

## **The Churches, voluntary organizations and the state – and the Big Society**

*Paper delivered by Helen O'Brien, Chief Executive of CSAN at the Von Hügel Institute's conference on the Big Society and Catholic Social Thought, held at St Edmund's College, Cambridge 25-26<sup>th</sup> June 2012.*

### **Who I am**

I'm speaking to you as a practitioner, the chief executive of a Roman Catholic Church organisation nurturing a network of charities who work in social action and for social justice in England and Wales. Our work is founded in the precepts of Catholic Social Teaching. Caritas Social Action Network (CSAN) has been in this form since 2004 with its roots in the Catholic Children's Societies and the Work Committee of the Bishops' Conference. A Millennium project in fact. CSAN is a member of Caritas Internationalis, which itself is a part of the Vatican's response to world needs, and operates in the context of the major NGOs.. The members of CSAN – charities, groups, voluntary organisations, some with multi-million pound turnover, and some with just a few hundred thousand or less – are now joined by two Diocesan members, Salford and Westminster, with a development plan to include more.

The aim is to support and enhance the grassroots work which is going on in parishes now. We hope to grow the work, the impact and our voice for advocacy on behalf of the poor and marginalised.

It is all very Big Society – or is big society simply aiming for social responsibility and action? I think that is a genuine aim, but it is joined by financially driven reform which threatens to overwhelm the whole.

So I speak, as CEO of CSAN, through the prism of the poor and vulnerable. A key concern for the whole voluntary sector, of course.

And from two viewpoints: the first that of our members, and the services which they deliver. What is the big society effect on the way they fund and operate their services?

The second is as advocate. How does the big society legislation affect the lives and well-being of the poor and vulnerable, and the capacity of the voluntary sector (of which Church charities form an important part) to do their job?

In other words, where is solidarity and subsidiarity in all of this?

### **What I am going to say**

I'm going to look at the first Big Society idea. What was it exactly?

And defining what it means for the state, for the voluntary sector and for individuals, particularly the poor and marginal will be a theme throughout.

I will then look at the first response to the idea by churches and charities.

And then, in some detail, as the big society is now un-folding, I will be looking at the gaps and inconsistencies affecting charities, churches and people.

I hope some of the examples will resonate with you.

And finally, I will draw some conclusions – what to beware and what to embrace

## The Big Society idea

It started so well. The Big Society, something between an ideology for action and a philosophical concept, whose roots are deep, swam into public consciousness with the Prime Minister's speech to the Young Foundation in November 2009.

The phrase caught the imagination. It was easily remembered and neutrally engaging; it offered an antidote to the Big State – for those who craved such medicine – and also was a note of respect to the citizen and to societies 'little platoons'.

And the charities were interested too – and possibly hopeful for largesse. After all, hadn't we all been doing the big society for the whole of our history. We deserved attention and encouragement surely? But it did not do to rely on the rewards of the righteous. If there is one un-broadcast but key characteristic of the Big Society it is that it needs to be both chased down and taken up. To paraphrase – the Lord helps those who help themselves. Or as Jon Cruddas MP said to me the other week, 'the Big Society is up for grabs'.

So what is the Big Society?

David Cameron, pre- Prime Minister, said in that lecture

***'Our alternative to big government is the big society. But we understand that the big society is not just going to spring to life on its own: we need strong and concerted government action to make it happen. We need to use the state to remake society.'***

He spoke of a major redistribution of power to tackle the stubborn social problems with three key approaches:

- Decentralisation
- Transparency
- Accountability

Now translated into:

- Community empowerment
- Opening up public services and
- Social action

And he spoke of groups of people who would help to create the Big Society and devise a strategy for social action:

- Social entrepreneurs – of whom very few were identified
- Social enterprises – which today add £24billion to the UK economy
- The majority of the population – described as the hardest bit of the jigsaw.

And he aired the concepts around behavioural theory, working with the grain of human nature and nudge.

And vitally, with realism he commented:

***'This is not the work of one parliamentary term, or even two. Culture change is much harder than state control. It will take more than a generation. But it is because I believe the appetite for change is there that I know that change will come.'***

But no real definition.

### A first critique

Mr. Cameron described the Big Society as his passion and his mission at a re-launch of big society in February 2011, and I believe that. But it is quite clear that some of the issues, gaps and difficulties with the big society which are being looked at here, were not only predictable but were well predicted.

The frailties around the mass of the people needed to deliver the idea, the length of the change timeframe, and the huge culture-change programme needed for the Civil Service were evident already in that Young Foundation lecture of 2009. And was it clear what big society actually was?

All that, of course, before the exigencies of the comprehensive spending review and the deficit reduction programme.

One early thorough exploration of the big society ideology which focused on the public services settlement was from the 2020 Public Services Trust at the RSA culminating in September 2010. The title of their final report was *'From social security to social productivity: a vision for 2020 Public Services.'* - and the title and its theme of productivity is significant.

Back in 2010 the financial writing was on the wall. We all knew that something had to be done. The link in the report between social renewal, and financially imperative social reform is clearly made. And today's training offer on my mobile of 'new funding opportunities for charities, voluntary groups and social enterprises' around the Big Society £600million investment fund demonstrates the significance. *'This offers the government's vision for this funding to allow charities, voluntary and community groups and social enterprises to work together with local and central government departments to deliver efficient public services.'*

Working in partnership with local government, and with a savvy understanding of how to do that, is ***becoming the imperative form of operation*** for funded social services. And this has profound implications for the charitable sector. Not a parallel force which works differently from government and commerce, with different

motivations and ethos: But a group of in-touch experts to be co-opted into the project.

Matthew Taylor, CEO of the RSA, commented in an aside to Francis Maude, Minister for the Cabinet Office at the launch of that report– I hope this goes ahead and doesn't just disappear; we've put a lot into this!

But it isn't going to disappear, the 'genie is out of the bottle'- as commented Caroline Slocock director of Civil Exchange and author of their 2012 Big Society Audit - with an array of initiatives from government in place and still going strong. The Localism Act, the Welfare Reform Act, free schools, Social Impact Bonds and Big Society Capital - even, and finally in the recent green paper from Iain Duncan Smith's DWP, plans for a suitable form of evaluation.

And if we take the intent (or at least a part of the intent) to be to reform a good, or a connected, or a socially engaged society – it shouldn't disappear. ***We must all, surely, be invested in that aim even if sceptical about the big society project?***

## The response

So that was the proposition from the State, and the Churches and charities have responded variously.

The RC church did some thinking – forming a 'deepening social engagement' programme of diverse events. And we reflected with others on the possible commonality between Catholic Social Teaching and big society, and indeed the possible misunderstandings. Dr Anna Rowlands summarised one anxiety which is proving to be a serious 'gap' in the essential concept. At our summer conference she commented that subsidiarity and solidarity had to be seen together:

*'the state must guard against failing to exercise its unique capacity to organise, distribute, regulate, intervene, stimulate and protect the conditions for the common good'*

Baroness Warsi was sensitive to this when speaking at a later conference:

*'For me the big society...is not a cover for the Government to leave the stage.'*

Did we feel that it was an honest venture for social renewal? Well, Edward Stourton conducted a straw poll at our event in early 2011, asking the 200 or so delegates from parliament, think tanks, Churches and charities if they felt the big society was a cover for cuts. But by a large majority they said no – they felt there was a genuine moral agenda. However there was no denying the unfortunate clash in the timing.

This was typical of the early response by Churches and charities, to reflect on the possibilities and challenges in a spirit of goodwill and the hope that we might participate in the society mission for the benefit of those with whom we walk and for whom we work.

We all paid attention.

It has to be said that scepticism and challenges to the practice and concept are now high. The appraisal and critique of the big society has taken the form either of the identification or fear of ‘gaps’ of one sort or another. Or it has demonstrated a sense of outrage at the perceived dissonance between the rhetoric of the big society and the impact in reality on the Churches and charities and in particular on the poor and vulnerable.

## Exploring the gaps and the dissonance

I’m going to play the role of the ‘critical friend’ and look at some of those gaps and seek out some evident dissonance between rhetoric and reality. I’m also going to note the good news – for that is where we will need to build.

### The poverty gap

The poor, as OXFAM recently commented, face a ‘perfect storm of benefit cuts, rising living costs and a lack of jobs.’ We know that thousands more are turning to food banks – the last line of defence for families – and that austerity measures are hitting the poor and vulnerable disproportionately. Even a minor reduction of income or increase in costs can’t be absorbed if the money only just lasts the week.

- Average earnings have shrunk by 4.4 per cent, (but the pay of the FTSE top 100 company directors has risen by 49 per cent).
- 22.2% of the UK population lived in relative poverty, that is in households with annual incomes below 60per cent of the median (after housing costs) in 2009-10, a slight improvement over 1999/2000.

Some examples of the effect of the cuts from my home town, London: And they are hard to believe. Carmel McConnell from the Magic Breakfast, a breakfast club feeding 3.000 pupils in 127 primary schools said *‘In every school we’re in, we are seeing starving children – and I use that word advisedly and accurately.’*

Chris Mould of the Trussell Trust, which operates food banks, said *‘We see parents who’ve fed their kids but not had anything themselves other than toast for up to two weeks’*  
(*Evening standard 5 April*)

And many of the cuts have yet to be felt.

Work is not, sadly, the final solution. 6 in 10 of the nearly 8 million working-age adults in poverty are **not** from jobless households. Some neighbourhoods may be able to offer support; but some simply have not been able to create the social capital to enable action.

Some neighbourhoods are under threat as a consequence **of reductions to social security** in the Welfare Reform Act.

One of the clearest contradictions between action and the rhetoric of the big society has been the implementation of policies leading to widespread domestic migration.

Under the Benefit Cap – a key provision of the Welfare Reform Act- 25% of 2 child families and 50% of 3 child families in Greater London will be left unable to afford their rent, leaving them with little option other than to seek cheaper accommodation elsewhere.

The government has openly acknowledged that domestic migration will be a result of such policies. Lord Freud's somewhat infamous statement that families left unable to afford their rent could get a job, negotiate a lower rent, use their savings or move, leaves moving as the only realistic option. Our service users pointed out that despite their best efforts jobs were unavailable, they had no savings and they felt they had no chance of negotiating cheaper rents.

Some people will be forced to leave areas where their families have lived for generations; children will have to move schools; and extended families will be split up. Newham Council's recent plans to move council tenants to Stoke-on Trent illustrate how far from their homes some people may ultimately be relocated.

And yet,..... the Evening Standard, the London newspaper, reported on 15 June that the *'housing benefit cuts are driving thousands of Londoners to seek work. More than a third of new tenants affected by the caps tried to find a job...another 20% looked for a better job.'* The study was only of new tenants and findings are preliminary but this may be straws in the wind of the government hoped-for behaviour changes. Is this good news?

But also *'More than half of new claimants...in shortfall...were spending less on non-essentials, borrowing money or digging into savings.'*

Clearly, the overall impact on people is yet to be realised.

And some neighbourhoods are under threat because of **lack of social capital**- here's an example

*The Church of England 'Near Neighbours' Project gained early purchase on big society obtaining £5million funding over 3 years to 'bring people together who are near neighbours in communities that are religiously and ethnically diverse,.' A community venture with impeccable big society credentials, it seeks both social interaction and social action. With four local centres and six national Faith partners, much is being achieved. The programme manager, Liz Connelley commented on the difficulty of evaluating such work and the problem of lack of infrastructure support for the local churches. The key need for that support and for this project was because areas of most need were also the areas where the people lacked the skills and capacity to help themselves.*

*It is unclear if this well-publicised and effective project will receive on-going funding.*

This gap between affluent neighbourhoods and deprived communities is evidenced in the Big Society Audit. Just over 50% of people in the most deprived areas feel the neighbourhood 'pulls together', compared with 78% in most affluent communities. And the young have less confidence in their communities than the old. Only 55% of 16 -24 year olds say that their neighbourhood pulls together compared to 73% over 65.

It is inadequate to distinguish finances as the only definition of poverty (although enough money for housing, warmth and food is the absolute baseline and lack of that unacceptable in this society or any other) – poverty of strength in community, of aspiration, of participation, of education, of spirituality – and I want to comment on one aspect – of participation and the discrimination which prevents it.

The Joint Committee for Human Rights reported earlier this year that six of the UK's leading disability charities are now regularly contacted by disabled people who say that they have been taunted on the street about supposedly faking their disability and expressed their concern that the 'climate of suspicion' could escalate into hate crimes or even violence.

The coalition has faced particular criticism for linking the 30% rise in Disability Living Allowance costs to fraud and abuse, rather than tackling the key demographic issues behind the increase. Ministers have also been accused of playing down the fact that 40% of appeals against decisions on DLA are currently successful, and fraud stands at just 0.5%

Of course this is not to say that the government takes disability hate-crime lightly. It should also be noted that the DWP is actively engaging with disabled people in shaping the reforms. Yet by focusing on 'benefit cheats', and creating a narrative reminiscent of the 'undeserving poor' the kind of solidarity and tolerance that should be at the heart of the Big Society is being undercut

### **The gap in civic society and resources for its development**

' Far from making the voluntary sector stronger, says the Civil Exchange Big Society Audit, the initial impact of the Big Society has been to deliver something of a body blow, with an estimated £3.3 Billion in cuts in statutory funding to the voluntary sector as a whole between 2011 and 2016 with 75% of these coming through local authorities.' And despite the subsequent U-turn, the threat to tax relief on philanthropic giving has filtered through into 'no' answers to funding applications for that reason – and I speak from bitter experience.

In a brief survey on the impact of cuts on some of our 40 member charities, with one exception, they all members have been hit by the cuts. They are mostly via local authorities and typically 5% to 10%.

In the north, we hear that tender prices have simply been unilaterally reduced.

Three charities have faced project closures while another lost £250,000 funding for two of its projects. Another faced costs of £58,000 for 15 staff made redundant.

6 schools have lost their school counselling services, while charities in the Midlands and in the North-West both highlighted the issue of the expectation of more for less.

One member also highlighted how individual staff members have taken pay cuts to keep the services going and that terms and conditions of staff members were also under consultation. Another said that their staff had had their hours reduced in order to make the projects financially feasible. This in the context of more work and longer hours.

Nearly all organisations predicted that the cuts and service closures would be worse in the next financial year.

When giving evidence to the Public Administration Committee on The Big Society, Bishop Tim Stevens who works closely with the Children's Society commented that the way public funding is withdrawn, the speed of it, the consequences on the vulnerable and on the charities and their volunteers ...is not taken account of by Government. This is a common refrain – things are not thought through. And there are serious consequences for the voluntary sector and for the vulnerable.

***From the effects of the cuts, I move on now to a key big society process, the commissioning of services.***

A consequence of the tendering and commissioning process, which may be unintended, is the devolution from the centre not to a coherent local infrastructure and thence to voluntary organisations, but a **fragmenting of public services to private** companies – or public service industries. In effect, the government has outsourced them to large private companies. In the words of one commentator it is “*more big Serco than Big Society.*”

There was widespread coverage last April when forty contracts for the Work Programme were handed out – with only two going to not-for-profit organisations while seven went to Ingeus Deloitte.

And payment-by-results systems operating with regard to many services, mean that smaller NGOs cannot put the necessary capital upfront to secure contracts, whereas companies such as Serco, G4S, A4E etc. can take the risk and consequently dominate the field.

The Civil Exchange *Big Society Audit 2012* recognised “*an implicit bias toward the private sector in tendering for public services.*” *‘it is especially hard for small local voluntary and community organisations to compete, despite the specialist skills and knowledge they may bring which could lead to better outcomes.’*

But it is by no means clear that the Government wants to see charities and voluntary organisations, with their particular expertise and local and particular ways of working at the centre of things. This sector, in Iain Duncan Smith's words, becomes ‘delivery organisations’. I quote from the recent green paper, ***Social Justice: transforming lives.***

*'over the next few months we want to engage delivery organisations, commissioners, local government, business leaders, service users and others in moving our vision of Social Justice forward'*

Now, it may be just me, but delivery organisation does not have the same ring as charity or indeed Church.

And yet the voluntary sector is trusted by the public and reaches out to people in ways political parties can no longer do. Membership of the three main green charities is about 5 million and 60% of people donated to a charity in the last month. Politicians also see that activism is at its healthiest locally. 50% of people believe getting involved can change their area, compared to just 30% who feel that getting involved nationally can change the way the UK is run. Politicians should take heed. It is certainly in the interests of politicians promoting the big society agenda to engage very publicly with the voluntary sector and to recognise its clear grassroots strengths.

But despite the generally-felt difficulties with government of funding, of processes and of lack of authentic collaboration, charities are continuing robustly, even in the knowledge that they are being called upon to do more for less. There is, of course, a feeling that this cannot go on indefinitely, and the financial facts of life articulated by Cabinet Secretary, Sir Jeremy Heywood on 21 June in The Daily Telegraph which sees the cuts continuing for another 8 years are chilling.

Some are responding to the new agenda, in a way which cannily respects their aims and mission while meeting the Government's processes half-way. For example, Locality, which was formed in 2010 through the merger of bassac and the Development Trusts Association and which claims to be the country's leading network of community owned and led organizations. This organisation appears to have gone with the grain of the government's nature in the way they are looking to communities and neighbourhoods – and why not? This charity of some £5million turnover and 50 staff won the hard-fought contract for the community organisers programme, which was an early launch in the big society, although their definition of an organiser is somewhat controversial. The secret to success may well be that its 4,500 volunteers hang upon the structure of the 500 trained and paid senior organisers. This infrastructure around which volunteers may cluster is crucial – and the loss of the Citizen's Advice Bureau and local libraries are cases which prove the point.

And then an example of success in engagement by PACT (Prison Advice and Care Trust), which works with prisoners, families and victims, of using their core mission-led services to offer both community benefit and the identification of the financial saving to the public purse – the key element of the social productivity agenda. New research based on the integrated family support service in 3 prisons shows a saving of over £1.2 million annually. Or, in other words every £1 invested in supporting prisoners' families could save the taxpayer £11. This sort of data is, of course invaluable in the construction and risk-assessment for any Social Impact Bond and payment-by-results stream.

One interesting 'early adopter' of the big society was The Cinnamon Network, created for the purpose of responding to that agenda, which has pulled together

over 100 representatives of Christian churches, many Evangelical and Pentecostal churches, The Salvation Army, The RC church, the C of E, and charities such as Oasis with a foundation in Christianity.

With Lord Wei at their first meeting, demonstrating the big society via the metaphor of the computer, (just try it out and scale it up, abandon if necessary) and later Rt. Hon Eric Pickles talking about Localism, the network was engaging with the Big Society.

They have done some counting of social action in these Churches: Key statistics are:

- the contribution to social initiatives of £1billion
- 72 million hours per year of volunteering for social initiatives by churches
- An average of £7,000 per church on approximately 3 initiatives

Despite that start and those statistics, its energetic leader, Matt Bird feels 'Not sure he gets the big society', but feels that the Churches do.

This sense of vagueness about the big society has been quite typical amongst those whose feelings were canvassed – energetic, socially active and interested though they all were.

## Conclusion

So what conclusions can be derived from this brief scan of the sector in relation to the big society project?

We should BEWARE

**The poverty gap** – where the greatest impact of the cuts are seen in the poorest communities with little social capital: where work alone is not sufficient for a family to live out of poverty: and where the gap between rich and poor is growing, insulting and demoralising; and where the gaps between north and south, optimally educated and ill-educated; old and young are notably growing;

**The gap in civic society and the resources for its development** – where the communication between government and the third sector is patchy and rushed, and the influence of the charity sector is less than it should be (given its expertise and the tenets of the Big Society): Where social enterprise and social productivity is under-financed and over-risky: where the public service industries are squeezing the medium and small sized charities and community groups for vital funds; where we already donate significant amounts to charity and are unlikely to find more; and where our volunteering capacity seems stalled at about 10% of people and they mostly from the middle-aged, middle classes

But let us EMBRACE

**The change timescale** – it will be worth waiting for a generation if there is a genuine legacy of a cohesive society with robust communities and responsible individuals. This, of course, implies a considerable self-sacrifice of a government with a 5-year (at best) time-span

Let us embrace

**The involvement of the majority** - for that we need the ability to lift our eyes from the austerity horizon and invest in a realistic infrastructure which will enable the charitable and voluntary sector and the public service industries and private and commercial ventures each to find their appropriate role and space; where a renewed civic order including central and local government, City Mayors, parish councils, community trusts is able to support social enterprise, social capital and community capacity; where solidarity and subsidiarity find the right balance; and where that tricky majority can find their place.

Let us embrace

**A deliberate change management process** – we can't trust change to happen because we think (and was this just wishful thinking from David Cameron anyway) people want it to happen. At the very least people need to be clear about the vision; unhappy with what is being achieved now; impressed with the steps to make it happen and be able to satisfy an enlightened self-interest to overcome the natural inertia to change. Certain individuals in Parliament (not just government) can certainly be identified who are interested in the success of the big society concept-but not so, I believe, in the general public or even the charitable sector. We all need to be convinced, encouraged and enabled.

Let us embrace

**A focus on the poor and vulnerable** – it's a given that we judge the quality of a society by the way it treats its poor. If their lot, if we, are improved by a society enhanced by the concept of big society, possibly - in the lack of a coherent definition-a meaning interpreted by Churches, communities and the voluntary sector to meet their own mission, vision and aspirations (but no matter) then we will know that we have succeeded.

Implicit in achieving that will be the solving of the problems to beware mentioned above – the reduction of those gaps, most notably between rich and poor: the eradication of child, or preferably family poverty; the restructuring of institutions to enable these changes, most particularly at the level of infrastructure; and the participation of the majority of citizens in this endeavour.

A programme indeed!

And how to do this?

Well the Archbishop of Canterbury caught the Jubilee mood a couple of weeks ago in the service of Thanksgiving – and took the opportunity to describe the new citizen required for today's world. Moralists, he said,...will make no difference unless and until people see that there is something transforming and exhilarating about the prospect of a whole community rejoicing together – being glad of each other's happiness and safety. This alone is what will save us from the traps of ludicrous

financial greed, of environmental recklessness, of collective fear of strangers and collective contempt for the unsuccessful and marginal.'

So, as individuals, we should be thoughtful and prophetic and efficient in what we do, and we must find joy in the work in the years to come. And then, perhaps, people will join the endeavour, and we may really all be in this together.