to create opportunities for 40,000 unemployed people to help their communities and learn skills by volunteering. Entrusting anything to the DWP is, of course, a high risk strategy, but time will tell.

Lots of spin from the Government about all this - Liam Byrne, Minister for the Cabinet Office, said that they were monitoring daily (yes DAILY!) what's happening to donations and demands for new services, "and with incredible support from the sector, we're launching a laser-targeted package of help" (blimey, THAT accurate!). Meanwhile our OTS Minister, Kev, said the aim was to help people in

hard times, find more equitable ways of doing business through social enterprise, and empower people to "transform their lives and communities" (here we go again, so much transformation is going on).

However, the amount of money in the plan is not enough according to our trusty representatives at the second tier. NCVO wanted £100M and, of course, ACEVO topped that by demanding £500M. Both gave the package a 'cautious welcome' but reckon that more will be needed as the recession unfolds.

## **The lunacy continues.....**

### **Leadership? – give us a break!**

A wonderful twist of irony is revealed in documents obtained by Third Sector magazine under the Freedom of Information Act. This concerns the decision by Capacity Builders to cut the funding to the Third Sector Leadership Centre, a joint NCVO/ACEVO initiative based at the Henley Management College to improve the quality of leadership in the sector, that has already consumed £750,000 smackers of CB's budget.

Initially CBs kept stoom about the behind-closed-doors decision but now the truth is revealed - the problem is the continued turf war between NCVO and ACEVO. Apart from shortcomings in the business plan (the applicants had obviously not been on enough business planning courses), the CB minutes reveal that "Broader stakeholder support for the proposal to bring the leadership centre in-house at the NCVO was unclear. It was understood that ACEVO intended to write to indicate that they did not endorse NCVO's proposal", as NCVO had failed to "engage in any detailed discussion" about the business plan.

Peter Kyle, deputy chief executive of ACEVO, told Third Sector: "I regret that our tribulations with the NCVO over the leadership centre have become public. I know the sector expects better from us both." But maybe they will get a chance to check into the Centre to sharpen up their leadership skills before it closes.....

### **Dismay amongst the corporates and private sector pals as Government postpones its welfare-to-work programme**

Corporate voluntary sector organisations have reacted with dismay to the news that the DWP's flagship Flexible New Deal programme has been put on hold. Preferred bidders to Hoover up this latest round of multi-million-pound contracts were due to have been announced, but the Observer reported in February that the programme was "in chaos" (well this is the DWP remember!).

The problem of course is that there are now too many people out of work and too few vacancies to make the payment-by-results scheme viable - the result being that bidders were demanding more cash up front before entering into contracts. Voluntary organisations like the Shaw Trust and Turning Point were expected to be heavily involved in bids to run the scheme, either as prime contractors or sub-contractors to private companies. And, of course, the Bubbists were right in there via the Third Sector Taskforce, a partnership between ACEVO and the DWP (what an alliance!) to promote effective third sector involvement in welfare-to-work programmes. Tony Hawkhead from the taskforce said the delay might be good news if it meant the amount of money that contractors received up front - 20 per cent under current proposals - was increased. "Even if they got 50 per cent



up front it might not be enough to make it feasible for organisations to recover the costs they would incur," he added. Will they or won't they get their trotters in the trough? Watch this space.

## **Legal Services Commission to charge charities up to £1,500 to use its Quality Mark**

The Legal Services Commission has once again shown its Alice-in-wonderland credentials by announcing that, from April, advice agencies will have to pay at least £1,000 to use their discredited Quality Mark. Organisations applying for or wanting to renew their QM will be charged according to the number of employees they have. Fees will vary between £1,000 and £1,500.

This so-called quality assurance system was launched in the late 90s with the pitch that it would help advice agencies to access funding. But in two shakes of a donkey's tale, the LSC had managed to convince many other funders (especially local authorities) that they should *require* the QM *as a condition of funding*. The whole advice sector then turned themselves into pretzels to gain the accreditation, notwithstanding the evidence that the scheme did not in fact assure anything other than the existence of a mountain of internal procedures. Finally acknowledging this, the LSC then jumped ship and announced that they weren't going to bother themselves with the General Help QM anymore (this is the one used by most independent advice agencies). So now they have farmed out the auditing to a sub-contractor - the Assessment Network - who will charge for their audits. Talk about adding insult to injury!

NAVCA and LASA (London Advice Services Alliance) have both objected to the move the latter being quoted as saying "It will undermine the smaller advice organisations, which are already struggling with increasing demand and reduced funding. If funders insist on organisations having the quality mark as a condition of funding, many would have to close."

## **NCVO aims to 'diffuse tensions' caused by the recession**

The voluntary sector will help bridge gulfs across communities as social tensions rise during the recession, NCVO's Stuart Etherington recently announced. Launching the new Civil Society Framework for Action, a programme of work to tackle society's ills developed with a range of bodies including the TUC, the Local Government Association and the National Housing Federation, Etherington said communities could face fragmentation, rising tensions and even public disorder as the recession deepened. But voluntary organisations, particularly those that brought different people together, such as community groups, could help to halt these processes, he said.

"We want to encourage organisations that provide bridging social capital between communities so that ultimately we can diffuse tensions that could develop," he said.

Why NCVO should see calming dissent as its business beats us, but it is especially interesting as the framework document does not itself refer to this at all. Indeed, there are references which indicate that a bit of social tension might well be in order - for example: "At the same time, society is more diverse and more polarised in terms of wealth (and power) than it has been for many years."

But it may provide an insight into NCVO's adherence to the mood music of our times that dissent is dangerous, disagreement unacceptable and the insistence that we are all really one big happy family

working 'in partnership'. You can see the framework document here - <http://www.ncvo-vol.org.uk/about/index.asp?id=12788>.

## **Government should force top companies to take on charity chiefs, says Stephen Bubb**

Stephen Bubb's expansionist tendencies are again on display as, this time, he urges the Government to force large companies to recruit people such as charity chief executives to their boards. This, according to Stephen would help corporate boards widen their range of expertise and prevent a repeat of the governance failings that have taken a number of high-profile banks to the brink of bankruptcy. Referring to the huge pension secured by former RBS chief executive Sir Fred Goodwin, Bubb said: "Having charity chief executives on boards won't make a huge change, but if some of my members had been on the board of RBS, they might have said: 'Can you repeat that number, Fred? Do you really need so much?'" [...and Sir Fred would have replied.....?].

He said legislation was needed because previous attempts to encourage FTSE companies to voluntarily recruit charity chief executives had gone "absolutely nowhere". In 2004 ACEVO sent the top 250 FTSE companies a list of more than 200 charity chief executives willing to be recruited. But only one company replied, asking to be removed from ACEVO's mailing list! Maybe you should stick to the knitting Stephen?

## **Campaigning – they just don't get it!**

This one, we think, speaks for itself.....

"The UK Workforce Hub is developing a new set of National Occupational Standards for Campaigners, and a consultation on the new standards opens on 2 March 2009. Campaigning has been identified as a key activity for voluntary and community groups/charities. Capacitybuilders recently described it as a "crucial aspect of independence and voice".

However, experience indicates that while there are pockets of excellence it is at best unclear how far good practice extends and the suspicion is that much campaigning effort currently being undertaken is inefficient and ineffective. The Ashridge report identifies, for example, that, "Campaigning is one of the last great amateur pursuits in the NGO field". Developing standards offers opportunities to help those that are new to it to have a benchmark of good practice.

In the future, once the standards have been developed, the UK Workforce Hub will be looking to Awarding Bodies to see if qualifications can be developed as a result of the standards."

If you want to shout at them about this (drawing no doubt on 'quality standard 3: best practice use of a megaphone'), here's the link: <http://www.ukworkforcehub.org.uk/cnos>

## **Reports and writings**

### **Commissioning and EU requirements**

Many statutory authorities are arguing that they have to turn grants into commissions and tender them competitively because of EU competition requirements. This is hotly disputed. We asked NAVCA who has been working on this issue for the latest position and this is what they have said to us:

"The closest we've got to anything new on this so far is the statement from the Institute of Public Finance that it's possible to grant fund organisations. It's included in an article about commissioning on our website at <http://www.navca.org.uk/NR/rdonlyres/C3F56522-7A8E-4B57-92FC-CDC4171C0635/0/procurement.doc>.

However, it's really just saying what's already been stated by the treasury and national audit Office, and we keep on reminding everyone that they should use the existing Treasury guidance and NAO decision support tool. Both are available at: [http://www.hm-treasury.gov.uk/guidance\\_to\\_funders.htm](http://www.hm-treasury.gov.uk/guidance_to_funders.htm).

There are some new publications in the pipeline which will hopefully provide more clarity. IdEA have commissioned Eversheds legal firm to write up the presentation slides which they have used during the national training programme for commissioners. It includes a bit about grants. The Commission for the Compact have recently commissioned a legal firm to write a publications for commissioners about Compact principles, grants, contracts and EU procurement rules. It shouldn't be too long before publication.

Finally, we have commissioned a *Guide to Procurement law* which will be published by the end of June. It will include a section along the lines of 'dispelling myths: contrary to popular belief, competition is not always required in a procurement process. Greater clarification will undoubtedly be useful, but this is as much, if not more, about lobbying as about legal advice.'

Meanwhile Wiltshire County Council has decided that all amounts over £5,000 must be subject to competitive tender....

## **Contract income goes up as grants go down**

NCVO's annual *UK Civil Society Almanac 2009* is just out and contains some interesting statistics. In this publication, civil society is defined as including charities, housing associations, independent schools, social enterprises, universities, trade unions, political parties and co-operatives.

The headline figure is that money derived from earned income, which consists primarily of money earned from contracts, contributed 51 per cent of overall sector income in 2006/07, compared with 39 per cent in 2000/01. In contrast, voluntary income accounted for 41 per cent of income in 2006/07 - down from 50 per cent in 2000/01. Figures presented indicate that 30 per cent of charities were heavily reliant on government funding, but that more than 50% get no income from the state. Charities specifically received £7.8bn from statutory sector contracts in 2006/07, an increase of 9.8 per cent, but grant income fell to £4.2bn.

However, the rate of growth of the sector was slowing sharply even before the recession. Total income for 2006/07 increased by 3.3 per cent to £33.2bn; it had grown the previous year by 9.4 per cent.

At the same time, the number of charities continues to grow. The total number of UK charities stood at more than 170,900, an increase of 6,810 organisations. The voluntary sector is said to employ

634,000 staff, 71 per cent of whom are female. One in 50 people in the UK workforce now works in the sector.

## **Commissioning: Possible**

Curiously titled report from the Greater Manchester Centre for Voluntary Organisation's (GMCVO's) Health Partnership Project which provides an insight into the experiences of voluntary organisations with public sector commissioning. Curious because the report provides a fairly comprehensive digest of why commissioning from the voluntary sector is beset with difficulty. But instead of saying it's broken and ain't gonna work, it says instead, in effect, let's try harder. So for example, recommendation 8 begins, "Approach contractual relationships in a spirit of partnership working, which recognises the expertise of each partner and enables both partners to learn from each other." Oh right, that should sort it.

If you want more evidence of how commissioning is vandalising the sector have a look here - <http://www.gmcvo.org.uk/?q=node/1098>

## **About this Newsletter**

This newsletter is the voice of the NCIA. Views expressed are not necessarily that of everyone involved with NCIA. We aim to issue newsletters regularly to keep you informed of what we and others are doing or saying.

## **How Can You Participate?**

Tell us your news, write articles, sound off with your opinions and feedback but - most important - find ways of taking your own practical action to defend and protect the independence of your work and aspirations.

Talk to us and others via the Coalition google group <http://groups.google.co.uk/group/ncia-discussions> or the Coalition email address - [indyaction@yahoo.co.uk](mailto:indyaction@yahoo.co.uk) .

We are all volunteers here and we welcome more offers of help. If you'd like to help make this initiative prosper then please get in touch with us.

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