

## **Changing Narratives, Changing Relationships: A New Environment for Voluntary Action?**

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### **Abstract:**

In the context of shifting policy approaches and decreasing state funding, contemporary government policy narratives are beginning to recognise the changing relationships between government and the voluntary and community sector. In the UK, while much of the partnership rhetoric of the New Labour years remains in place, this article explores how assumptions about the role and nature of the sector and the terms on which it engages with government are rapidly changing in the context of Northern Ireland. Drawing on an analysis of the policy environment in recent decades and in-depth interview data collected as part of research conducted in Northern Ireland, the article demonstrates how the narratives that frame the sector's identity are being challenged by new policy narratives and competing representations of the sector–government relationship.

### **Introduction**

Northern Ireland's voluntary and community sector has played an extraordinary role in the governance of the region as it filled a political and service-delivery vacuum during periods of direct-rule led by the UK government based in London. Northern Ireland was also fertile ground for the UK's New Labour third-way discourse and policy programme, which alongside financial support from external and governmental funders for peace and capacity-building programmes, has consolidated the role of the sector in governance and service delivery (McCall and Williamson, 2001). This paper provides a historical sketch of the repeated 'turns to civil society' by successive administrations in the UK and Northern Ireland and tracks the development of the discourses, policies and ideologies that have shaped relationships between the sector and the state. Through an analysis of recent policy documents and qualitative interview data, we illustrate how, in the context of the UK government's austerity agenda and the withdrawal of international funders, the sector in Northern Ireland now faces a changing set of political and financial challenges. The paper explores how assumptions about the role and nature of the sector and the terms on which it engages with government, as well as the narratives that frame the sector's identity, are being challenged by new policy narratives and competing representations of the sector-government relationship.

The paper begins by charting the policy discourses and practices that have shaped voluntary sector and government interaction over the last two decades, from the Third Way agenda of New Labour through to the austerity agenda of the Conservatives. This is followed by a more focused discussion of the Northern Irish case, paying particular attention to the similarities and differences in government-voluntary sector relationship with the rest of the UK. The next section demonstrates empirically how the reality of austerity is beginning to produce new narratives in stark contrast to the older rhetoric that celebrated the "value" of the sector and its partnership with government. Indeed, this is the main argument of the paper:

the narratives are now catching up with the policy reality, with a significantly more instrumental view of the sector dominating the contemporary policy narratives.

## **Shifting government policy approaches towards the Voluntary and Community Sector – The New Labour Era**

An understanding of New Labour's policy programme is particularly important in the context of Northern Ireland. The role and nature of the sector and its relationship with government was moulded during a New Labour direct-rule interregnum after the suspension of the devolved Northern Ireland administration in 2002 (Acheson, 2013: 10). Despite a series of protracted negotiations aimed at restoring the devolved administration, in the absence of the local assembly the British government introduced a series of strategy documents that stressed the importance of the voluntary and community sector in governance and peace-building (OFMDFM, 2005; DSD, 2003). For the New Labour government that came into office in 1997, networks and partnerships between government and civil society actors were to be a new paradigm for policy-making and service delivery (Newman, 2001: 104) and the celebration and cultivation of networks became central to UK public policy and the New Labour project (Davies, 2012: 2688). In the wake of public policy reforms associated with the New Right-inspired Thatcher governments, there were worries within government about the uneven distributional effects of 'trickle down' economic policies and the socially erosive effects of unconstrained markets (Hutton, 1995), and this gradually led to a new focus on social inclusion, social capital, civil society and community. Within this network paradigm, the "governance mess" of quangos, arm's-length agencies and private and voluntary sector contractors inherited from the Conservatives would be held up as a virtue, rather than being represented as a barrier to effective governance (Lowndes and Sullivan, 2004: 52). According to New Labour, building social capital and a spirit of partnership and reciprocity was essential for the social cohesiveness of communities, for a longstanding ethos of cooperation

had been undermined by a welfare state that “imposed services on people rather than engaging them in decision-making” (Blunkett, 2002). In government’s view, it was particularly important to revive a lost spirit of mutualism and to engender an ethos of self-help in disadvantaged communities (Leonard, 2004: 928), for this would set free the latent capacity of these communities and reintegrate them back into the social, political and economic mainstream (Levitas, 2005: 2). To achieve this goal, government would enter into a bargain with communities that were somehow seen as flawed or dependent, offering them the benefits of support, shared ownership of decision-making and investment, *if* these communities took on a level of responsibility for refreshing relationships within the community and refreshing relationships between community and local government (Hastings, 2003: 99; Raco and Flint, 2001: 596). There was to be a downwards transfer of responsibility (Taylor, 2007: 301) and decision-making power, and through their community and voluntary groups, communities would shoulder more responsibility for their own development. It was hoped that this populist 'one nation' project of social inclusion and partnerships (Pople and Redmond, 2000: 396) would enrol those left behind by the Thatcherite reforms back into the mainstream, and it would do so by selling the idea that active citizens and active communities could secure their share of the national wealth (Davies, 2011).

In this ‘modernization’ project, the citizen was “discursively positioned as the agents as well as the objects of cultural change” (Newman, 2005: 730), and the New Labour government committed itself to avoiding the mistakes of the ‘collaborative’ projects it had inherited from the Conservative administration (Imrie and Raco, 2003: 12). The old-style projects, with their ‘parachuted in’ solutions and lack of flexibility had, in New Labour’s view, failed to produce adequate empowerment, community involvement or effective integration. The New Labour government argued that the differential capacity of local organisations was a barrier to effective collaborative working and decision-making, and it set out to address this problem by

incorporating a new emphasis on capacity-building and bottom-up approaches (Morrison, 2005: 146). New programmes made engagement with the community in the development of regeneration plans a prerequisite for the release of funding (Imrie and Raco, 2003: 19; Morrison, 2005: 146). At a rhetorical level, New Labour, “publicly recognized the distinctive expertise and value of the sector” (Milbourne, 2013: 37) and the value of community knowledge (Taylor, 2007: 300), and it committed itself to including those with local knowledge in decision-making and implementation as part of a process of democratic renewal (Taylor, 2007: 300; Imrie and Raco, 2003: 21; Kearns, 2003: 58). At a practical level, a range of departments and programmes provided grants, support and advice to community organisations so as to build their capacity to engage in bureaucratic decision-making processes (Imrie and Raco, 2003: 21). New Labour promised communities and sector organisations that old asymmetries in power and influence would be addressed (Milbourne, 2013: 37), with local authorities no longer directing, dictating and delivering services, but instead, weaving and knitting together the contribution of various stakeholders (Blair, 1998: 13). What was required, according to New Labour, was a third-way (Giddens, 1998) alternative that combined the state and the market, support for the structures and institutions of civil society (Driver and Martell, 2000: 151), and the removal of barriers to self-help in communities (Kearns, 2003: 53).

This New Labour policy programme had significant continuities with the previous Conservative administration’s aim of enrolling new participants into the neoliberal goals of central and local government agencies (Davies, 2014: 3217), and they reproduced the Conservative government’s mantra that “overall economic growth would filter down to enhance opportunities for those at the bottom of society” (Milbourne, 2013: 37). Its overall aim was still the transformation of “nation and people to fit them for a globalized world that required workforce flexibility, business deregulation and the ‘modernization’ of the welfare

state” (Newman, 2005: 719; see also Levitas, 2005). However, New Labour also claimed that it did not support the operation of unfettered markets and competitive individualism (Fairclough, 2000: 11), not just because of their erosive effect on social interaction and civic engagement (Imrie and Raco, 2003: 7), but also because they were inefficient (Levitas, 2005: 113). The New Labour government was committed to a pluralist and market-driven approach to welfare delivery (Milbourne, 2013: 37) having rejected the idea that the state should be the only means for organising and delivering welfare (Imrie and Raco, 2003: 7). In New Labour ideology, only partnership between civil society and government could deal with the social fragmentation, exclusion, anomie, inequality and sense of powerlessness in some of Britain’s neighbourhoods (Imrie and Raco, 2003: 7). In the operation of the third way, barriers to self-help would be removed (Kearns, 2003: 53) and the New Labour government would pioneer a new form of decentralised public service delivery (Haugh and Kitson, 2007: 985) that would empower the “private and voluntary sectors to deliver services in innovative ways” (Brown, 2004, p. xiii in Haugh and Kitson, 2007: 985).

Many community activists had been “conscious of their marginalisation during the Thatcher era” and they came to see New Labour’s ‘big tent’ partnership-agenda as a progressive move forward (Davies 2011: 47). The New Labour rhetoric of partnership, promises of more influence in decision-making (Milbourne, 2013: 37) and substantial increases in the resources allocated to the sector (Milbourne and Cushman, 2013) had obvious appeal for many sector organisations, for these changes had the potential to shift them from the margins towards the mainstream (Cairns et al, 2005). New Labour celebrated how the sector was driven by “values” and altruism rather than by profit margins, government promoted the idea that the sector gave a “voice” to communities, and it celebrated the sector’s “founding values” of social justice, fairness and the desire to serve others” (HM Treasury, 2005: 17). There was widespread sectoral buy-in to a “partnership ethos” espoused in the third-way ideology

(Davies, 2009: 88), and with promises from government that consultation and participation would be “embedded into the culture of all councils” (DETR 1998, cited in Lowndes et al, 2001: 205), many organisations and activists rejected conflict for “the virtues” of cooperation, pragmatism and consensus (Davies, 2011: 47). A plethora of new institutions, forums, partnerships and micro-level agencies operating below the local authority level brought together a range of partners into area-based planning, regeneration and service-delivery programmes (Lowndes and Sullivan, 2004: 53; Sullivan and Skelcher, 2002). The sector experienced rapid growth and professionalisation (Potter et al, 2012) as New Labour’s third-way ideology led to the increased involvement of the sector in public service provision contracts (Buckingham, 2012). Although New Labour introduced strategies for the promotion of volunteering, a preference for working with professionalised organisations restricted the scope for volunteering in some sectoral contexts (Rees and Mullins, 2016). Organisations adopted a wide range of practices and organisational cultures that are associated with the private and public sectors (Rees and Mullins, 2016) as successive administrations rolled-out market norms (Hemmings, 2017) through the institutions of civil society (Hughes, 2017).

### **Decoupling from the ‘mini-public sector’: The Coalition and Conservative administrations’ approach to the sector**

When the coalition government was formed in 2010, it sought to change the nature of the relationship that had developed between the sector and government under New Labour administrations. In particular, this took the form of a new policy discourse centred on the ‘Big Society’, intended to be a contrast with the Big State (or ‘Big Government’) supposedly advanced by New Labour. It sought to endorse the positive and proactive role that voluntary action and social enterprise could play in promoting improved social inclusion and ‘fixing Britain’s broken society’ (Davies and Pill, 2012). Government argued that by returning power from the state to the citizen social change could be put back in the hands of people and

communities, and in rhetoric that could easily have been articulated by the previous New Labour administration, the Prime Minister David Cameron (2009) claimed that it was important that “people know that their actions can make a real difference to their local communities”. According to the then Communities Secretary, one of his “most important priorities” was “shift[ing] power away from central government and pass[ing] it to local people and community groups. It is all about empowering the citizens to act collectively on local issues” (Pickles, 2010 cited in Westwood: 2011: 694). In other words, the implicit idea behind the Conservatives ‘Big Society’ was that “the state is bad and almost anything else - the free market, charities, volunteers - is better” (Kisby, 2010: 484). The Big Society agenda included initiatives for promoting volunteering and commitments to localism and the devolution of power from government to individuals and communities (Buckingham, 2012). However, as this renewed focus on the sector and volunteering was occurring within the context of “a raft of austerity measures” (Davies and Blanco, 2016:1521), some critics pointed out that the Big Society discourse was a convenient cover for spending cuts (Potter et al, 2012), with government promoting the virtues of voluntary and community action as alternatives to universal state-run services (Macmillan, 2013). Accelerating processes put in place by New Labour, the Conservative-led Coalition and the subsequent Conservative government drew on the rationale of classical economic theory to argue that improvements in efficiency would emerge when there was sufficient competition to push up performance (Clayton et al. 2016). This largely replicates the concerns expressed during the New Labour era relating to government and private sector encroachment on the space that “properly belongs” (NCVO, 2008: 9) to the voluntary and community sector

Government’s new approach would supposedly renew the sector’s purported innovativeness and vibrancy and free it from the bureaucratic burdens that had morphed it into a “mini public sector” (Social Justice Policy Group, 2006). Despite the rhetorical continuity from New



Labour ‘partnerships’ to the Big Society, the resources to support new developments were reduced. As part of a wider government-led “partial decoupling” of the state and the sector there was a phasing out of financial support for the major sector infrastructure agencies (Macmillan, 2013), and in many areas, localised government-sector networks were decimated by cuts (Davies, 2017). The Conservative government’s privileging of the market as the organising mechanism for the distribution of resources also accelerated changes in the nature of sector organisations and in the relationship between organisations, with small and medium-sized organisations struggling to compete for increasingly large and complex contracts (Egdell and Dutton, 2017).

## **Northern Ireland**

Though obviously not immune to Westminster policy, in Northern Ireland different processes were and are at play in the development of the sector and its relationship with government, with connections and networks being shaped by the region’s history of conflict, division, devolution and repeated political vacuums (Hughes, 2017; Acheson, 2009). Through the period of direct-rule from London following the suspension in 1972 of the devolved administration based at Stormont until the Good Friday Agreement<sup>1</sup> in 1998, close relationships developed between voluntary sector elites and civil servants as they became partners in the “shared endeavor of maintaining sufficient stability for public administration to continue to function” (Acheson, 2009: 70). The sector participated in the governance of the region in a way that would be “unusual, if not unknown, elsewhere” (McCall and Williamson, 2001: 364). The sector had access to financial packages and support from governmental and external funders that were not available in other regions, and historically,

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<sup>1</sup> The Good Friday Agreement brought together the British and Irish government as well as Northern Irish political parties and put in place a consociational governance arrangement for Northern Ireland.

partnership strategies and compacts between the sector and government have gone further than similar arrangements in other regions of the UK (Birrell and Williamson, 2001). Even though the sector was (and remains) largely embedded in the two main protestant/Unionist and catholic/Nationalist ethno-religious blocks (Acheson, 2013), it was believed by direct-rule governments to have value as a partner in the drive towards a peaceful and stable Northern Ireland (DSD, 2003). The sector's role in Northern Irish society had been consolidated over time by a long-standing and largely unchallenged narrative about the sector's "intrinsic value" (DHSS, 1993) as a partner of government in peacemaking and service delivery. In Northern Ireland, particularly during and after the peace process, the sector often seemed to be conflated with civil society, and civil society had become a synonym for the 'good society'. This was a sphere of Northern Irish society that was purportedly characterised by distinctive norms and values and responsible citizenship, "a repository of tolerance, non-discrimination, non-violence, trust and cooperation, freedom and democracy" (Coakley and O'Dowd, 2007: 21). As Acheson (2010, 177) notes, the direct-rule period was characterised by "covert and not so covert attempts to recruit elements of civil society" to the tasks of conflict management and the building of greater civic engagement with the state.

The sector in Northern Ireland had grown substantially in the 1970s and 1980s as it stepped into the vacuum left by the suspension of the devolved administration in 1972 (McCall and O'Dowd, 2008: 33), and with weak representative structures of government (Acheson, 2013), the sector provided a "protorepresentative forum" for members and communities (Birrell and Williamson, 2001: 207). The sector was a major channel for funds from London, the European Union (EU) and other international funders and the sector had become a major player in the implementation of programmes and policies (McCall and Williamson, 2001: 364). During the period of direct rule the sector became largely dependent on funding from

government and philanthropic organizations (McCall and O’Dowd, 2008: 33). With the arrival of the New Labour government in 1997, and their third-way approach to welfare and celebration of active citizenship and ‘community’ (Fyfe, 2005; Levitas, 2000), the sector was the beneficiary of a new UK wide wave of civil society boosterism. In the wake of the paramilitary ceasefires in 1994 and the Good Friday Agreement in 1998, there was a peace dividend for the sector, with the sector experiencing “rapid growth” (McCall and Williamson, 2001: 364) due to EU peace programme funding (McCall and O’Dowd, 2008: 30) and resource transfers from government and private foundations (Braniff and Byrne, 2014: 54).

The political, financial and discursive context within which the sector operated had the potential to change in the shift from the headier days of direct-rule and the post-peace accord funding boom into a period of relative political stability. During the direct-rule period (1972-1998), the leaders of the sector had become accustomed to negotiating directly with senior civil servants and direct-rule ministers without the interposition of local political representatives (Birrell and Williamson, 2001: 213), and with sector’s leading role in EU funded networks, it had developed a rapport with senior EU officials. Following the 1998 Good Friday Agreement and devolution of power to the Northern Ireland Assembly, the sector had to shift its focus onto building relationships with local parties and politicians. These are the same parties and politicians who, when “neutered” by direct-rule, had become “jealous and frustrated by the success of the sector” (McCall and Williamson, 2001: 364) and its usurpation of “the proper functions of elected representatives” (McCall and O’Dowd, 2008: 33; see also Acheson and Milofsky, 2008). Despite this, the Programmes for Government of devolved administrations allayed any fears about conflict and antagonism between local politicians and the sector. The 2001 *Programme for Government* celebrated Northern Ireland’s “vibrant and extensive community and voluntary sector” and its “significant and critical contributions to many aspects of life” (NI Executive, 2001: 15) in the

region. The Programme for Government of the devolved administration echoed the rhetoric of direct-rule administrations, emphasizing the key role of the sector and the importance of involving it in policies and programmes aimed at strengthening “community well-being” (Acheson, 2010: 184). A new devolved administration, following the St. Andrews agreement in 2006, reiterated government’s commitment to act collaboratively with partners in the community and voluntary sectors (NI Executive, 2011, 33). Though a broader based Civic Forum is now defunct, government has committed itself to maintaining channels for engagement between the sector and government through mechanisms like the Joint Voluntary and Community Sector Forum and it consults the sector on a wide range of policy issues.

Despite the rhetoric and continued access to governance spaces, sections of the sector have become agents of government as they deliver public services contracts. The move away from grants to contracts and the embedding of a contract culture accelerated during the New Labour direct-rule interregnum (Acheson, 2013: 10), just as it had in other parts of the UK. Under the banner of “intelligent commissioning” (NIAO, 2010: 23), there has been a large-scale out-sourcing of public services to other providers and the voluntary sector must compete with private contractors. Government still seems committed to building “effective partnerships” and continues to promote the sector’s role in “contributing to the attainment of government objectives” (NIAO, 2010: 55), but increasingly the sector only has value so far as it can deliver public services in an efficient manner “to a pre-determined script” (Acheson, 2013: 10). The new script is also missing any policy content concerning “peace making” and the older “community relations” narratives have also withered. This direct-rule and EU-led rhetoric about civil society and grassroots input to peacebuilding helped provide many organisations with a discourse that justified their existence (and the funding that paid for this existence). However, with the major governing parties’ stuttering attempts to agree and implement cohesion and community relations strategies, and as Northern Ireland has slowly

dropped off the radar of some international funders and philanthropists, the sector has been somewhat robbed of the top-down rhetorical support that gave weight to the claim that it was a distinctive and transformative agent in Northern Irish society (Acheson, 2013: 8). In addition, the British government's pursuit of "an acceptable level of violence" policy (Morrow, 2017) during the 'The Troubles' had involved efforts to grow a politically and culturally ambiguous middle class through the creation of publicly funded jobs (Shirlow and Murtagh, 2006), and the sector acted as another site for the implementation of this policy. With the withdrawal of international funders and the implementation of Westminster austerity policies from 2010 onwards, the resources required for this class-building conflict management strategy are no longer available. Despite the decades of close government-sector relationships and the sector's central role in governance, and despite the cooption and dependency that occurred during the conflict and the New Labour years, government has continued to be a cheerleader in the representation of the sector as strong, critical, campaigning and independent (DSD, 2011). However, with a clear move away from the civil society boosterism of the peace process era, recent consultations and 'toolkits' suggest a subtle shift in tone in government's rhetoric concerning the relationship between government and the sector. These documents contain rhetorical artefacts from the 'golden-age' of the New Labour era, with government claiming that they want to support and "harness the energy and social capital which exists in communities" (DfC, 2016: 3). However, in language that is strikingly similar to that employed by Conservative government ministers, this policy documentation also argues that the sector must become more sustainable and transition "away from reliance on grant based funding" (Ibid: 3).<sup>2</sup> Northern Ireland's government departments are now seeking to help third sector organisations develop the skills and knowledge they will need to "raise investment", access a more diverse range of income sources and survive the

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<sup>2</sup> These strategies recognise that "an element of grant funding might still be the most relevant for some third sector organisations" (ibid: 3).

“significant challenges in relation to a much tighter public funding environment” (DfC, 2016: 4). Given the “partial decoupling” of the state and the voluntary sector in both Northern Ireland and in the wider UK (Macmillan, 2013; Ketola and Hughes, 2016), this research set out to explore the views and experiences of those charged with managing the changing relationship between government and the sector. This is a particularly important entry point in a context like Northern Ireland where the formalised relationships between the civil service and the sector bureaucracy are the key contributors to co-constructed narratives about the sector’s identity and role in governance. This research shares evidence to suggest that one of the two key players in the framing of the sector’s identity –senior government officials – may be working from different assumptions than those that had underpinned previous rhetoric and policy towards the sector.

## **Methods**

The data for this paper was collected as part of a research programme that focused on relationships between government and the sector, between sector organisations and on the independence of the voluntary and community sector (Ketola and Hughes, 2016). Funded by the Building Change Trust as part of their Civic Activism programme, the research draws on fieldwork conducted between 2014 and 2016. The wider objective of the research was to analyse how voluntary and community sector organisations understand the notion of independence, and how this shapes their relationships with government and the wider environment within which they operate. All of the research was reviewed and approved by a university ethics committee. The findings draw on data collected from 62 semi-structured interviews with participants from a range of government departments and intermediary funding bodies as well as staff and volunteers drawn from a range of subsectors in the voluntary and community sector. Key informants were selected because, as a result of their

position, they were able to provide deep insights into the topics under investigation. Their role or position had to expose them to the kind of information necessary to address the research objectives, and the informant should have had reason to think about the issues in a meaningful way (see Marshall, 1996).

The interview questions required respondents to critically reflect on their own practice, views and experiences, and therefore the data captures individual perspectives rather than official, organisational or departmental policy. Following an initial immersion in data through reading and re-reading interview transcripts, a template of a priori concepts, themes and codes based on existing theory and empirical studies was used as an initial framework for the analysis and coding of policy documents. Key themes here focused on co-option, competition, isomorphism and voice. This template was then iteratively developed further as themes and codes emerged out of the policy texts. This approach allowed for the systematic identification of continuities and differences in policy narratives over time.

## **Findings**

Government's policy documentation continues to claim that decision-makers value the "wealth of expertise and experience" that the sector brings to public policy making, and in language that is reminiscent of the New Labour era, government departments assert that they will "take forward significant cross-cutting policy development" by using "a co-design and partnership approach" (DfC, 2016). To some extent, this kind of partnership rhetoric is reflected in the language employed by officials involved in government-sector partnerships:

*You don't want to end up with the government doing things to the sector, it's more doing things with the sector... we are committed to helping voluntary and community organisations operate more effectively and efficiently...we are looking at maximising participation in procurement and policy development. (Government official)*

However, when governmental interviewees were drawn into a dialogue about the politics and economics of partnership-working, their views and language became more nuanced, and it is clear that their vision of future government-sector relationships is in alignment with the decoupling and instrumentalist messages contained in recent policy documents. Government officials participating in this research were keen to stress that there was now a shift to “funding what is needed rather than what is available”, and interviewees seem to be challenging the largely unquestioned belief that the sector has either some ‘intrinsic value’ or a role and nature that distinguishes it from other sectors. As MacMillan (2012: 3) suggests, in recent years “practitioners and academics appear to have put a lot of effort into the task of identifying and articulating the distinctive character, practices and contribution of the third sector”. However, a key finding of this research was that while debates concerning the sector’s purportedly ‘distinctive character’ of ‘innovativeness’ and ‘flexibility’ may be central to self-validating narratives constructed within the sector, these discussions and debates seem to have had little influence on the thinking of decision-makers at the individual level. It is clear in interviews with officials involved in government-sector partnerships that the sector is increasingly seen as an interchangeable part of the service-delivery mix, and what emerges from the data is a nuanced critique of the sector’s ‘dependency’ on government funding and its perceived sense of entitlement:

*There is a dependency...there is an expectation that the existence of organisations will be preserved because they are third sector organisations rather than because of the role that they are playing. [Government official]*

*Often when we are engaging with them it is about the contracting of a delivery of a service and they want to be paid for that service, but in that respect they are the same as a commercial provider, or in fact a public provider, and their pay policies reflect the public sector usually, so what’s the advantage then, you would have to say. [Government official]*

*The sector are very stuck in the structures that were there twenty five years ago... they have drifted along on this stream of central government and European funding... if you look at other parts of the world, or industry or whatever, it has all changed, it has changed to reflect the changes in society, but those voluntary and community*



*organisations haven't changed... did people think because they signed a bit of paper in 1998 that that would be it. [Government official]*

By specifying '1998', and by suggesting that some organisations believe that they have an inherent value because of their sectoral status, officials may be referencing attitudes and structures that became entrenched during the early 1990s and post-agreement funding boom. After the signing of the peace accords in 1998, Northern Ireland enjoyed a flood of international goodwill and generous funding for peace programmes, and this allowed for the rapid growth and professionalisation of the sector. Government had argued that the sector was "well placed to help build better relationships within and between communities" (DSD, 2005: 4), it was lauded as the 'glue holding society together' and it enjoyed a celebratory rhetoric concerning its purported contribution to democracy and peace-building. Interview data collected with funding-body officials, and recent policy documentation, are now largely devoid of the kind of New Labour discourses that had placed the sector at the heart of government strategies for refreshing relationships within and between communities and between communities and the state. These changing narratives of government-sector relationships seem to reflect a view among some officials that sections of the sector are a funding-dependent artefact from the peace-process era, and this is a view that is shared by some individuals working in the sector. One government official captures the changing mood succinctly by arguing that departments now fund "organizations to deliver public services and outcomes, not to exist", thus suggesting that some decision-makers would like to see a move away from the "manufactured civil society" (Hodgson, 2004) that arose out of "historical funding patterns", generous funding from external funders and New Labour's third-way policies. Following the narrative being set by Westminster, and in line with the devolved administration's efforts to make the voluntary sector less reliant on government funding, officials would like voluntary organisations to take ownership of a rationalisation process and become more independent.

*There is a challenge there in harnessing all that is good about the third sector...it's how you harness that to deliver the outcomes that the various government departments want to achieve but with less resources. So there is a challenge there for the sector, can the sector step-up, can it rationalise itself. [Government official]*

Government officials echo some in the sector by calling for a more realistic attitude to the changing environment and they hope that the sector will engage in strategic collaborations, mergers and rationalisation. In line with the new language utilised in policy documents, organisations will now have to be 'ready for investment' and flexible in their collaborations and working practices:

*The organisations have to change, some of them are up for it some of them aren't. The stronger ones will, the more realistic ones will look to collaborate. Others won't and that will have consequences for how attractive they are to invest in... more switched on groups will see that as an opportunity to merge, to amalgamate, to pick their strengths. The less switched on ones will go into a competition and fall off the funding line and be in a very difficult position. [Government official]*

With voluntary organisations often being regarded as little more than alternative providers (Macmillan, 2010; Lewis 1999), governments in the UK and Northern Ireland have defied the logic of their own 'partnership' rhetoric (Stewart, 2007) with an instrumental approach to and relationship with the sector. However, it is becoming increasingly clear that government intends to harness those parts of the sector that can deliver outcomes in a cost-efficient way while simultaneously decoupling from other sections of the sector, and despite the references to partnership in policy documents, government may be becoming less apologetic about its instrumental approach. Given the UK government's austerity agenda, it is perhaps unsurprising that in the interview data there is a renewed emphasis on developing structures for unpaid voluntary action, with volunteers filling vacuums left by the state's withdrawal.

*Society depends on public money, so there has to be a change in society so that things that were maybe done by government and through the public sector could well be done on a voluntary basis...it doesn't mean government steps back, but it does mean it could put in an infrastructure that is populated by volunteers... activities...could be provided on a voluntary basis by the community, and the voluntary sector could organise that. [Government official]*

The sector, in this narrative, can be used instrumentally for the transfer of responsibilities from the state. Despite the language of ‘harnessing the sector’, some government officials interviewed for this research are keen to stress that parts of the sector remain an invaluable partner in terms of designing and implementing policy and programmes. Where there is a genuine co-dependency between government and a funded organisation, when an organisation delivers specialist services or when organisations have a quasi-statutory role, organisations can influence government’s agenda in a particular policy field. Some organisations operate in a kind of ‘policy community’ within which they have become a credible voice through longstanding relationships and a clear ability to evidence results. Government will recognise the sector’s knowledge and expertise in circumstances where it’s agenda and that of a voluntary sector organisation are in alignment. This suggests that the idea of interdependent relationships between the sector and the state still have traction in the bureaucracy that manages these relationships. However, with a restructuring of the relationship between the state and the sector, organisations may have to align *their* objectives even more closely with government objectives if they are to survive the “tighter public funding environment”. Government officials recognise that this will raise difficult issues for sector organisations as regards their independence and mission.

*We have moved more to a service delivery model, we are prescribing the outcomes... what does that mean for the independence of the sector, I don't know, because we will be saying look, we want you to be doing A, B, C, and D, for us. Now, does doing A, B, C, and D mean you are not really independent from us, you are just an agent, and where does the challenge go? Do bits of the sector feel confident to say no we don't want to do that? [Government official]*

In general, the data collected as part of this research shows less evidence of the ‘equitable partners’ narrative that had dominated policy language for decades. Whereas in the past there were promises from government that asymmetries in power and influence would be addressed, there is now greater recognition of the fact that, in practice, it is difficult to reconcile the differences in power between a voluntary sector organization and government

funder. There may be top-down rhetorical support for a distinct sphere of independent voluntary and community action that is supported through diverse financial sources and voluntarism, but government's own funding decision-making processes will be driven by prescriptive outcomes and budgetary concerns. For some officials, claims to sectoral independence were always somewhat exaggerated for those organisations engaged in funded relationships with government. This suggests that changes in the narrative surrounding government-sector relationships reflect a rhetorical shift that has little practical significance.

*To some extent their [the funded sector's] independence is curtailed, because when you get into a project or programme or arrangement with government, whatever part of government it is, it will have various conditions and it will set those conditions...that is a challenge for the sector and the officials involved, to find a middle way that delivers what government wants and to some extent doesn't compromise the sector. [Government official]*

Policy documentation and officials are clearly signalling that there is to be a shift in the practical nature and understandings of government-sector relationships, with the sector being charged to deliver more highly specified outcomes within the context of reducing budgets. Some officials involved in government-sector partnerships are keen to stress that, as there is no compulsion in the relationship, threats to independence are largely an issue for individual sector organisations to resolve, and some argue that issues such as 'mission drift' can be more reflective of an organisation's efforts to prioritise its own survival than top-down diktats. As Chapman (2017: 19) argues, it has been demonstrated that focusing primarily on income generation can create problems for organisations if they are ill-equipped to do the work for which they are funded. In the context of Northern Ireland, a number of funders expressed concern at how, as one interviewee suggests, "organisations have found themselves in difficulties as they try to fit round pegs in square holes." Though there will be support for organisations to make the transition to financial independence and for the rationalisation of the sector through collaborations and mergers, the above data indicates that there is less

patience amongst decision-makers for organisational decision-making that is driven solely by financial concerns or the instinct to maintain organisational survival.

## **Conclusion**

In many ways the findings of this research are in line with studies conducted in other regions of the UK. Decision-makers' repeated references to constrained budgets, financial dependency, efficiency and rationalisation, alongside an increasingly instrumental view of the sector, suggests that a culture of "austrian realism" (Davies, 2017; Davies and Blanco, 2016; Davies and Thompson, 2016) has become embedded within the governing bureaucracy in Northern Ireland. The concept of austrian realism succinctly captures the doctrines and processes that produce the circumstances whereby local government will "diligently, though reluctantly" (Davies, 2017: 23) deliver the governing centre's austerity agenda and the associated cuts to services "for lack of any perceived political alternative" (Davies and Blanco, 2016: 1524). However, this research also suggests that local factors are driving the changing narratives and practices as regards to government-sector partnerships and relationships within the sector. The withdrawal of international funders, reducing levels of peace-funding, a dysfunctional devolved government, the scaling up of contracts and cuts to the Stormont budget have combined to increase uncertainty, competition and mission drift within a sector whose nature and role was the outcome of a distinct mix of political and financial factors and governance arrangements. The evidence suggests that decision-makers will unapologetically harness the sector to deliver specified outcomes to a pre-determined script, and this will raise a plethora of questions for sectoral organizations as they attempt chart their way through a new set of political and economic realities.

The direction of travel suggested in our interview data has begun to percolate through into policy documents. For example, in December 2016, the Department for

Communities produced a policy document that stressed the need for the sector to begin a process of taking ownership of the new realities. Entitled ‘How investment ready are you?’ the document highlights the ‘significant challenges’ of a ‘much tighter public funding environment’ and aims to help organisations to navigate these changes facing the sector (DfC, 2016: 3). Put in another way, the culture of “austrian realism” is being concretised in formalised government policy documentation.

This article has suggested that the framing of the government-sector relationship has been challenged by new policy narratives that offer competing representations of the nature of this relationship. These narratives are now catching up with contemporary policy realities, guided by austerity policies and a desire to provide a framework for future policy change.

However, whether the policy trajectories indicated by the developments covered in this paper turn into long-term policy frameworks remains to be seen. The £1bn agreement between the UK Conservative minority government formed in 2015 and the Democratic Unionist Party (DUP), if realised, is likely to trickle down in part to the sector. This would reduce the pressures to enact some of the policies suggested in the article. Similarly, the collapse of the devolved Northern Ireland government in early 2017 may reinvigorate the relationship between government and the sector, just as past political crises and suspensions allowed the sector to fill a governance vacuum. Given the DUP deal and the lack of political stability, the implications of the austerity agenda may well be mitigated for some actors within the sector.

Looking forward, future research in this area should be sensitive not only to the impact of austerity on reframing the narratives and policies structuring the government-sector relations but also to the structural impediments to the straightforward enactment of an agenda that has its roots in “austrian realism”.

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