

# Independent *and* Interdependent

A 3D illustration of a puzzle with one red piece standing out from the others. The puzzle pieces are white with black outlines and are arranged in a grid. The red piece is in the center, slightly raised, and has a black shadow underneath it. The background is a light gray with a subtle pattern of puzzle pieces.

*Sustaining a Strong and Vital Community and  
Voluntary Sector in Ireland*

The Wheel

supported by The Calouste Gulbenkian Foundation (UK)



# Independent and Interdependent

*Sustaining a Strong and Vital Community and Voluntary Sector in Ireland*

**The Wheel**

**supported by**

**the Calouste Gulbenkian Foundation (UK)**

**2011**

**Research conducted by**

**Helen Newman**

**Newman And Associates**

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# Foreword



The question of the relationship between community and voluntary organisations and other sectors is one of growing importance in the Republic of Ireland as in many other countries.

At the Calouste Gulbenkian Foundation, we have a particular, though not unique, insight into these issues with our interests across a variety of European countries - the UK and Ireland, Portugal and France. In this report, Helen Newman focuses on the particular difficulties faced by community and voluntary organisations in Ireland but many of the lessons have wider relevance. I am struck, in particular, by the close comparisons between the situation in Ireland and Portugal, where our Foundation is headquartered, not least because of the later development of nationalised social security and a history of significant church involvement in meeting social need.

Public services are increasingly delivered, across these and other countries in the Western world, by a diverse range of providers, and not just the public sector. This is a positive trend but has created many new challenges and all the more so as organisations, previously reliant on government support, have been threatened - perhaps to the point of their very existence - by significant reductions in government investment. This is an international phenomenon and one that cannot be ignored in the context of looking at the future of civil society in Ireland and elsewhere.

This research addresses another of those challenges in the sometimes difficult relationship between the community and voluntary organisations, with their traditions of campaigning and advocacy, and a public sector nervous about commissioning services from groups that may have been their critics. The increased dependency on public funding of many community and voluntary organisations has raised fears about the independence of the sector; not least because some statutory funders have sought to restrict the advocacy and campaigning roles of the groups they support.

The report, which considered the question from the perspectives of all the major players in the debate including senior civil servants and leaders of campaigning community and voluntary organisations, concluded that “independence is not fixed but rather it is dynamic and multi-dimensional”. Many of those interviewed advocated a more interdependent as opposed to dependent approach, saying this can enable community and voluntary organisations to fulfil their objectives while maintaining their commitment to their mission. Of course in constrained times, collaborating with others in the community and voluntary, statutory and private sectors though effective is by no means simple, and interdependence can only truly be achieved once the independence of each partner is assured.

It is crucial for the strengthening of civil society in Ireland and elsewhere that there is a strong and confident voluntary sector - and it will not be either of those things if it is not independent. Independence is ultimately about strong governance - an unwavering focus on mission and, in turn, about funding; who funds the community and voluntary sector has influence over it. If the state provides the majority of funding, especially where organisations look to narrow sources of state support, the independence of a community and voluntary organisation may be compromised - or at least, it may feel that it has been. The same potential loss of independence could apply if an organisation was largely funded by a single company or person but such a circumstance is rarer. It is no surprise therefore that this report concludes that more needs to be done to diversify the income of community and voluntary organisations in order to secure their independence.

In the United States and the United Kingdom there are well-developed cultures of philanthropy -

although the US is ahead of the UK in areas such as the arts and universities. In other countries different traditions apply. In some cases charitable activity is focused around churches whilst in others, such as in France, there is a more widespread culture of self-help or mutuality. These different models reflect differing national traditions and cultures - and also differing patterns of giving. The high level of tax incentives in the United States, for example, supports a wider culture of philanthropy. In the UK tax incentives have grown in the last 30 years but remain some way behind those on the US. A great deal depends on the existence of foundations and trusts because of their ability to make grants running in the thousands or even the millions and individual giving.

What then is the way forward for the voluntary sector, as it seeks to preserve its independence whilst maintaining its income? The ideas in this report on strengthening the diversification of community and voluntary organisations' funding are clearly part of the way forward. Trustees of voluntary and community organisations need to reflect closely on their mission and guard against compromise by external forces, balancing them against each other and making a stand when appropriate to do so. Strong governance is a key feature of strong and independent civil society organisations. Governments should welcome and respect this, and the debate that it potentially heralds, and not see it as a threat.

Those governing community and voluntary organisations must work continuously to ensure that their funding base is as broad as possible. In some countries - Ireland is one - the sector needs to work together to encourage a greater level of giving by individuals especially planned giving. Governments can do more too by providing incentives to encourage a greater level of philanthropy among the better off and stimulating a culture in which there is a positive expectation that the rich will give away part of their wealth. Others, often in their millions, as has been the case in the UK should be encouraged to give small amounts to causes in which they believe. In Portugal, for instance, tax payers are permitted to allocated half a per cent of their tax contribution to civil society organisations of their choice. Non-financial assets of voluntary and community organisations need to be levered to help build earned income; social enterprise is the focus of a good deal of discussion in the sector certainly in the UK.

For trusts and foundations, there are two important reminders. The first is in connection with those parts of our community who are not a popular cause - or even, indeed, unpopular. Refugee and anti-discrimination groups, those offering legal advice and others, face the problem of donor reluctance or indifference. The Baring Foundation in the UK, which has undertaken much work on the independence of the sector in the UK, has prioritised support for such groups as have others. This is an important part of the work of charitable trusts and foundations of independent means.

The second message lies in the difficulty of community and voluntary organisations in raising the funds to pay their base costs. Attracting funding for specific projects, where the donor can see what their investment is likely to achieve, is easier than raising the money to pay the rent or service the photocopier. But if these base costs are not raised, the voluntary sector will not have the capacity to take on those projects. Taking into account base costs when funding projects is an important way donors can support the on-going independence of community and voluntary organisations.

This report emphasises how the independence of the voluntary sector can come under threat - and thus imperil one of its most valuable traits - and of the vital need to diversify sources of funding to reduce that risk. This is a valuable reminder to all those who believe in championing the needs of those most marginalised in society and the importance of supporting the sort of liberal, pluralistic democracy on which this, and all our freedoms, depend.

**Andrew Barnett**  
**Director, Calouste Gulbenkian Foundation (UK)**

## Introduction

It is generally accepted that a strong, active, diverse and independent community and voluntary sector forms an essential part of a healthy democracy. Independent community and voluntary organisations provide an essential ‘public’ space where private citizens can participate in shaping public policy, and this advocacy role played by community and voluntary organisations is particularly important in underpinning participative democracy.

With over 7500 recognised charities in Ireland - 50% of which have been formed since 1986 - and with statutory funding now comprising over 65% of the income of community and voluntary organisations, the sector has in some respects become a victim of its own developmental success with regard to its success in attracting public funding. Organisations in receipt of public funds are particularly vulnerable at this time of public expenditure cutbacks and are facing challenges in continuing their work (with many fighting for survival) and protecting their independent capacity to advocate to Government. This study set out to explore whether and how more diversified funding might have a part to play in securing the future of a strong and healthy community and voluntary sector.

In the *National Agreement Towards 2016*, Government acknowledged that the community and voluntary sector has important roles to play in innovating new services and in identifying emerging need and communicating this to policymakers - roles that will clearly involve advocacy by participating organisations. In a wider context, the sector is primarily concerned with achieving positive social change and this overarching goal clearly involves advocacy.

Yet in the face of this acknowledged advocacy role, statutory service level agreements and grant agreements have recently been put in place (for example by the Health Services Executive) that require that funds cannot be used to support activity designed to “obtain changes in the law or related government policies or to persuade people to adopt a particular view on a question of public policy” - to prevent advocacy activity in other words.

The motivation for our research comes from a general sense within the community and voluntary sector that while independence is important, it is under threat from a range of events occurring in the external environment. For the first time, parts of civil society will be regulated by the State under the Charities Act and there is uncertainty as to what this will mean for organisations that advocate. Other external considerations relate to the Electoral Acts that require community and voluntary organisations that are advocating on issues in an electoral context to declare receipt of over €127 in any given year from a donor.

In the background to all of this are a number of well-known cases where community and voluntary organisations have felt that their right to advocate using state funds has been questioned (examples include reactions by state agencies / government departments to advocacy around the Roma encampment on the M50 roundabout)

Exploring concepts and expressions of independence in community and voluntary organisations therefore lies at the heart of this research, with particular regard to the role that diversified funding may play in sustaining independence.

The research acts as a barometer check on whether independence is seen as being important for the health of the community and voluntary sector and of how ‘healthy’ the Irish community and voluntary sector is in this regard. The research concludes by identifying a range of elements that

are deemed as critical to supporting the independence of the sector into the future. Independence is considered from the following four sets of perspectives:

- advocacy-oriented community and voluntary organisations
- community and voluntary organisations in receipt of statutory funding
- statutory funding providers (such as government agencies and departments)
- private funding providers (such as trusts, foundations and private firms)

The analysis and findings are primarily based on structured conversations with persons in senior, leadership positions (25) across the four perspectives chosen. It is hoped that the research findings will stimulate further and deeper discussions involving a broader range of stakeholders from each of the perspective groups.

The research does not claim to provide a complete picture or analysis of the intricacies involved in sustaining independence. However it does provide a platform for deep interrogation as to the role and relationships within the community and voluntary sector and between the community and voluntary sector and its external stakeholders, partners and funders.

Chapter one presents an analysis of the concept of independence and its importance or otherwise from the four perspectives consulted.

Chapter two provides an analysis of how independence is expressed and sustained. Ways in which independence can be threatened or challenged and power exercised over it are identified and presented with reference to the four perspectives.

Finally in chapter three, the report proposes the elements of a strategy to support and sustain independence in the community and voluntary sector in the context of the sectors interdependence with other sectors and each other.

The picture emerging in relation to sustaining independence presents us with a broad and busy canvas requiring actions at a number of levels and by a range of players.



## Chapter One: Independence - concept and importance

This section looks at general concepts of independence from each of the four perspectives. The community and voluntary advocacy and service providers' perspectives are presented together because similar observations were made in both cases.

Conversations on concepts of independence elicited varied responses ranging from energetic conviction about its fundamental importance to more measured and questioning responses challenging its relevance, currency and usefulness today and into the future, the latter wondering if the very concept is passé?

While key themes emerging from each of the perspectives are outlined, it would be inaccurate to state that each perspective provided a uniquely homogenous view. Differences in emphasis exist within each perspective group.

### Concepts of Independence: Community and Voluntary Perspectives on Independence

For participants from the community and voluntary perspectives (both the service providers and advocacy focused) emphasis in discussions on the concept of independence of community and voluntary organisations raised fundamental questions about Irish society, participative democracy and citizenship. The perspective reflects the views expressed in various academic papers emphasising the importance of an independent community and voluntary organisations/sector to a mature democracy.<sup>1</sup> The independence of community and voluntary organisations (referenced in the USA as the Independent Sector) form part of the good governance of a democracy and democracy is strengthened by citizens engaging in the public affairs of the nation.

Community and voluntary organisations are viewed as vehicles for citizen participation, action and engagement. Reference was made to the community and voluntary organisations providing a space between the citizen and the State, allowing private people to operate outside their private capacity in the public interest. The independent nature of community and voluntary organisations therefore supports the active engagement of citizens to determine their own destiny, to identify issues and changes that are required, to interrogate what is needed and to offer solutions and options to government thinking.

From these perspectives, discussions about independence invariably pose questions about the very purpose and *raison d'être* of the organisation and sector in the first instance. Issues of mission and of what organisations are trying to achieve and to bring about are recognised as central to the debate. For many, concepts of power, freedom to act and speak, self determination and self governance lie at the heart of independence.

From this perspective the community and voluntary sector is the only sector offering consistent analysis through a human rights and social justice perspective. This capacity for independent analysis is critical and essential to advocating for effective policy and quality service delivery. Public policy outcomes require public engagement and one very important way in which this occurs is through the public engaging in community and voluntary organisations.

It was stressed that concepts of independent voice and action are derived from an organisation's legitimacy, which in turn comes from a community and voluntary organisation's proximity to the

lived experience of those with whom they work.

From the service providers perspective the contractual arrangements in place around service delivery were deemed as restrictive and therefore limiting independence. The service providers expressed the need to rethink the concept of independence when juxtaposed beside Service Level Agreements.

From both (advocacy and service provision) perspectives the inherent value and importance of independence was affirmed, however how independence is manifested differs in service delivery and advocacy and a range supports and challenges to its existence and expression were identified and are discussed further in the report.

## **Concepts of Independence: Statutory Perspective on Independence**

The statutory perspective on the independence of the community and voluntary sector is outlined in various policy documents and was elaborated on by the participants to this research.

*The White Paper on a Framework for Supporting Voluntary Activity and for Developing the Relationship between the State and the Community and Voluntary Sector* was published in September 2000. Its aim was to provide a more cohesive framework of support and encouragement for the community and voluntary sector. It gives formal recognition to the partnership ethos that informs much of the working relationship between the two sectors, while recognising the differences between them. The Department of Community, Equality and Gaeltacht Affairs has lead responsibility for developing the relationship between the State and the community and voluntary sector.

The *Towards 2016* Social Partnership Agreement includes a range of proposals designed to support the role of the community and voluntary sector in responding to the particular challenges associated with the implementation of the lifecycle approach. These include the provision of enhanced funding for the sector and commitments to promote social finance and philanthropic activity. In *Towards 2016*, the Government recommitted to the principles underpinning the relationship between the State and the sector as set out in the White Paper on Supporting Voluntary Activity. The Government also commits to implementing the NESC proposal of maximising the contribution of the community and voluntary sector by deepening the partnership between statutory bodies and voluntary and community organisations and by engaging with the sector in relation to future frameworks to support this relationship.

Perhaps unsurprisingly, the participants from the statutory funders were less exercised about the concept of independence for individual community and voluntary organisations. Concepts of independence are seen as an issue of concern for the individual organisation and connected to clarity of mission, purpose and governance and to how an organisation is constituted. Independence to some extent is presumed. Conversations with statutory funders placed more emphasis on the role(s) of community and voluntary organisations and on their relationships with others (State, other funders, public etc).

For statutory funders, differences emerge between the nature of independence pertaining to

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<sup>1</sup> Smerdon Matthew, Baring Foundation (2009) *The First Principle of Voluntary Action - essays on the independence of the voluntary sector from government in Canada, England, Germany, Northern Ireland, United States of America and Wales*

service provision and to advocacy. For statutory funders, community and voluntary organisations (or the parts thereof) that deliver services on behalf of and funded by the State can not be deemed to be totally independent (from the State) as contractual relationships define the focus and use of the funds toward public benefit.

Funders define parameters around the use of the funds when community and voluntary organisations agree to accept such funds; however community and voluntary organisations have varying degrees of independence around management and implementation. In accepting funding to deliver services parameters are set around the use of such funding, therefore at its simplest community and voluntary organisations can not move independently to use the funds for other purposes.

The relationship around advocacy work was viewed differently by statutory providers. The State's involvement was deemed to be more at a distance and this distance was essential and key to allowing organisations to develop their own independent perspectives, analysis, views etc. The statutory perspective recognised that the independent perspective provided by community and voluntary sector was an essential and valued aspect to this advocacy work. The importance of advocacy work having a clear independent voice was acknowledged regardless of whether the State funded or part funded this work.

What of organisations involved in both service provision and advocacy? Is independence possible? The statutory perspective claims it is. That on the one hand, contracts for service provision are entered into. On the other, this ought not to silence or interfere with independent voice, action and lobbying in which the organisations choose to engage. While funds provided for delivering services cannot be used for advocacy purposes, organisations are of course free to advocate using other funds.

While this may be true, community and voluntary organisations argue that service delivery does not take place in a vacuum and that they must remain entitled and free to advocate around existing and emerging requirements. They should be free to do this. If the State is truly committed to partnership working, service delivery should be encouraged and supported to advocate on behalf of service users. However the advocacy and influencing strategy engaged in is relevant and can support or hinder the impact of the advocacy undertaken. We will return to this later in the report.

The statutory perspective noted that the formation of government policy and strategy is complex and multi-faceted involving the engagement of many perspectives (government departments and public bodies, trade unions, employers etc). The important contribution that the community and voluntary sector makes as part of the policy formation process is acknowledged. Again emphasis was placed on community and voluntary organisations articulating the needs and solutions from the bottom up. Being close to the issues and bringing this experience to bear on policy formation is acknowledged as critical to formation of effective policy.

Community and voluntary organisations therefore contribute to the evidence base supporting policy decisions. It was also noted that community and voluntary organisations had made significant improvements and progress in influencing the government's agenda, were listened to and that their viewpoint was respected. From the statutory perspective, the capacity of the sector to influence and impact positively was deemed to have improved in recent times.

The channelling of public funds (albeit that they are reduced) to support the capacity of

community and voluntary independent engagement was noted.

The participants from the statutory perspective reflected policy commitments outlining the State's role in providing a framework that supports the community and voluntary sector and implicit in this is an understanding that part of this sectors strength is its claim to independence.

## **Concepts of Independence: Private Funders' Perspective**

Like the statutory funders, the private funders were less exercised about concepts of independence for individual organisations and more exercised about how it's expressed and sustained.

At the level of individual organisations, independence expressed itself in terms of an organisations control over and ownership of its purpose, mission, legitimacy, governance, transparency and accountability.

From a private funders' perspective, while acknowledging initiatives to bring some cohesion to the sector, such as The Wheel, Community and Voluntary Pillar, and Community Platform, there is a perception that at sectoral level, the independent voice of the sector was deemed to be important but currently weak and in need of further support.

At a societal level, the independence of community and voluntary organisations was recognised as being central to effective democracy and to citizen engagement. Supporting independence of community and voluntary organisations and the sector was considered to be essential to democracy.

From this perspective a group's independence is linked to funding with most participants noting that independence is inextricably but not exclusively linked to issues of funding.

## **Is the Concept of Independence Useful? Does it have Currency Moving Forward?**

The concept of independence was not always viewed as useful. This view was expressed unevenly within each of the four perspective groups. Indeed, for some, independence is considered to run the risk of being obstructive or destructive. Conversations on independence did not rest easy with some.

For purposes of discussion a continuum from dependence to independence to interdependence may be useful in considering the value or worth placed on independence.

Dependence can be viewed as existing when power is in the hands of another/others, therefore limiting freedom and action. At its simplest if community and voluntary organisations are viewed (by themselves and/or others) as dependent, they are operating from a weak position, with little/no power, control and influence.

Similarly and only for the purpose of facilitating discussion, independence can be viewed as the ability to make choices with power in the hands of the organisation. As one interviewee states: 'Does it imply I know what's needed, here's what I want and I'm going to get it 'I don't care what you want' thus disregarding the other. Independence may then be viewed as restrictive resulting in organisations 'defending' their way of thinking about an issue, of closing off creativity and honesty. It was suggested that a more honest approach may be I'll have a view, I'm not sure how

to proceed, and can we work it out together?’

There were views that over-emphasising independence can influence the culture of how organisations work together and perhaps at times this culture can become quite egocentric with my organization being put at the centre, my expertise and my views needing to dominate. The question is raised then as to whether the quest for independence may not in part be damaging, be part of a pathology of independence that gets in the way of organisations potential to come together and work collaboratively.

The concept of interdependence resonates more easily for some (within each of the four perspective groups) and is thought to be more helpful. When organisations make choices based on interdependence they are saying, “Here’s what I want - What do you want? How do we both get what we want? When you get what you want - I get what I want.” The result is you get more of what you want, others get what they want, creating synergy. Interdependence implies mutual respect and requires shared understanding of the way we work together towards achieving our common purposes. All 7500 charities in Ireland are recognised by the State as being exclusively concerned with the delivery of public benefit. So when the State and organisations within the sector are working together interdependently they are working together to deliver public benefit.

This moves thinking and culture on to more eco-centric and ecological lines and this is considered more helpful. Such metaphors recognise interconnectedness, interrelatedness and complexity. A paradigm shift that moves to holistic, more inclusive, and more integrated and more creative responses is therefore suggested. Such approaches demand that organisations (community and voluntary; statutory and private funders) bring honesty and a maturity to how they work together. This is difficult. How well balanced, interdependent relationships are sustained in a way that fulfils respective missions is recognized as being challenging. What if the things that organisations want are at polar ends of the spectrum?

## **Is there too much Independence?**

Another suggestion put forward was that perhaps there is too much independence in the community and voluntary sector? Are there too many organisations dealing with the same issue, quoting differences in ethos, approach and principles etc as the reason they all need to exist? Is consolidation necessary? Are mergers needed? A number of respondents (across the various perspective groups) suggested that consolidation and rationalisation was needed in the interests of supporting a community and voluntary independent perspective on an issue/need.

## **Conclusion**

It is clear that independence is not fixed but rather it is dynamic and multi-dimensional with variable and nuanced definitions and manifestations. What emerged clearly from discussions and confirmed with reference to studies completed in other countries is that independence, for many, is a core value for community and voluntary organisations.

From all perspectives, independent thought and action are valued aspects of a mature healthy democracy that values citizen-voice and participation. In essence independence is derived from an organisation’s mission, purpose and *raison d’être*, constitution, governance, management and funding.

However, interdependence and eco-centric metaphors are deemed more helpful in defining the complexity and interconnectedness of societal issues and challenges and the subsequent responses required. Independence can place limitations on organisations and in particular on how they operate with others. From each perspective group interdependence was considered to more accurately characterise the relationship both within and between organisations in the sector and public and private funders.

To act and relate interdependently, one must have independence in the first instance.





Independence - the concept and importance: an overview

Perspective One: Community and Voluntary Advocacy Perspective

- Independence is critical to retain.
- Essential part of healthy, mature participative democracy
- Citizen engagement and participation.
- Independence is derived from community and voluntary organisation's mission, purpose, governance and stewardship. If a community and voluntary organisation has not control over its mission and governance - it can not claim independence.
- Public policy outcomes require public engagement and this occurs through public engaging in community and voluntary organisations .
- Only sector offering analysis through a human rights and social justice perspective and this is essential.

Perspective Two: Community and Voluntary Service Perspective

- Essential part of healthy, mature participative democracy.
- Concepts of power, freedom to act, self determination at the heart of independence.
- Citizen engagement and participation.
- Independence is derived from community and voluntary organisation's mission, purpose, governance and stewardship. If a community and voluntary organisation has not control over its mission and governance - it can not claim independence.
- Contractual arrangements around service provision are restrictive and therefore limiting independence (explored further chapter 3).

*The independent perspective of community and voluntary organisations (individually and collectively) is valued.*

*Independent voice and action is derived from the legitimacy.*

*This in turn comes from community and voluntary proximity to lived experience of those with whom community and voluntary work.*

*Concepts of interdependence may be more useful moving forward, particularly in relation to service provision.*



*To act and relate interdependently, one must have independence in the first instance.*

*Concepts of independence manifest itself differently for service delivery and for advocacy with concept of independence being more important for advocacy work?*

*A community and voluntary organisation's worth, value and distinctiveness is derived from its independence and its separation from government, commercial, party political and others influences.*

### **Perspective Three: Statutory Funders**

- Community and voluntary activity as core to a vibrant and inclusive society, commits to working in partnership with the sector
- Recognises role for the State in providing an enabling framework for the sector
- In relation to direct supports challenge between light regulation and accountability is acknowledged
- Independence of community and voluntary organisations presumed by the Statutory Providers? Independence is an internal concern relating to clarity of purpose, mission, governance and constitution.
- Contractual relationships entered into by community and voluntary organisations that deliver services do impose restrictions as the contract defines the use of public funding towards public benefit.
- Independent advocacy analysis and perspective is valued and ought to remain at a distance from the State.
- Legitimacy of community and voluntary independence is derived from organisations proximity to needs and issues.
- Community and voluntary perspective valued and necessary part of policy and service provision.

### **Perspective Four: Private Funders**

- Independent voice of community and voluntary organisations is important and worth supporting.
- Essential to a healthy democracy.
- Independence is manifested in an organisations mission, purpose, governance and constitution.
- Independence derived from community and voluntary capacity to engage with and representing needs and issues on the ground, proximity, bottom up, local.
- While acknowledging initiatives that bring about some cohesion to the sector, there is perception that the independent voice at sectoral level is weak



## Chapter Two: Sustaining Independence

Further unpacking and drilling into concepts of independence elicited a range of challenges to its existence, manifestation and expression. The importance of having and sustaining independence of individual organisations and the broader sector is confirmed. However what is the health or status of this independence currently? How is it enabled or hindered? What supports are required?

The move from esoteric concepts to the evidence of independence in practice laid bare a complex set of sometimes contradictory elements and influences that affect the community and voluntary organisations' claim or wish for independence. Ways in which independence can be threatened/challenged and power exercised over it are identified and presented with reference to the four perspectives.

### **Perspective One: Sustaining Independence: Community and Voluntary Advocacy Perspective**

Feedback on this perspective draws on conversations with organisations with a strong advocacy function, although many are also involved in service provision. A range of views were expressed and are outlined below:

#### **Relationship with the State**

Sustaining independence of advocacy organisations is intrinsically linked to the organisation's relationship with the State, perhaps emphasising the usefulness of concepts of interdependence again.

There is a sense from the advocacy perspective that the independence, role and contribution of the sector is not valued or respected by the State and Government, that the practice has moved some distance from the principles espoused in the *White Paper* and restated in *Towards 2016*. There is a strong perception that it is difficult to criticise, that criticism is not welcomed or wanted and that there is less tolerance of dissenting voices. From this perspective, the State's interest in listening appears to be fading and indeed a number of participants referenced being 'pulled up' by senior civil servants for criticising government policy. From the strong advocacy perspective, the community and voluntary relationship with the State is viewed as dysfunctional, that the relationship goes unchallenged by the sector and that the sector must take some responsibility for allowing this to happen.

Advocacy organisations stated that the community and voluntary sector needs to re-imagine its relationship with the State. Currently, it is thought that the sector lacks a vision or a clear set of values or philosophy underpinning its relationships with the State. The need for a braver, bolder and more robust sectoral perspective naming explicitly how the State is silencing advocacy, overtly and covertly, was deemed important by some.

#### **Community and Voluntary Capacity to Contribute Independent Thought and Responses**

From the community and voluntary advocacy perspective, there is a sense that currently 'the

sector’ or community and voluntary organisations are not doing enough to engage in and grapple with their vision, their analysis, their role, place or authority. Notwithstanding references made to the Community Platform, The Wheel and others, ‘weak’ was the word most used to describe community and voluntary organisations’ capacity to articulate independent sectoral thought and responses.

Reference was variously made to the deep-seated crisis facing Ireland currently. This crisis was referenced in terms of economics, of broader society, of system failure, of crisis of understanding and of vision for a future and of well-being.

The current crisis is deemed to represent an opportunity and a challenge for community and voluntary organisations. For it to be an opportunity, sustaining independent voice will require significant effort of will and articulation of vision, role and values. Responsibility for this is viewed as resting with the sector.

### **Legitimacy**

From the community and voluntary advocacy perspective, the basis of an organisation’s legitimacy and from where this legitimacy is drawn is critical to an organisation’s independence. Such legitimacy must come from an organisation’s members/constituents and/or from broad recognition of the truth of the issue/position being advocated - which depends in turn on the evidence being clearly presented.

Legitimacy emanates from the organisation being seen and recognized as doing good work and reflecting the experiences of those they claim to represent. Independence of thought and action is therefore earned. Having a solid evidence base and mandate for the work is paramount. Advocacy must be based on the experience on the ground, on research and on the lived experience of those with/for whom the organisations work.

The participants from this perspective noted the opportunity to re-engage volunteers in the work of community and voluntary organisations. This potential could re-energise and give greater legitimacy to the voice emanating from community and voluntary organisations. However the engagement may need to look different, be shorter term, issues-based and it may be transitory.

### **Transparency**

From the community and voluntary advocacy perspective, the independence of community and voluntary organisations is weakened when there is lack of transparency from where the work is emanating. Specific reference was made to sometimes blurred lines between community and voluntary work and party politics in relation to advocacy work and between community and voluntary and for-profit work in relation to service provision. At a basic level, it is suggested that if community and voluntary organisations are engaged in party politics, then they can not claim to be working from a community and voluntary perspective. Equally, organisations claiming to deliver social services that are ‘for profit’ can not claim to be community and voluntary organisations. These lines are at times blurred and this is not helping the community and voluntary sector as a sector.

### **Accountability**

Accountability was also raised from the community and voluntary advocacy perspective.

Public sector bodies are accountable to the public through Ministers. Private sector bodies are accountable to shareholders. Community and voluntary organisations are a special case in that the public can not hold them accountable through Ministers and by definition there are no shareholders to hold them to account. Community and voluntary organisations must make themselves accountable to their stakeholders, to groups and people who have a legitimate interest in the work that they do. Given that community and voluntary organisations - as part of their advocacy work - often hold both public and private sector to account, it is even more important that those holding others to account make special efforts to account for themselves. Recognising accountability poses challenges for community and voluntary organisations, true independence and interdependence is underpinned by openness and accountability.

## **Evidence Base**

Community and voluntary advocacy-focused organisations emphasised that the sector's capacity to influence and to claim an independent voice is used to best effect when grounded in a transparent evidence base and solid research.

A number of participants from the community and voluntary advocacy perspective were critical of campaigns that were personally insulting and/or that were based on little or poor analysis and evidence. Such poor practice damages the sector and its capacity to claim to represent solid evidence based cases for change. It undermines the State's confidence in what the sector puts forward.

The manner of engaging government and the public and of articulating and voicing issues is important. Therefore the strategy taken on advocacy can positively or negatively impact the validity given to positions taken or issues raised. This indicates the need for an advocacy code discussed later in the report.

## **Diversified Funding**

Participants from the community and voluntary advocacy perspective noted power and control are central to how independence is exercised. The funding base of community and voluntary organisations was seen as critical to any discussions on power and control. Therefore the funding base of advocacy work is central to how independence is supported and/or controlled.

There is a mix range of views expressed.

For some, true independence can only be claimed when organisations have funding streams independent of State funding. This is viewed by some community and voluntary advocacy organisations as being of paramount importance. From this perspective, accepting State funding automatically reduces the capacity for independent thinking and action within an organisation.

Others hold a different view. This view is that the State has a role in funding and supporting independent advocacy in order to ensure policy outcomes are as effective as possible. From this viewpoint, acceptance of such funding should not be anomalous with independent thought and action. Power and control were deemed as central to the issue. Is funding an enabler or a controller? The answer is viewed differently for different organisations.

Finally, there is a view suggesting realism that an organisation can not on the one hand accept State funding and then be surprised when the State challenges the use of this funding in advocacy work criticising State provision and policy.

From the community and voluntary advocacy organisations perspectives HSE Service Level Agreements threaten independence if acceptance of funding silences community and voluntary advocacy voice. It is not immediately clear if this is a perception or a reality.

In general diversified funding was viewed as important to sustaining independence and in allaying difficulties (perceived or real) in engaging in advocacy work.

Community and voluntary organisations can generate substantial funding themselves and this strengthens their independence. However it was thought that this opportunity was not being maximised due largely to inexperience and skills in how to attract and secure alternative funding streams.

## **Perspective Two: Sustaining Independence: Community and Voluntary Service Providers Perspective**

Views expressed under this perspective emanate from organisations currently providing services (funded by the State), all of whom also are engaged in advocacy. Themes emerging from this perspective emphasised the following elements as impacting on independence

### **Relationship with the State:**

The relationship with the State can positively or negatively impact on the claim of community and voluntary organisations to independence. How these relationships are managed is critical to how a community and voluntary organisation manages its independence and/or operates interdependently.

From this perspective, there is a sense of unease and mistrust and a view that the State relationship with the sector is not deemed to be benign. Language used in funding arrangements is viewed as unhelpful and that it remains unchallenged, particularly the contractual language that characterises Service Level Agreements. This language is at odds with language of partnership working, interdependence and public benefit. Such language might better characterise the preferred nature of the relationship. Questions were raised as to whether the relationship is dominated by a contract culture or a partnership culture?

The State's perceived disinterest in innovation and research in service provision (witnessed through the lack of dedicated financial support for same) was noted as was their perceived disinterest in bringing innovative pilot solutions to scale due to perceived financial challenge of same.

The State funding environment is not deemed to help independence or support interdependence, with particular reference to the absence of funding towards the core costs of organisations that provide services for/with the State (apart from special funding programmes) and the project nature of much funding.

The recent cut backs to community organisations were viewed as being ideologically based and that the ideology is at odds with that espoused by community and voluntary organisations. The State talks of amalgamation and avoidance of duplication, the sector hears clamp down on criticism, disempowering communities, failing to acknowledge the right of community organisations to exist.

Managing the relationship is important. The importance of organisations holding on to power and to negotiating as partners with the State was stressed. Organisations must be willing to refuse funding if acceptance of funding causes the organisation to act in a manner contrary to the organisation mission, purpose or values.

It is clear that the relationship between the Community and Voluntary organisations/sector and the State needs debate within the sector and between the sector and the State so as to arrive at a new basis for interdependent partnership working.

### **Community and Voluntary Organisations' Relationships with Each Other**

The relationship of community and voluntary organisations with each other also impacts on independence. The community and voluntary sector is currently deemed most effective when organized around issues and need; examples of effective working (Aging Well Network; Children's Rights Alliance) were provided.

Despite initiatives like The Wheel, the Community and Voluntary Pillar and others, the sector profile in general and its ability to clearly articulate what it's about, its vision, purpose or contribution is deemed to be weak and in need of further development. It was thought by some that the sector is not often called upon for comment and that the public profile for doing this is low.

### **Diversified Funding**

Diversified funding across a range of donors was viewed as critical to sustaining independence. Although this perspective recognised that many factors influence an organisations' capacity to claim independence, having a funding base that includes diverse funding streams was recognised as being a significant advantage. Diversified funding was recognised as being critical to underpinning innovation, strategic planning, research and risk taking. At its most basic it allowed organisations to control their own actions, thoughts and positions without fear of reprisal.

### **Calibre of Leadership at Board and CEO Levels**

The calibre of leadership at Board and CEO levels is a key driver influencing the capacity of community and voluntary organisations to sustain independence. There is a sense that the quality of leadership is uneven and in need of further support. Many participants connected the capacity of organisations to claim independence and to work interdependently were directly related to the quality of leadership in evidence at Board and CEO levels.

### **Capacity Issues**

From the service providers perspective, there are capacity and training issues within community and voluntary organisations around how to influence change both through formal structures like social partnership but also through informal mechanisms and relationships.

### **Articulating a Clear Purpose and Contribution**

Like the community and voluntary advocacy perspective, the capacity to clearly articulate the organisations purpose and contribution is viewed as critical to any claims to independent thought and/or action. This was recognised as being challenging particularly when the work was not deemed to be a priority for the media, the public and/or if the problems which the organisations were addressing were constant.



## **Clear and Transparent Mandate**

It is not surprising that like the community and voluntary advocacy perspective, the service providers noted that having a clear and transparent mandate was deemed to be central to any claims of independence. Ensuring clarity in relation to the place from where positions were taken, views were expressed, campaigns were launched is critically important. Honesty and sincerity were words mooted in relation to this.

## **Presenting positions and Views Based on Clear Evidence / Research**

The evidence base underpinning positions or lobbies must be robust. It is thought by some that this is not always the case and that poor evidential work is weakening the value of and confidence in positions emanating from the sector. For some, there is a need to challenge this poor practice overtly. A code of practice would help address this challenge.

## **Legitimacy**

Like the Advocacy perspective, emphasis was placed on community and voluntary organisations legitimacy. It is viewed that a community and voluntary organisation's claims to independence are underpinned by its relationship and proximity to service users.

## **Accountability**

Like the community and voluntary advocacy perspective, accountability is deemed as important in underpinning independence. From this perspective organisations are accountable to a range of stakeholders, including funders, service users, donors and the general public.

## **Perspective Three: Sustaining Independence: Statutory Funders Perspective**

The policy background underpinning the State's view of, and relationship with, community and voluntary organisations and the community and voluntary sector has already been summarised. Participants to this research from the statutory perspective are derived from interviews with senior civil servants from Department of Finance, Department of the Taoiseach, and Department of Community, Equality and Gaeltacht Affairs. Emphasis was placed on a range of issues that may impact on how the independence of the community and voluntary sector is supported and expressed.

## **Public Sector Reform**

In relation to service providers, the reform of the public services will influence how the State engages with community and voluntary organisations. Performance management will insist on increased efficiencies and effectiveness measures. The focus will be on output and in time will move increasingly towards impact and outcomes. Tolerance of duplication will decrease and integration both across community and voluntary organisations and with services provided directly by the State will be critical.

## **Constraints on Public Spending**

It was noted by some participants that relative to expectations, resources are constrained, as



pressure on public spending increases, priority will be given to safeguarding frontline services with the consequence that advocacy work may take a disproportionate cut.

### **Articulating Clear Priorities**

This perspective stressed that the community and voluntary sector's strength and unique space is its ability to articulate and animate the needs and issues. However, this articulation is challenging. The sector needs to be better able to tell the story of what it's about, to mobilise and to articulate in a dynamic voice what its priorities are, and move away from a victim mentality. The importance of advocacy work is stressed; however the approach taken can affect the impact and level of success. Is the approach coming from an ideological, political space or from a pragmatic incremental improvement space? The latter is deemed to have more success in the complex world of influencing policy.

### **Consolidation**

Participants note that activity and funding to the community and voluntary sector had increased in the past fifteen years as Ireland worked to catch up with other EU countries in a range of services areas, most notably health and education. A question now being asked by the statutory sector is how to get best impact from the funding being allocated. A more strategic, co-ordinated and interdepartmental approach is envisaged. This will impact differently for different parts and organisations within the community and voluntary sector. This perspective recognised the diversity and multiplicity of organisations and perspectives in the community and voluntary sector as a strength. It also recognised the need to consolidate and stop duplication (when it is occurring) in the interest of the people the organisations serve or represent.

### **Diversified Funding**

Participants from the statutory perspective recognised that having diversified funding was preferable from being dependent on any one donor. It was acknowledged that the life stage of an organisation may impact on this being possible, with new and early stage organisations being dependent on one donor until they were in a position to grow other support. Diversified funding was deemed to be essential (by some in this perspective) as having 100% funding from one source consciously and/or unconsciously affects how the organisation and the funder related with each other. Having diversified funding therefore is healthy for independence.

### **Deeper engagement between State, Community and Voluntary Organisations and Philanthropy**

This perspective recognised the need to foster a better environment for philanthropy and planned giving. Growing and promoting philanthropy is deemed a priority and an essential part of ensuring community and voluntary organisations can secure diversified funding. It was felt that the planned publication of a policy paper from the Forum on Philanthropy will provide a basis for dialogue between the State, philanthropy and the sector on how best philanthropy and planned giving can be supported.

As it is likely that for the foreseeable future the State will not be able to provide the level of service required by people, deeper engagement will be required between community and voluntary organisations, the State and Philanthropy. One view noted that the independence of the sector could be further enhanced by the sector being able to decide its priorities, and to name how it wishes to partner government.

## **Perspective Four: Sustaining Independence - Private Funders Perspective**

This perspective draws from conversations with philanthropic organisations and foundations and others stakeholders with an interest in how community and voluntary organisations are funded other than through statutory funding. Among divergent and opposing views, themes emerged on challenges facing the independence of community and voluntary organisations.

There are contrasting emphases placed on what is needed to sustain independence

### **Emphasis One: Sustaining Independence is Not About Money**

Independence is derived from an organisation's credibility, clarity of purpose and mission. To claim independence, organisations must be able to clearly demonstrate where and how they add value. This must be derived from a constituency base and demonstrated through transparency and accountability.

Transparent and accountable governance, leadership and management are deemed as critical. Some from this perspective expressed a view that the evidence base and research underpinning the work is in general a weakness for the Sector. Others suggested that funding and diversified funding streams are important but they are not necessarily the critical issue.

### **Emphasis Two: Sustaining Independence is About Money: Diversified Funding Streams are Essential**

This perspective notes that over-reliance on one source of funding, be that State or private funding, threatens the very existence - and therefore the independence - of an organisation. At its simplest, if funding from the only source is stopped then the existence of the organisation ceases and therefore any issues of independent thought and action are merely theoretical.

This perspective notes that diversifying community and voluntary organisations funding streams is imperative to sustaining independence and ensuring community and voluntary organisations' capacity to speak, think and act freely. At its strongest some informants are of the view that independence is not possible without independent funding, that advocacy work is better off without State funding, and only service organisations should be funded by the State.

Others indicate that independent funding is critical to allowing organisations plan strategically, to innovate and take risks in finding new solutions to complex problems.

### **Financial Expertise and Fundraising**

For Private Funders, there is greater innovation and creativity required around how the work is funded, instilling business models and strengthening corporate engagement have much to offer and deserve deeper exploration and debate.

This perspective recognises capacity issues for organisations around how to fundraise. It is thought that some organisations are too busy operationally and do not see fundraising as part of the work. Surprise was expressed at how unprepared some smaller organisations were for the current economic crisis and this may result, it is thought, in organisations not surviving.

It was noted that financial awareness and expertise is required at board level and must be recognised as a core part of the governance function. The boards and CEOs must ensure financial planning and management is a key part of the governance and leadership function. Therefore sustaining independence demands that organisations must have solid financial management policy and practice.

Philanthropic organisations noted that at a societal level, research indicates that giving in Ireland is random and not strategic or planned. Planned giving did not increase during the Celtic Tiger years. Once-off giving at times of crisis is high; however Irish society's lack of commitment to ongoing, sustained giving makes the task of securing regular private donors more challenging. Promoting philanthropy faces these societal challenges. This points to a need for a campaign on planned giving.

### **Profile of Community and Voluntary Sector**

Like others, participants from this perspective commented on the profile of community and voluntary organisations as a sector. Participants thought organisations were most effective when organised around issues or themes, but despite initiatives such as The Wheel, were considered relatively ineffective at presenting a sectoral perspective. This points to the need to raise the profile of the sector and what it does.

### **Connecting to Donors - Financial and Voluntary**

Private Funders noted that presenting the work of community and voluntary organisations in a manner that donors can connect to is challenging and requires consideration. Those who are effective at relaying their story, their contribution and value have a greater chance of attracting financial and other voluntary supports. Articulating the argument as to why work is important is critical; People give (finance and other supports) to organisations they know. Private funders thought that currently there are opportunities to (re) engage volunteers as supporters of the work and that this can help sustain the organisation.

The question was raised as to whether discussions about independence were redundant and that discussions should be focused on the existence of organisations in the first instance. It was considered perhaps more important to be clear on points of financial dependence and security so as to survive the current crisis. This perspective suggests a realistic short term goal may be to ensure that community and voluntary organisations have places to be dependent on.

### **Consolidation and mergers**

Independence could be strengthened by consolidation and mergers, as there is a perception that there may be too much independence currently - too many organisations are claiming to address the same issue, speak out on the same issue. Internal small politics and competition are not helping independence as this takes away from a strategic focus on what is needed. There is a leadership challenge to bring perspectives together.

### **Integrated Planning**

It is considered by this perspective that integrated planning of services across community and voluntary organisations and across government agencies is needed. This can potentially lead to greater efficiencies, greater innovations and could sustain the work in the future. More importantly

it is about meeting needs in a more integrated sustained manner. Extrapolating examples of this working effectively is required.

### **Collaboration between Community and Voluntary Organisations**

Private funders stressed that collaboration between community and voluntary organisations strengthens dialogue with stakeholders, funders and the State. There is evidence of collaborative working being effective and of this strengthening collective independence. However, questions were raised about how effective the sector is at collaboration and working collectively? Is the diversity in terms of scale and focus too great? Are the differences between large scale charities and small community groups so great as to render collaboration on a sectoral perspective useless? The need to map the sector in terms of focus, scale, location, etc. was expressed. A sectoral perspective raises issue of trust and leadership.

Charities legislation will support independence; A regulatory environment is required and this will support independence

### **Infrastructural Supports**

From the Private Funders perspective, building the infrastructural supports for the community and voluntary sector will help sustain independence. These supports can address the advice, training and support issues facing community and voluntary organisations. Infrastructure organisations such as Fundraising Ireland, INKEX., The Wheel, Boardmatch, Carmichael House, Volunteering Ireland, ICTR and Volunteer Centres Ireland were mentioned.

However others from within this perspective see the infrastructure as weak, underdeveloped or even non-existent. This perspective sees real opportunity for the sector to engage with the public during this time of crisis. Community and voluntary organisations enjoy more trust than many other institutions (politics, church, business, banks) and that this is a good basis on which to build and engage support.

### **Latent Power of Sector to Engage People**

It was noted that power exists and shapes Irish society and that the sector has great latent power in making sense and meaning in people's lives and aligning people around values and issues. Making sense of issues people care about gets followers engaged and committed. (Consistently the Irish Cancer Society were named in this regard) However if the sector fails to organise itself, to animate its values and vision, then the opportunity is lost. The credibility weakened. This is viewed as a key challenge facing the sector's claim to independence.

### **Social Finance and Social Enterprise**

Participants from the private funders perspective noted the potential for diversifying funding streams through social financing and social enterprise, and that these have much to offer organisations for whom they are relevant. It was noted that generating income requires a different mind-set (to grant mentality) and demands a stronger commercial orientation. There is an acknowledged need to ensure the community and voluntary sector knows that there are alternative sources of finance available while also acknowledging loan finance will not be relevant to everyone.

## **Relationship Between Community and Voluntary Organisations and the State**

From the private funders perspective, various and variant views emerged as to the role the State plays in enabling or disabling independence. These fall into three categories:

- The State is overtly and covertly threatening the independence of organisations. This is conscious and based on ideology. This is occurring both for organisations engaged in service delivery and/or in advocacy.
- The State is not itself organised to deal with the sector, there is no coherent policy approach and no data on what is being invested into the sector. So the relationship is accidental, convenient, and ad-hoc rather than intended and strategic
- The State and in particular senior civil servants see the sector as a nuisance, that it does not present real solutions and the sector is poor at negotiation.

This contrasts with the State's espoused position on the role and relationship with the sector and may indicate a less-than-healthy relationship between the State and private funders.

## **Challenges Facing Philanthropy**

A range of challenges face philanthropy in Ireland was identified including the regulatory and fiscal environment, societal and cultural issues pertaining to how philanthropy is viewed and infrastructural challenges.

The winding down of two significant private foundations (Atlantic Philanthropies and One Foundation) is a challenge as 83% of private funding comes from these two sources.

### Perspective One: Community and Voluntary Advocacy Perspective

- Effective advocacy requires considerable skill.
- Community and voluntary sector's relationship with the State is poor, the State's interest in listening is fading.
- Community and voluntary sector is not valued by the State.
- Community and voluntary capacity to develop a sectoral perspective is deemed weak at present.
- Further effort required around articulation of vision, role and values.
- A clear basis for an organisation's legitimacy is essential to any claim to independence.
- Transparency in relation to where the work is emanating from is important.
- True independence is underpinned by openness and accountability.
- An independent voice is grounded in a solid evidence base and research.
- Diversified funding across a range of donors is viewed as essential to sustaining independence.
- Is funding an enabler or a controller? The answer is different for every organisation.
- Unpopular issues have difficulty getting heard and enduring problems don't attract constant attention.
- (Re-) engaging volunteers is important.
- State funding can threaten independence if acceptance of such funding silences advocacy.

### Perspective Two: Community and Voluntary Service Perspective

- Community and voluntary sector's relationship with the State needs discussion, both within the community and voluntary sector, and between the sector and the State, to arrive at new framework of engagement
- Community and voluntary organisations work well when collaboration is organised around issues and needs.
- Broader sectoral collaboration is deemed weak at present.
- Sector needs to articulate a vision, purpose and contribution, this is not being articulated clearly.
- Diversified funding across a range of donors is viewed as essential to sustaining independence.
- Calibre of leadership at Board and CEO levels is a key driver influencing the capacity of organisations to sustain independence
- There is a need to build capacity of community and voluntary organisations to influence change both through formal structures and informally.
- Positions taken must be based on solid evidence.
- A clear and transparent mandate is central to claims of independence.
- Public accountability is important.
- Legitimacy is underpinned by community and voluntary organisation's relationship with, and proximity to service users.

***New framework and processes of engagement between the State and the community and voluntary sector required. Dialogue required between Philanthropic Foundations, the State and the sector addressing vision, role and contribution.***

***Infrastructural support is required for community and voluntary sector.***

***Mapping of the sector is required - who is involved and the nature of this involvement.***

***Models of collaborative and integrated working within the sector and between the sector and others needs to be identified and researched.***



*Research capacity within the community and voluntary sector needs further support.*

*Advocacy Code of Practice is required.*

*Capacity and training supports are required around what constitutes a 'good' effective community and voluntary organisation - governance; leadership; management; advocacy skills; negotiating and influencing skills.*

*Diversifying funding streams is required*

*Capacity issues around how to diversify funding exist and supports are required around fund raising skills and financial management. Alternative sources of funding like social financing need to be promoted within the sector.*

*Expanding philanthropy needs regulatory and fiscal support.*

### **Perspective Three: Statutory Funders**

- Public Sector Reform and in particular performance management will impact on how the State engages with community and voluntary organisations
- Constraints on public spending will impact on the nature and level of financial support available to community and voluntary organisations
- Independent voice and action will be helped by community and voluntary organisations articulating clear priorities
- While diversity is valued, consolidation may be needed between organisations working on the same issues and addressing the same needs
- As pressure increases on financial resources deeper engagement between State, community and voluntary organisations and philanthropy will be needed.
- Community and voluntary organisations have to up their game in affecting change.
- There is at times evidence of naivety (within community and voluntary organisations) about how to influence and affect change and about what can be influenced. Lack realism.

### **Perspective Four: Private Funders**

- Independence is derived from an organisation's credibility, clarity of purpose and mission and ability to demonstrate added value.
- Independence is underpinned by legitimacy emanating from a clear constituency base and demonstrated through transparency and accountability.
- Transparent and accountable governance, leadership and management are critical.
- The evidence base and research underpinning the work is in general a weakness for the sector.
- Diversified funding streams are essential.
- Divergent views as to how advocacy work should be funded.
- State should fund essential services.
- Financial and fundraising expertise is required.
- Profile of community and voluntary sector is underdeveloped.
- Connecting to donors (financial and voluntary) is important.
- Consolidation and mergers should be encouraged.
- Integrated planning is required.
- Collaboration between community and voluntary organisations is essential.
- Infrastructural supports are required.
- Social Finance and Social Enterprise requires support.
- Relationship between community and voluntary organisations and the State
- The challenges facing philanthropy challenge the capacity for the organisation to secure diversified funding
- Largest Philanthropic organisations closing will result in significant funds not being available.





## Chapter Three: Moving Forward - Elements required in a Strategy Sustaining Independence

What emerged clearly from discussions is that independence is a core value for community and voluntary organisation's and is derived from an organisation's mission, purpose and *raison d'être*, constitution and governance, management and funding.

Independence is dynamic and its expression multi-dimensional. A complex range of elements, some of which are within the control of organisations, and others which are not can support or threaten its existence. However, diversified funding, this report concludes, is central to sustaining independence.

The centrality of a healthy independent community and voluntary sector to the health of a mature participative, citizen-friendly democracy shines through this research. The picture emerging in relation to sustaining independence presents us with a broad and busy canvas requiring actions at a number of levels and by a range of players.

### 1. A National Strategy to Support and Sustain the Community and Voluntary Sector

There is a need for a clear policy from the State regarding its view of the role of the sector and its role in sustaining the sector. While the principles underpinning the relationship between the sector and the State were restated in *Towards 2016*, it is generally recognised that the wider strategy to develop the sector contained in the White Paper is in abeyance.

- 1.1 *There is an urgent need to develop a replacement national strategy to support and sustain the community and voluntary sector, developed in partnership with the sector. The recent re-configuration of the Department of Community, Equality and Gaeltacht Affairs provides a good opportunity to deliver such a strategy.*

### 2. New framework for partnership working

Community and voluntary organisations have varied and various relationships with many branches of Government. However, the sector's perception of the relationship and that of the private funders is at odds with what is espoused in Government policy. As currently constructed the relationship and engagement is not working to best effect. The question then emerges as to what are the circumstances under which organisations can achieve a productive relationship with government, where the experience and resources of both community and voluntary organisations and of Government combine to deliver the mutual objective of public benefit to greatest effect.

- 2.1 *A new framework for partnership working and new and innovative processes of engagement between the State and the community and voluntary sector are required. Partnership working, interdependence and the shared purposes of pursuing public benefit can underpin future arrangements.*

### 3. Vision, purpose and place of community and voluntary sector

Consistent in this report has been the general view that the sector operates very effectively when working on ‘issue’ based levels and that despite initiatives such as The Wheel and the Community Platform, the sector has so far failed to adequately articulate a coherent vision and statement of its role as a sector.

The importance of a healthy independent community and voluntary sector to a healthy participative mature democracy that values citizens’ voice and participation is confirmed. Yet there is a sense that this value, place and role of the community and voluntary sector needs to be better articulated and shared. This is important in-and-of-itself, and is critical in leveraging support (financial or otherwise) and supporting diversified funding.

In parallel with the State providing a coherent developmental strategy for the sector:

- 3.1 *The community and voluntary sector must prioritise the development and communication of a clear vision and statement of its role with respect to achieving a fair, just and inclusive society.*

Clarity of vision and purpose is equally true at organisational level.

- 3.2 *Community and voluntary organisations need to be able to clearly and bravely articulate their vision, purpose and added value in language that engages the public and those from whom they wish to draw support (financial or otherwise).*

### 4. Infrastructural Supports

Some thought the sector as weak, underdeveloped and lacking a clear infrastructure. A strong infrastructure is deemed (by most) as important if the sector is to have any capacity to generate debate, influence policy, negotiate with government and/or represent the sector internationally. There is not clear agreement about how best to mobilise or organise the community and voluntary sector as a sector or indeed if this is a good thing in the first instance.

That said, the need for the sector to become more organised and for such organisation to become more visible and tangible was repeatedly stated. This is identified as a challenge of leadership. There is a need to harness the strong leadership evidenced internally in organisations and make this available for a collective benefit.

As a first step there is a need to map the complexity of the sector so as to identify how best to organise, mobilise and support the activity of the sector and those who it serves. It is suggested that leadership on this needs to come from the sector itself.

- 4.1 *This study suggests that a debate across the sector is needed to identify what further infrastructural supports are required.*
- 4.2 *As a first step, mapping the sector is required - who is involved; and the nature of this involvement.*

## 5. Collaborative Working

The report references examples of the sector coming together on issues or themes and of working well collaboratively. The report also concludes that more collaboration is needed, more than is currently happening. This collaboration is not just required within the sector but more integration is required across the work of the sector and work emanating from statutory bodies. Exploring the process of working together and of integrated approaches deserves further discussion and interrogation. The principles and values that underpin successful working and the conditions that support and/hinder such efforts need to be identified. It is as much an issue of process and relationship as it is of structure.

- 5.1 *Models of collaborative and integrated working need to be supported and encouraged.*
- 5.2 *How funding (private or public) is allocated might encourage models of collaboration and integration in the future.*
- 5.3 *Mapping the sector will also help identify opportunities for collaboration and/or consolidation between organisations working on the same issues and addressing the same needs.*
- 5.4 *Consolidation may sustain the independence of the work; as the work may not be sustainable being delivered by separate organisations*

## 6. Advocacy Supports underpinning public policy outcomes

Advocacy is a core function of all community and voluntary organisations and this report re-affirms the centrality of the community and voluntary sector to the development of effective public policy outcomes. The importance of legitimacy - and of the work emanating from a solid evidence base - is confirmed as is the need for quality research.

The need to articulate clearly if and how advocacy work is being silenced or managed by the State through contractual arrangements is also confirmed through this research. The perception being from many within the sector that advocacy work is being at the very least ‘managed’ through some funding arrangements. Finally, the manner in which community and voluntary advocacy was deemed effective in some instance and poor practice in others requires examination, with poor practice by some being deemed a threat to the work of others. While respecting diversity, there appears to be a consensus on the need for the sector to quality assure its own advocacy practice.

- 6.1 *Ensuring good public policy outcomes will require that public funding continues to be available for community and voluntary organisations advocacy activity.*
- 6.2 *Developing the evidence base and evaluation and research skills available to the sector needs further support.*
- 6.3 *The research capacity within and available to the community and voluntary sector needs further support.*
- 6.4 *The advocacy initiative currently being completed by a number of community and voluntary organisations will provide a clearer picture of how advocacy is being supported and/or hindered.*

- 6.5 *An Advocacy Code of Practice is required that clearly sets out standards in relation to advocacy by community and voluntary organisations.*

## 7. Diversifying Funding

The funding environment supporting community and voluntary organisations is complex and a coherent picture of funding being channelled into the sector is not known. Notwithstanding the [www.fundingpoint.ie](http://www.fundingpoint.ie) website hosted by The Wheel, it is striking that there is not a place to find out the level and depth of funding being channelled into the sector.

All perspective groups prioritised diversified funding as an element supporting independence. Philanthropy and planned giving are deemed by most, but not all, as essential parts of this funding base and are under threat as two of the largest foundations will conclude in 2016. Some participants were of the view that the role and place of philanthropy in supporting community and voluntary activity needs discussion at a national level.

The interaction between the three sectors (community and voluntary, statutory and private funders) would appear to occur at project and/or individual community and voluntary organisation level and would benefit from further dialogue at a higher or more strategic level.

Diversifying funding requires more innovation around how the work is financed. The potential to improve corporate engagement was noted, not just in terms of finance but in terms of expertise, skills, networks and connections that such engagement can bring. There are benefits for business in such engagement in terms of skill development, employee engagement and training.

The current funding environment is not supporting, and in ways is undermining independence. Particular reference was made to the project and short term basis of funding emanating from the exchequer. This is not helping organisations plan and grow strategically.

A number of elements emerged in relation to funding:

- 7.1 *A transparent and coherent map of funding available to the sector is required, and existing sources of coherence such as The Wheel's [www.fundingpoint.ie](http://www.fundingpoint.ie) require continued support and additional promotion.*
- 7.2 *There is a need for public debate about why organisations need public support and for a public campaign addressing the importance of strategic and planned giving in Ireland.*
- 7.3 *Expanding philanthropy requires regulatory and fiscal supports to be put in place so as to create the environment that encourages regular giving. The policy paper from the Forum on Philanthropy provides a basis on which to grow philanthropy and planned giving in Ireland.*
- 7.4 *Dialogue needs to commence between the community and voluntary sector, Philanthropic Foundations and the State - addressing the vision, role and contribution of philanthropy to sustaining the community and voluntary sector.*

- 7.5 *Community and voluntary organisations will need to plan in the knowledge that as State funding available to the sector decreases, other significant philanthropic funding will also not be available. Planning for financial sustainability post 2016 will be critically important. Foundations have a responsibility to ensure the sustainability of groups they have funded and should work together with organisations to develop exit strategies.*
- 7.6 *Growing community foundations will be critically important to ensuring that private funds are available to underpin independence. Initiatives like the Community Foundation of Ireland that facilitate consistent and planned charitable giving are a welcome development and offer charities further alternatives towards diversifying funding streams.*
- 7.7 *Recognising the significant increases in funding made available through Social Finance Ireland, further promotion of social finance is required so that community and voluntary organisations are in a position to exploit these opportunities should they wish to do so.*
- 7.8 *Initiatives like Business in the Community help build connections and value between the corporate space and the social space. The recently launched guide for community groups to assist them to strategically partner with businesses is a welcome development, and should be built on*
- 7.9 *Sustaining independent organisations requires investment in the core costs, in the strategic and long term development of the work, and in the structures and organisations supporting the work. The lack of recognition and therefore funding of core costs is damaging the work and role of the sector. Funders need to recognise the need for a contribution to core costs so as to ensure that full cost recovery is provided for.*

## **8. Organisational Supports**

While the relationship between funding and independence is real, having a diversified funding base in-and-of-itself will not guarantee independence. A range of elements are suggested as having the potential to enable or disable the independence of an organisation. They are essentially elements of what constitutes an effective community and voluntary organisation:

- 8.1 *Community and voluntary organisations need to be able to clearly articulate their mission, purpose and added-value in language that engages the public and those from whom they wish to draw support (financial or otherwise).*
- 8.2 *There is a need to build capacity in governance, leadership, management, finance, advocacy skills and in negotiating and influencing skills. Although there is an abundance of training available, it might benefit from being accredited and placed within a sectoral training framework.*
- 8.3 *Legitimacy, accountability and transparency underpins a community and voluntary organisations claim to independence and must therefore be demonstrated by each organisation.*

- 8.4 *Community and voluntary organisations must ensure that positions taken have a solid evidence base and/or are supported by research. Being seen and recognised as reflecting the lived experience of those community and voluntary organisations people claim to represent is essential to any claim to independent advocacy.*
- 8.5 *Further supports are required into how community and voluntary organisations collect and present evidence, evaluate the work and complete research.*
- 8.6 *Non-populist views and issues and enduring problems do not attract constant attention from the media and/or the public and therefore are presented with further difficulties in attracting public funding.*
- 8.7 *Community and voluntary organisations need support in how to move to a position of having more diversified funding streams.*
- 8.8 *Fundraising support, skills, information and advice is needed and initiatives like [www.fundraisingireland.ie](http://www.fundraisingireland.ie) and [www.fundingpoint.ie](http://www.fundingpoint.ie) need to continue.*
- 8.9 *The opportunity for re-engaging and enlarging the voluntary base underpinning organisations exists and can be harnessed further.*
- 8.10 *There is a need to build capacity of community and voluntary organisations to influence change both through formal structures and informally. There is at times evidence of naivety (within community and voluntary organisations) about how to influence and affect change and about what can be influenced.*

## 9. Regulation

Regulation, while recognised by all perspectives in this report as being a positive development for community and voluntary organisations, will undoubtedly result in additional demands being made on scarce resources.

While the Charities Act 2008 is silent on advocacy it contains a provision whereby bodies are excluded from being a charity if they ‘promote a political cause, unless the promotion of that cause relates directly to the advancement of their charitable purposes’. It will therefore be the case that judgements will occasionally have to be made by the regulator with regard to what constitutes a political cause that is directly related to the advancement of a charitable purpose”

- 9.1 *There will be a need for additional supports to be made available to charities to meet their regulatory obligations.*
- 9.2 *The regulator should consult with the sector to agree the criteria to be applied by the regulator when it makes decisions regarding ‘political causes’ and ‘charitable purposes’.*



## **Appendix One: Participants to the Research**

### **Perspective Group 1 - Private funding providers**

Caitriona Fottrell, Vice President and Director Ireland., The Ireland Funds

Jackie Harrison, CEO, Philanthropy Ireland

John R. Healy, Adjunct Professor, Centre for Non-Profit Management TCD

John A Healy, Director of Strategic Learning, Atlantic Philanthropies

Paul O'Sullivan, CEO, Clann Credo

Tina Roche, CEO, Community Foundation for Ireland/Business in the Community Ireland

Emma Lane Spollen, Deputy CEO, The One Foundation

Brendan Whelan, CEO, Social Finance Foundation

### **Perspective Group 2 - Statutory Funding providers**

David Maloney, Department of Finance

Don Sexton, Department of Community, Equality and Gaeltacht Affairs

Mary Doyle, Department of An Taoiseach

### **Perspective Group 3 - CV Sector funding-recipients**

Frances Byrne, CEO, One Parent Exchange Network

Ivan Cooper, Director of Advocacy, The Wheel

Mary Cunningham, Director, National Youth Council of Ireland

John Dolan, CEO, Disability Federation of Ireland

Rachel Doyle, Head of Outreach and Support, National Women's Council of Ireland

Deirdre Garvey, CEO, The Wheel

Sean Healy, CEO, Social Justice Ireland



## **Perspective Group 4 - advocacy-oriented organisations**

Noeline Blackwell, CEO, Free Legal Advice Centre

NFergus Finlay, CEO, Barnardos

Kieran Murphy, CEO, SVP

Sheila Nordon, Executive Director, Irish Charities Tax Research Group

Fergus O’Ferrall, Department of Public Health and Primary Care, TCD

Colm O’Gorman, CEO, Amnesty Ireland

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**Notes:**



The Wheel is a national support and representative body for community, voluntary and charitable organisations. We provide a wide range of information and support services, advice and training to individuals and organisations involved in community and voluntary activity. We are also a representative organisation promoting both our members' and the wider sector's interests. [www.wheel.ie](http://www.wheel.ie)

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