Witness Seminar: The Voluntary Sector in 1980s Britain

Abridged

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This witness seminar was held on 11 December 2009 at the National Council of Voluntary Organisations, London

Nicholas Deakin: I would like to underline the pervasive effect of the reliance of the Thatcher government on the market as the agent of change and not only, though perhaps primarily, in addressing Britain’s economic problems. Market mechanisms for that government were to be the guarantor of change and the means by which those notorious three ’e’s—efficiency, economy, effectiveness—were to be achieved. Within this context the government’s repeated stress was on individual empowerment ending the so-called dependency culture. It seems to me the Conservative Government’s general dislike of the organised professional voluntary sector (which was seen as an expression of producer interests) links to its general antipathy towards the local statutory sector. And also, finally, the government’s particular distaste for lobbies, which was expressed by Douglas Hurd as Home Secretary, and Chris Patten in his Goodman lecture. ‘Crickets in a field’ one minister said about the poverty lobby.

I can identify four different challenges that the sector had to meet over this decade and it is perhaps not too melodramatic to call them crises. They certainly seemed like that to us at the time. First, there was a crisis of resources. There was an increased level of funding from the central government over this period, but it came with the distorting effects of the policy objectives and the stresses associated with meeting the additional demands being made of the sector in the required form. The terms of trade with government were extremely one sided and there were chronic insecurities generated by frequent switches of programmes and policy emphasis. This often seemed to those at the receiving end like an attempt to constrain the organised sector to a programme delivery role, excluding policy dialogue and campaigning. All this took practical shape in the shift over the decade from grants to contracts.

Second is the crisis of public management. I refer to the impact on the voluntary sector of the introduction of different management styles into the public sector at the national level: the Next Steps and so forth. This involved crucially the importation of business values and criteria for funding. We are now into the so-called ‘contract
culture’. Alongside this ran the new emphasis on the individual citizen as a consumer of services. The consequences over the decade included changes in the practice of government departments dealing with voluntary organisations and, in particular, the role of the Home Office’s Voluntary Services Unit (VSU). This eventually produced a specific blueprint for government departments dealing with the voluntary sector in the Home Office’s efficiency review beautifully called Profiting from Partnership. There were implications from the downgrading of the role of local elected government. The examples here include inner city policy and the imposition of freestanding non-elected agencies, such as the urban development corporations. The abolition of the GLC in the mid-1980s and the Metropolitan Counties also had drastic consequences for some local voluntary organisations.

My third challenge is the challenge of internal governance in the sector. Over the decade there was increasing impatience—and it was not just in government—with traditional voluntary sector modes of action. There were new challenges of meeting consumer demand (as reframed by the government) and dealing with dissatisfaction with some very poor-quality voluntary services. The challenge was coping with the effect of efficiency reforms on voluntary sector values and the need to identify and promote leadership within the sector without compromising those values. There were strong reactions within the sector against what was termed ‘professionalisation’, but there were also pressures to adopt a more aggressive campaigning style. People were chafing against the constraints of the charity law. There was pressure from left-wing local authorities to take part in activities critical of central government policies and practices; some local authorities building what they liked to call ‘rainbow coalitions’. And then there was the emblematic issue of the decade, the miners’ strike, and the attempts to enlist voluntary organisations in the campaign in support of the miners.

My fourth challenge is policy priorities. The government’s definition of the role for voluntary organisations and its policy priorities were often in conflict with the priorities of many individual organisations in the sector. There was community development and the changed role of social work after the Barclay Report. There was the developing role of community workers coming into conflict with statutory agencies. There was the impact of ethnic diversity, the disproportionate impact of high unemployment on ethnic minorities and the social tensions expressed in riots at the beginning of the decade. There was the role of the emerging black community sector. And, finally, there was the wider significance of the role of the churches and their assumption of the role of unofficial opposition, much to the surprise of several of us. There was the publication of Faith in the City. There were local spin-offs from that such as the Church Urban Fund. And a final factor is of the pace and the extent of the change over the decade as it affected the sector. Re-reading the Wolfenden Committee Report reveals the context is virtually unrecognisable in the 1990s to many individuals in the voluntary organisations. This was a state-of-the-art report produced only 15 years previously, but the picture it portrayed was virtually unrecognisable by 1990, in the enterprising professionalised and contracting era.
Richard Fries: The Home Office in the 1980s still had something of the ethos of what in the old-fashioned constitutional language was called the overriding responsibility for maintaining the Queen’s peace, which we might translate as the well-being of the community. And that is one of the reasons why many of the community programmes that were spawned, partly in response to immigration and so on, in the 1960s, were based in the Home Office. It grew very slowly to be something called originally the Community Programmes Department, which then became the Equal Opportunities and General Department. That Department, in addition to race relations, women’s issues, refugee settlement and electoral matters, also dealt with gambling and horse racing and things of that sort. So it was what you might call a bit of a rag bag and it also had responsibility for charity matters. That was seen as something entirely separate from the voluntary sector. By the late 1980s it was brought together within the VSU, but under different ministers, so there was an interesting issue about how charity was seen and was multi-sector: you might say different perspectives on the same subject but handled differently.

I think I would say with hindsight that government policy towards the voluntary sector was piecemeal. The emphasis was very much on individual departments and that means departments within the Home Office as well as different departments like Housing and so on being responsible for their own relationships. I think it is probably worth remembering the Community Development Programme (CDP) initiative of Derek Morrell before the 1970 change of government, which in a sense gave a push to the Home Office involvement. And the VSU was seen as being a focal point for generic involvement with the voluntary sector, hence the involvement with umbrella bodies. There was an attempt to begin to create a culture of awareness of the importance of the voluntary sector throughout government departments. It had a co-ordinating group with representatives from all the different departments but it did not have any real executive responsibility. It sought to exchange information and to try and promote the ethos in a way which one might call exhortatory: the government saw the importance of enlisting people to respond to local issues as their own concerns rather than regarding them as being State provided. This was combined with the pressure on resources which was acutely felt within the government then as indeed ever since.

In terms of an active involvement with the sector, my sense is that it was more to promote relations rather than to develop the sort of policy that has developed since through the Office of the Third Sector; there is a complete contrast there in roles. The attitude towards voluntary action being volunteering, being an extension of citizen’s responsibility very much in the community—the higher the level, the larger, the more professional, the more suspicion there was within government. I think this again is a long-running tradition of tension between central and local government. It goes back to the CDP, for example, part of the explicit ethos of which was to bypass local authorities and mobilise the communities. Well, that took its own form in the Thatcher period and one example of that was the reform of section 11.

The hostility towards campaigning was very marked; it went right across the voluntary sector and informed the grant-giving scrutiny where Thatcher, personally involved, wanted a restriction on the proposals for the handling of grants to voluntary
bodies, such that they were not to engage in campaigning at all. The compromise solution, which the report seized on, was to apply the restrictions of charity law: that campaigning was permissible but only in the furtherance of the purpose of the organisation.

I do not think that in the 1980s charity as a legal framework or the Charity Commission’s regulation was a particularly strong factor. It was a growing factor and it came to a head at the end of the 1980s with the growing tension about what charity law permitted in relation to political activities. The Charity Commission included guidance (it was in the 1987 report of the Charity Commission\textsuperscript{15}) which gave a very restrictive interpretation of what was permitted in terms of political activities in support of political objectives, which gave rise after this period to the various adverse findings against one or two leading charities.\textsuperscript{16} This was combined with a crisis in the Commission itself about its funding and its role leading to another scrutiny which Philip Woodfield, a retired senior Home Office civil servant, carried out. This laid the blueprint for refocusing the Commission,\textsuperscript{17} making it what they now call a regulator, although I hate that concept for the Commission—but a much more effective support body working with NCVO in trusts, for example, highlighting the need for better governance within the sector and accountability.

Jerry White:\textsuperscript{18} My viewpoint will be very much a worm’s eye view from a local government in north-eastern inner London. I would perhaps point up Thatcherism and its relationship with the State generally, but in particular the local state. Thatcherism was not just about cutting back on public expenditure and on freeing up the market. It was about intense political hostility directed towards certain elements within local government: the demise of the GLC and the Metropolitan Authorities has been mentioned, but particularly boroughs like Hackney and Lambeth, which had put themselves in the firing line. The full panoply of restrictions on public spending was brought to bear. Those impacted not just on the local authority itself but on funding for the voluntary sector locally. I think that to a certain extent local government and the voluntary sector were in competition in these years, particularly in the housing field where the role of the local authority in terms of public ownership of housing was being taken away and given to elements of the voluntary sector but particularly to housing associations. Voluntarism was seen as growing at the expense of local democracy and the local state. This rivalry was seen in competition for an ever-declining budget for delivering local services, particularly in the era of rate capping and then capping under the Poll Tax.

The second point I wanted to make was that in Hackney the voluntary sector, competing for budgets as it were with local government through grant funding, was very diverse. In Hackney, the issues around the voluntary sector were much less concerned with the council’s relationship with large national bodies. The most politically difficult area was in the very diverse local voluntary organisations where in a particular race was a very complicating factor. In any debate about funding locally, which black and ethnic minority community would suffer most or least in any division
of the local voluntary sector’s cake, was a major issue. The council itself was racially
diverse and I think that many black and ethnic minority councillors saw themselves—
as indeed many white councillors from wards dominated by council estates saw
themselves—as arguing for their power base, which was often centred on voluntary
sector organisations from within their own communities. This meant that
 guaranteeing or seeking to safeguard the funding of their organisations was taken
into any debate in the council chamber about funding.

There is no exaggeration in saying that cuts in the social services grants to a
voluntary organisation would provoke a riot in the council chamber. Cuts in social
services staff funding, the main payroll as it were of the council, could provoke
occupations of the town hall. Cuts in funding for the Women’s Unit, again on the
council’s payroll, could provoke strikes in the Chief Executive’s Department and cuts
say in a Rape Crisis Centre could provoke direct action from Hackney Lesbian
Avengers. So politics in this environment was extremely difficult, often poisonous.
And in all of this, it often felt by the early 1990s that the community needs of the poor
white working class in a place like Hackney seemed at times to be very much neglected.

A third point is that in the services that I was responsible for running in the 1980s (up
to 1989 when I became Chief Executive at Hackney), the voluntary sector took a leading
role in certain areas of policy development, particularly in the health protection agenda
of AIDS and of smoking. AIDS, in particular, was a new arena for local government and
the leadership of the agenda seemed to be taking place not so much in the Department of
Health but in places like the Terence Higgins Trust, London Lighthouse and so on. It was
bodies like that we were seeking to get advice from about our own health education
literature. In terms of smoking, Action on Smoking and Health was one of the
organisations again that we took a lead from in terms of trying to be at the forefront of
the early days of removing smoking from public buildings.

Julia Unwin: I was in Liverpool in the 1980s, which was equally angry and full of
occupation. Actually, what I think shaped a lot of what happened to the voluntary
sector, was what was happening locally. I want to talk briefly about geographic
variation, specialisation and then about motivation.

I started in the 1980s in Liverpool working to support voluntary organisations
which were represented on each of the main council committees—six people on the
social services committee, six on education and I suspect six on housing. That big city
council had elected representatives from the voluntary sector, with very lively debate
about the difference between ‘participative’ and ‘representative’ democracy, which was
very significant right at the beginning of the 1980s. So I do think we have to bear in
mind how very different things looked in different parts of the country at that stage.

Liverpool and then Southwark, which was the next authority I went to, were both
 hugely shaped by the CDP and were huge beneficiaries of the Manpower Services
Commission (MSC) funding. This takes me to my point about specialisation. The
MSC funding was a programme with policy objectives and I know it was, but it was
not like that if you were in the voluntary sector: it was a funding stream. Everybody
was funded by it; that is how you got a job. You did not think you were being taken off
the unemployment register. You thought you were being employed through that
source of funding. And I do think it is important to remember that we specialised
rather differently then.

In terms of specialisation, I have got three recollections. One is the very high level of
urban programme funding that went to what we would now call single community
groups. In Liverpool alone I recall a Pakistani Centre, a Somali Centre, a Nigerian
Centre, just funded by government and I know every other city did too. That changed
the voluntary sector fundamentally. Although I do not think we were good at
embracing those organisations, they were strong and powerful bits of the voluntary
sector. There was a very live discussion about whether or not specialist funding was
‘bending’ main programmes and whether a voluntary sector provider of Halal meals
on wheels would eventually mean that local authority provision was equally Halal or
kosher or whatever it happened to be wherever you were. But I can remember thinking
that it was terribly important that it did not stay in the voluntary sector: that it was a
pilot and it was going to go into local government. How much things change.

Towards the end of the decade the issue about policy formulation was extremely
important. I was working at the Homeless Network in the second half of the 1980s,
where we drew public attention to the high levels of homelessness. The effect was that
central government took on the issue rather than local government. It quite properly
should have been with local government, but that tension between the three-way
divide—central government, local government and the voluntary sector—ended up
with some very odd policy options emerging from it.

The final thing I wanted to talk about was motivation. What happened in the first
half of the 1980s was this very high watermark of funding by Labour authorities of
voluntary organisations. Partly it was a rainbow coalition, partly it was trying to
generate a new constituency. It was a very political view about how you engage and
influence the institutions of the State and in that sense the Conservative Government
was right to be worried about it. It was a very definite attempt to engage the State and
make things different. So I do not think Labour council’s funding of the voluntary
sector was entirely serendipity. I think there was actually a political agenda there which
affected the motivation. Therefore it affected the high watermark we ended up with of
voluntary organisations who certainly in London continued to have that protection
long after 1986. Although the money went down by a quarter, there was a continuing
expectation of a very significant level of funding.

Michael Brophy:20 I had the privilege of having lunch with the Permanent Secretary of
the Home Office,21 in 1988, five days after he had retired, with my chairman.22 We said
‘Why can’t we get through to the Home Office on some of these major issues to do
with the voluntary sector?’ And I quote his reply: ‘The voluntary sector is not even a
third order subject at the Home Office, that’s why.’ So while all sorts of things were
happening the Home Office in 1988 was not frightfully interested. It was not a priority
subject for them. My recollections are really quite specific because the Charities Aid
Foundation (CAF) was—a bit like Eve—a rib of the NCSS.\textsuperscript{23} We had some kind of legitimacy, like Age Concern did. We could be independent when we wanted to and we could throw our weight around—as a sort of bastard son of the NCSS—when we chose to as well. Retrospectively, we had two priorities: one was concerned with money and the other was concerned with the infrastructure to do with money. Tax was a rollercoaster. When I arrived at the CAF in 1982, covenants were limited to £3000 gross in an 80% tax regime and they had to be sustained for seven years. For heaven’s sake, look at the changes that happened during the 1980s to the tax situation! Let me mention just a few of them. Covenants went up from £3000 to £5000 and down to five years. Then covenant limits went up to £10,000. And then Nigel Lawson came along and to our great surprise, he simply abolished all limits on tax exempt giving: it was beyond our wildest dreams. Retrospectively, of course, he was simply doing the right and sensible thing. Then came the year of the biggest success, 1987: the payroll deduction scheme which we and others had been lobbying for; the single gifts for companies and the embryonic gift aid scheme came in; and all sorts of other things.

At the same time we were promoting the idea of giving by launching [in 1983] The Goodman Charity Lectures. These were significant in creating the right context. The Goodman Lectures also spawned the idea of the Council for Charitable Support, also chaired by Goodman.\textsuperscript{24} That led to various campaigns to try and increase giving, which people have largely forgotten because they were largely unsuccessful, but they were serious efforts to affect the attitudes of individuals to philanthropy.\textsuperscript{25} The infrastructure in 1982 was the NCVO and Age Concern. Harry Kidd\textsuperscript{26} and Christopher Zealley\textsuperscript{27} had some kind of tax committee which eventually led to the activities of Helen Donoghue and VAT.\textsuperscript{28} There was then in the 1980s a flowering—more accurately, perhaps, a renaissance—of infrastructure. CAF was partly responsible for it by producing the definitive statistics for corporate social responsibility (which I have to say remains almost zero). Having been instrumental with Stephen O’Brien\textsuperscript{29} and Sir Hector Laing\textsuperscript{30} in starting up the Percent Club, I know it actually came to very little in cash donated terms. Then came all the banking activities, and things like the ICFN, the ACF, Give As You Earn, the launch of Community Foundations, the Know-How Fund for Eastern Europe and all sorts of things which were simply not there in 1980 and by 1990 were there. Therefore, you had an infrastructure to support the idea that the charity sector should reclaim ground from government and that meant funding ways of paying for that reclaimed ground. That is my perspective of the 1980s. They were not the years of crisis which you have heard about: they were years of growth and were extremely exciting to live through.

Stuart Etherington:\textsuperscript{31} I was representing the Royal National Institute for Deaf People, a major service provider organisation, in the 1980s. In the early part of the 1980s, I wrote an article called ‘Life After Thatcher’.\textsuperscript{32} The article was essentially arguing that all we needed to do was to keep our heads down and eventually she’d get shafted and we could all go back to where we were before (that is, a duopoly between the markets and
the State, with the State in a much stronger position). The article was written shortly after a speech by Norman Fowler. His basic argument was that the public services had ignored user perspectives. This was leading a charge—which actually combined some elements of left-wing thinking as well as right-wing thinking—that public services had become purely producer interests and had no relationship with any user group.

Many in the voluntary sector thought that was quite interesting for two different reasons. On the one hand, the voluntary sector thought there were a lot of user groups within the sector. Some of the groups that were involved politically were also involved in trying to transform the nature of the services that were being provided. So there was that sort of user perspective that was very strong. But also many people saw it as almost a market opportunity to expand their relationship with the State. The voluntary sector emerging as a competitor to public services because its argument was: ‘We’re more representative of users. We can do this job better. So basically if you contract with us that’ll be easier.’ I think it drove quite a lot of other things including increased professionalisation.

What I do not recognise was this antipathy to the large service provider. Clearly, the Conservatives liked the idea of local activity of various kinds. But the countervailing force was, ‘We want to shift the boundary between the State and the sector and the way to do that is at a certain level of scale.’ It seemed that we had pretty fair wind in housing and in employment because of the increasing role played by the MSC. That had its own sting in the tail because some voluntary organisations did not seem to realise that the programme was related to levels of unemployment and therefore when it was expanding you were doing pretty well, but when it was contracting you were likely to be shafted pretty quickly (as indeed many voluntary organisations were and it nearly brought down NACRO and one or two other organisations at the time because they became overdependent on a single source of financing which fluctuated). It [the MSC] was not there to support voluntary organisations, it was there to take people off the unemployment register.

I think in the 1980s you saw for the first time a blurring of the distinction between the private sector and the voluntary sector. Interestingly, nobody has used the words ‘independent sector’ and yet in the 1980s that was being used a lot, particularly in the area of residential care and domiciliary care. The government would lump together the private sector and the voluntary sector and call it ‘the independent sector’. It drove the growth of professionalisation in the sector. The sector expanded both as a result of philanthropy and giving, but also because the State was contracting much more to provide services. In a sense the 1990s were just a continuation of that trend. That then drove the debate about professionalisation and I think as a result of that you have got the changes in relation to governance practice with the On Trust Report and the professionalisation of management.

Justin Davis Smith: One of the issues is to what extent were the 1980s really a sea change decade in terms of the way in which government approached the issue of
voluntary action and volunteering. If James Callaghan had won the election in 1979, could we have expected to see a similar enthusiastic approach towards the active citizen? What is clear is that the government after 1979 did see a significant role for volunteering. There is Thatcher’s much quoted 1981 WRVS speech where she argued the case for volunteering very forcibly, although interestingly she used the language of voluntarism, rather than volunteering or the voluntary sector. One of the themes is the confusion in politicians’ and civil servants’ minds during the 1980s between the voluntary sector and volunteering. What was interesting I think about Thatcher’s 1981 speech was that she seemed to be reversing the long-held extension ladder theory that Beatrice Webb had put forward at the beginning of the twentieth century that the voluntary sector should top up State provisions. Thatcher was advocating that it should be turned on its head and the sector (although I think it is clear she meant the volunteer) should be centre stage with the professional services coming in to provide the support. This enthusiasm was demonstrated in a number of key volunteering programmes, including the Opportunities for Volunteering Programme that was started in 1982 by the DHSS and the Voluntary Projects Programme, which also started after the riots in 1981 and then morphed into the Communities Programme towards the end of the decade.

The enthusiasm within the Thatcher government for volunteering was to do with a belief in a smaller central state. It was clearly also in part to do with the desire to save public funds and seeing volunteering as a way of getting things done cheaper. It was clearly tied up with the whole contracting culture that was beginning to emerge. But there was also a moral imperative here. We all remember Mrs Thatcher’s interpretation of the Good Samaritan parable as being that it was because he had money that he was able to provide support. There was a clear suggestion in Tory thinking at this time that people who had done well should be prepared to put something back into their community. There was also beginning during the 1980s the emergence of employer support for volunteering, with much greater emphasis on industry playing its part by putting something back into the community. There was an emphasis on the strong link between volunteering and solving big social problems in society: the riots, social dislocation in Brixton and Liverpool and mass unemployment. Volunteering was seen as a way of coming in to provide a solution to some of those problems.

One of the successes of the decade was an increased emphasis on infrastructure, particularly around research. The sector in a sense was coming of age in the 1980s. For the first time a number of landmark studies and data collection exercises were set up. Marilyn Taylor at NCVO was one of the pioneers, along with Susan Saxton-Harrold at the CAF and staff at the Volunteer Centre. What does this research tell us? If we look at the National Survey of Volunteering in 1981, 44% of the population were volunteering. By the end of the decade in 1991 51% of the population were volunteering. So, in terms of participation, you could argue that it was a success in terms of individual participation.

To come back then to the question: to what extent was this a significant break with the past? Callaghan had set up the Good Neighbour Programme in 1978 with David
Ennals. If Callaghan had won the election, I think there was every likelihood that the government would have continued to support the sector. There was also a lot of work taking place within the Labour Party itself: Labour Community Action was a ginger movement within the Labour Party (that I was a member of) which was aiming to reclaim some of the heritage within the Labour Party that had been lost towards mutuality and voluntary action. And as part of New Labour’s emerging thinking towards the end of that decade there were a number of working groups set up including one by Alf Dubs to look at Labour’s relationship with the voluntary sector. So I think the notion that somehow the Thatcher era represented a fundamental break in terms of government thinking on volunteering is one we have to question.

Bernard Harris: My own suspicion would be that Labour’s approach to the voluntary sector at the end of the 1970s was rather different to the Conservatives’ approach. The networks and connections that Labour had with people in the voluntary sector were not the same as those that the Conservatives had. Therefore, the 1980s were distinctive: they would have looked very different had the election produced a different result. During the 1980s the voluntary sector, insofar as one can speak of a unitary voluntary sector, felt rather ‘under the cosh’. There was a sense in which the government was interfering in what people wanted to do and that this was a bad thing.

Justin Davis Smith: I am sure a Callaghan government post-1979 would have felt slightly different in terms of tone. The point I was raising was whether or not the 1980s were such a landmark decade in terms of a break with government attitudes towards the sector. Part of the problem, I think, is a misreading of the Labour Party’s attitude towards voluntary action which has been presented as entirely hostile and which does a disservice to the tradition of mutuality which was strong on the left for much of the twentieth century. Dick Crossman wrote an article in The Times in the mid-1970s which echoed very much the language of Thatcher’s WRVS speech where Crossman argued that the ‘future is volunteering’. The fact that David Ennals was chairing a Cabinet committee on relations between volunteers and paid workers (that only ran out of steam because of the election) suggests that Labour would also have been well disposed towards the voluntary sector if it had regained power.

In terms of approach, possibly in terms of ideology as well, there would be differences coming through between the parties. The Thatcher government’s ideological approach to volunteering was not a particularly well-thought-through ideology. There was Burke’s small platoons, but the overriding preoccupation it seems, certainly in terms of where the funding went, was to see volunteering as a practical solution to some of the big problems like mass unemployment and the civil unrest that had come through the riots. Many within the volunteering movement at that time were querying whether this was anything more than a fiddling of the unemployment register. In some of the subsequent revelations in Alan Clark’s diaries, for example, he quite openly says that ‘We were fiddling the figures’ to make work programmes give some justification to the scepticism that was raised.
Julia Unwin: The discussion has assumed there was a split between big/small with government liking small. I think the sorts of organisations I was talking about that were locally funded were seen as radical and difficult and challenging, and not so much having problems shunted to them: instead, shunting problems back to government (local and central). So I think there is a distinction to be made there. I do not think there was a coherent policy. I think there were some extraordinarily important things done during the 1980s. I do not remember hearing the word ‘charity’ during the 1980s. I do not think people identified as charities except for a very few organisations. You had community organisations and voluntary organisations which were new to the sector jostling for space alongside those which had been there forever and had been grant funded for a long time. That is what the pressure was at the local level.

Ann Spokes Symonds: One must be careful. You have got to realise at the beginning of the 1980s that things were quite different from the end of the decade. Voluntary organisations at the local level were growing from being a one-man band. I ran the Oxford Council Social Service and the Old People’s Welfare Committee which became Age Concern. I was the only person, the only member of staff with a secretary and now they have hundreds of staff. It was growing in the 1980s and at the end of the 1980s they were much more professional. But it was piecemeal and it always will be piecemeal.

The voluntary organisations did not want the government to come in and tell us what to think. We were telling them and hoped that they would react. At the national level there was not conflict. They wanted to hear our views. We were consulted. If there was any legislation, we had the papers come before they were even a Green Paper and we were able to say what we thought about it. We were always at the Elephant and Castle earlier on seeing Patrick Nairne, the Permanent Secretary, who was always willing to listen to us, so that we really felt that our views were being heard.

Marilyn Taylor: There was a real paradox over the 1980s in the sector in that at one level it was a period when the notion of sector crystallised. The NCSS changed its name to NCVO in April 1980. There are still some people who question whether there was ever such a thing as a sector, so the notion of voluntary sector was still a bit unstable at that time. That decade also saw the growth of an academic interest in the sector which also helped to crystallise it. PORTVAC at Brunel was set up in 1978 and then went to the London School for Economics and the Open University started its voluntary sector management courses responding to the issues that some of the panel have raised about the internal management of charities. But at the same time as you got that sort of crystallisation of the sense of the voluntary sector, you also got more and more fragmentation within it. Working within Community Development at the time, it was around the beginning of the 1980s that black and minority ethnic groups and women’s groups started challenging the way that Community Development had mainly worked around white, middle-class workers going into working-class communities and really not recognised the different needs within. And in a sense in the 1980s you got a move from communities of place to communities of interest. You also got many
organisations which were clambering on board with the MSC. There were many
organisations which were very resistant to the MSC, they saw it as exploitative. And
just to go back to academia recognising the voluntary sector, that is the time when
CAF started producing statistics, so we actually got a sense of what the sector was
about. And you saw within NCVO the germs of the community sector infrastructure
being born.

Foster Murphy: There is one perspective that has not been mentioned and that is
what became of the whole self-help mutual aid movement. We had a small unit for
three years at the Volunteer Centre on self-help because it was seen as an aspect of
volunteering and we were trying to promote it and develop it at the time.

Nigel Siederer: For me the 1980s actually began in the 1970s, right at the end. There
were two reports that influenced a lot of what I did. One was called the Fourth Right of
Citizenship (1977). The fourth right of citizenship gave a stimulus to advice giving
and produced some funding from the National Consumer Council.

One of the themes might be a sort of strategic mistake in the voluntary sector which
was that we set up umbrella organisations and then rival umbrella organisations. In the
early 1980s in Lambeth one of the key things done was to hold some sort of peace
between the Citizens Advice Bureaus, the Law Centres and the growing independent
advice centres. Along with my colleagues in Sheffield and one or two other places, we
managed to create the umbrella organisation that is now called Advice UK with 900
members. But there was a kind of rivalry between those three groups and a few others
who set up a super umbrella organisation called the Advice Services Alliance; that is, I
think one of its features, a bit of territorialism there.

The second report that influenced me was the Wolfenden Report. The lobbying
from LVSC NCVO was for funding for general infrastructure. The Conservative
government handed over responsibility to these squabbling networks to administer
the Local Development Agencies (LDA) Development Fund and again you had the
CVS movement, the volunteer movement, BASSAC, with NCVO and CAF and the
Volunteer Centre, trying to hold the ring between these squabbling national networks
of locals who carved up the money not too unsuccessfully.

When you come to the 1990s, Nicholas Deakin’s enquiry was basically the
successor of the Wolfenden enquiry because it was done in anticipation of a change of
government. Capacity Builders was really the successor of that LDA Development
Fund, with much more money, but still with this problem of funding being put on the
line too fast.

I have lived through 23 ministers for the Voluntary Sector in 30 years. These
ministers do not last more than a year. You cannot really name ministers in that seat
who have changed very much. Paul Boateng might be one, possibly Alex Lyon going
back to the 1970s and one or two others, the lovely Fiona Mactaggart who I do
not think had much influence inside the Home Office but who knew the voluntary
sector. But that lack of maturity and lack of the four- to five-year perspective does not
apply to government thinking on the voluntary sector.
Stuart Etherington: One of the things that made a significant change in the 1990s was that access to the Treasury improved very significantly and then when Labour was elected we did not have any trouble. There was a unit within the Treasury and that made a very significant difference but I do not know to what extent this is true of the 1980s. The reason that it made a hell of a difference is that the voluntary sector was intimately involved in all three spending reviews that went on. But I am not aware that we had anything like the leverage of that in the 1980s. It seems to me that we were in a much weaker position vis-a-vis government and we are now playing from a position of slightly more strength although the shutters are beginning to close a little now as you would expect in pre-election mode. We were less prepared in a way. There did not appear to be an overall strategy. Certainly standing outside NCVO as a large voluntary organisation I really did not know what it was doing. I did not have a sense of what impact it was having in the field that interested us the most. I mean we stayed members, but I did not really get a feel for what it was doing. It seemed to be in a weaker position in the late 1980s.

Richard Fries: I think it is true not just that the openness of government may have in some sense increased, but government internally was much more fragmented. The Treasury was a much more reclusive institution and spending departments were required to be the public face of their programmes regardless of what role they and the Treasury had played in reaching the decision about what money was available. And even then, despite the public expenditure cycle in those days, it was very much year to year, so the whole nature of government was much less strategically planned.

It is quite right that piecemeal is a label one can apply through the decades. The growing relationship with the voluntary sector as seen from government was maybe more subsidiary. I think the change was a genuine commitment to the importance of citizen engagement. It would be a mistake then as now to think of government as particularly coherent. There were lots of contending forces. The commitment of more liberally minded Conservative ministers—Hurd, John Patten—was in tension with the way they presented issues to the public, in particular the media: what Willie Whitelaw used to call ‘the Daily Mail effect’.

What I think the government was genuinely trying to do during the 1980s was to raise the sense of the importance of each particular bit of government seeing voluntarism as being an increasingly important part of public service provision. You could see the 1980s as a transition period. And the grant-giving scrutiny was a particularly important turning point partly because it crystallised the changing relationship. It was a government assessment of the importance of contracting for services rather than simply giving rather more open-ended grants—the attack on core funding, which is one strand of that too. But just as an institutional process, it at least enhanced the ability of the VSU to hold the ring in government because departments were forced to actively engage. But I think equally the NCVO, under Usha Prashar at that time was able to get the engagement of the voluntary sector collectively much more than anything else and it was a sort of trigger for that.
Michael Brophy: From my own direct experience, CAF (which was ‘sympathetic’ to the direction of the government in the 1980s) had access to every chancellor whenever we really wanted.

Jon Griffith: The idea of a kind of cross-government engagement with the voluntary sector was just not part of the conceptual world of the government during those ten years. My other, connected, observation is with regard to what was happening in the NCVO at that time. Charles Handy had chaired a working party on the effectiveness of the voluntary sector in which significantly newish and original observations were made about the managerial and governance problems facing the sector: the idea of first- and second-order problems being things that they all individually had to tackle rather than something they had to grapple with as a sector. That led to the creation of the Management Development Unit which was a kind of leading part of NCVO for those ten years. It shaped NCVO’s agenda towards a concern with management and governance. So 1990 was a really significant year, not just because Thatcher was dethroned but because that meant a change in those relationships.

Nicholas Deakin: I was on the NCVO Executive Committee for three years at the beginning of the 1980s and I was representing the Councils of Voluntary Service there. I had a special role in reflecting the pressure from below. The MSC was going around with a van with money in the back of it and it was very hard to say no. I had to deal with the consequences of those who took the money and came to grief as a result. That was quite a frequent event: closing down Councils of Voluntary Service that had over-extended themselves with MSC funding.

Now what we wanted through our seat on the NCVO board was much more critical dialogue with government, but we could not get it. There was Peter Jay as the chair who regarded himself as an important public figure because he had been an ambassador and there was Nick Hinton who was one of the most persuasive lobbyists I have ever worked with. But we could not get to central government and I think the answer is that there was no central government to have a relationship with. There were diverse relationships over the whole wide range.

In the early 1980s, there was an awful lot of pressure. We, the NCVO, became very conscious of that. There was pressure from below from the very lively activities taking place in the local voluntary sector which was beginning to be reflected nationally. Some of that was extremely confrontational. The organisations that I was dealing with wanted the government to be attacked for all sorts of reasons but they wanted a strong confrontational relationship. The NCVO’s senior management was trying to get government to understand that they had to have a level playing field relationship. That was the word so often used about the relationship with government. They produced the Code for Voluntary Organisations (1984) that was full of high-sounding sentiment about how government should behave, but was pretty ineffectual in the field. In addition, a pressure on the NCVO at that point was from the old guard. There was an old guard, and a powerful old guard. They did not like the shift from NCSS to the NCVO. They thought the voluntary sector was becoming much more political than it should be.
So there was a very different constellation of pressures coming to bear on the management of the NCVO in the early 1980s. I agree entirely that they clung onto Handy and the MDU as their way through that particular dilemma. In the late 1980s, with Usha Prashar’s directorship, there was much more co-ordinated thinking in government. It was easier to form relationships and they were not so confrontational.

Andy Cawdell: I was largely working in local authorities which were politically in opposition to the central government. They provided what I saw as quite a significant umbrella, if I may use that word in a different context to that which has been used this afternoon, to what was going on in the central government. Whilst I hear what was being said about the aggravation that was caused when local authority budgets were cut, there was a way in which those socialist republics defended its local voluntary sector against the depredations—as they were seen—of the then Conservative Government.

The other thing I wanted to reflect on was the role of European Union funding in the whole mix. The money from the European Union Social Fund, again in some parts of the socialist republics in which I worked, was quite a significant factor, as was the European Framework Programme funding for some of the social policy research being done at the time.

Jerry White: Within a place like Hackney, the balance of power within the local authority was such that the local voluntary sector was as much a part of local community life and as politically essential to it as the mainstream public services delivered by the local authority. One of the things I think that is increasingly clear in the history of multi-cultural Britain, is that the role of the voluntary sector is one of the pillars or one of the founding forces of multi-cultural Britain. It was in places like Liverpool and Hackney and Lambeth where multi-culturalism became embedded and the voluntary sector was a part of that.

Julia Unwin: I think what you saw in the 1980s was the very rapid growth of a very different sort of voluntary sector and I think it was around identity politics. It was ethnic minority groups, it was workers co-ops. The sorts of organisations that had never been funded before became funded and I think NCVO and others took time to grasp what that meant because I think it was extremely challenging. The tensions at the local level were both about funding but also about the interweaving of politics and those organisations. I think there was also a very big divide between local politicians, local officers and the voluntary sector in a way that we do not see now because actually what we have called today professionalisation has actually meant more people being salaried and therefore more people being rather more like local government officers. I do not think they were in those days.

Susanne McGregor: I just wanted to mention the Department of Health. My experience was partly with that department and issues around drugs and AIDS: these were issues which tended to be the domain of the voluntary sector. They were areas where services were not really developed by the state. My impression was that in the
early part of the 1980s the relationship between the civil service and the voluntary sector was very much like a patron/client relationship. There would be very sympathetic civil servants.

And that is another important point—the relative autonomy of civil servants from the government. Civil servants within departments had a role of consulting and establishing relationships—and they had the time to do this. So certain voluntary bodies would be able to put pressure on the civil servants and make relationships, identify new issues. Remember drugs and AIDS were growing problems through the 1980s. Civil servants somehow found the money to finance projects but these were always one- or two- or at the most three-year funding. After that there would be the problem of who would take up the funding for a service. It was always difficult at this time to get non-central government bodies interested in funding, especially in the health field. The local authority might put in a little bit but they would not see it as particularly their responsibility. So the whole issue of funding or lack of funding from what were then regional health authorities or area health authorities is one which was important in those years.

Michael Brophy: At the beginning of the 1980s, as far as financing of the voluntary sector was concerned, the predominant influence was the United States. By the end of the 1980s I think that that had switched towards Europe. Just to illustrate that very briefly, our views about tax exemptions were largely based on what was happening in the United States. The *Directory of Grant Making Trusts* (1968 onwards) was based on the *Foundation Centre Directory*. The statistics, the original ones, were based to a certain extent on a very nice handbook called *Giving USA* produced by the AAFRC. The ACF was based on a mixture of the Foundations Forum and the Council on Foundations. The ICFRM was based on the ICFRE and the AAFRC, which were both powerful American fundraising organisations. All these were simply cribbed really, transferred more or less successfully across the Atlantic. Towards the end of the period, we were concentrating more on—at least CAF was—introducing some of this into Europe so that we could bind ourselves into Europe. The most successful one of which has been the European Foundation Centre, which was founded in 1989 when the Berlin Wall fell. So by the end of the period Europe was beginning to be much more influential.

Julia Unwin: The other really big change in the culture in the 1980s was the one about probity. At the beginning of the 1980s it was quite normal to have local government officers sitting on [voluntary association] management committees. There was not a very clear divide between whether you could make a judgement about funding and be engaged. I do not think anyone thought of that as corrupt because we did not actually have that set of views. That changed very dramatically, certainly in local government, after the Whittaker enquiry which actually meant you had to start declaring everything and the relationships became much more formalised. So that sort of rather fuzzy boundary between local voluntary organisations and [local authority] officers and members became cleaned up in a
way that was not necessarily to the benefit of voluntary organisations. We also simultaneously moved to a much more contractual relationship which I do not personally think has been all bad. But what that did was take away that notion of local civil society where between you you might work out a problem and find a bit of money to help it work. You were actually debarred from doing so. I think we are talking about many different sectors here and therefore many different ideologies. Actually politicians have made the voluntary sector into the vehicle they want it to be for their purpose. There is an ideological strand that sees voluntary service as terribly important. Caring for your neighbour and centring services around the individual are very important strands in both left- and right-wing ideology, but it comes across differently. So too is an ideological strand about the importance of voice in communities and self-organisation and overcoming difference, but they are very different ideologies. I think what is problematic is that certainly in the 1980s, and this description has shown that, the same people were adopting the language of the voluntary sector but meaning very different things. It is not surprising that we in the sector got very muddled.

Nicholas Deakin: One player in the field that we have not mentioned yet, were the right-wing think tanks that were extremely influential with the Conservative Government, particularly the Institute of Economic Affairs. One or two individuals in that right-wing think tank were extremely hostile towards the voluntary sector. I do not know if anyone remembers Alf Sherman? He was producing pamphlets saying that volunteering organisations were Marxist front organisations and they were subverting the British way of life. That is an extreme example, but there was quite a lot of ideological suspicion on the right. The Times had an editorial about the rows on the MSC. The Times’s theme was that the voluntary sector should be shaped to fit policies. That is the thing that you can see consistently across government programmes. When I talked to civil servants at the Department of Health in the early 1990s they talked possessively about ‘our’ voluntary sector and the way ‘it’ behaves and how we know to have a relationship with them because we both come from the same direction.

Richard Fries: [With regard to the impact of the Charity Commission] I think the pedantic answer would be next to nil in the 1980s. My impression is that it was bad news for a charity to hear from the Charity Commission, but if it kept out of view there was no way the Charity Commission could reach it, which summed up the perception of an organisation that was ineffective. The combination of the National Audit Office, the Public Accounts Committee, external pressure and the scrutiny report which was set up to, in a sense, anticipate the critical findings, led to the total modernisation of the Commission in resource terms and in terms of its remit and perceived mission and so on. War on Want was one of the issues that came out in that context when Robin Guthrie took over in the late 1980s and the Commission had resources to establish a proper investigatory side. That combined with computerisation and a more systematic requirement for return of accounts meant
that the Commission began to play a more active, or at any rate a more actively responsive, role in promoting good governance.

The issues which were prompted I think in the Daily Mirror’s mind by accusations of a politicised charity turned out to be issues around management, governance, financial controls and so on. Some issues were also about the inconveniences of charity law which had not been modernised sufficiently to give charities the flexibility to handle their money. Lucy Faithfull introduced the Charities Act of 1985 which was about streamlining or simplifying the arrangements for small charities to make better use of disparate bits of resources and to merge with other small charities and those sorts of very technical issues. But it was a first step reflecting the sense that that whole field needed modernising.

Campaigning—that is really an issue for the 1990s I think. I mean, the Commission was in no position to take action to enforce the frankly extraordinarily narrow view of what campaigning was permissible. So it was a good thing from the 1980s point of view that there wasn’t that interaction between charity law and the voluntary sector. That was an issue that came up at the beginning of the 1990s and frankly I think is still an issue at the back of the charity law, even though it has been modernised or supposedly modernised in the 2006 Act.

Jerry White: In the 1970s I think, and more so in the 1980s, there was a sense of the sector—rightly or wrongly—sort of trying to find some sort of voice that could pull together these very disparate organisations: from the small self-help groups, the small community groups to the large sorts of national charities and household-name organisations. For me one of the interesting themes of the 1980s is to what extent the sector as a construct began to really emerge.

Nicholas Deakin: I just want to make one point about the long time horizon of the Thatcher government, and that is that it did not seem like that in the early 1980s at all. This seemed like a very fragile government and politics on both sides were in turmoil at that stage. Inner city Labour Parties were not just under pressure from interest groups, they were under pressure from ideologically dominated groups. So there was rapid turnover of councillors, partly to do with ideological turmoil at the grass roots. And then finally comes the children’s crusade of the SDP in which several prominent voluntary sector figures, notably Nick Hinton, enlisted and thereby caused a great deal of difficulty for the NCVO in trying to argue that it was politically impartial when its Chief Executive was almost a successful parliamentary candidate.

Julia Unwin: The final thing I want to say is that this discussion is all about the relationship between the State, the sector, the community, the citizen and there isn’t a destination on this one. I mean I do not think it’s at all surprising that we keep going round the same loop because actually there isn’t an end point on this. That is what the tension is about and that is what all governments will be slightly reshaping as we go along.
Notes

[1] A full video recording of the seminar can be accessed at http://www.youtube.com/watch?v=D0_mQQeC40Y. The witness seminar was funded by the Leverhulme Trust as part of the NGOs in Britain project at the University of Birmingham.


[14] Section 11, 1966 Local Government Act which enabled local authorities in partnership with voluntary groups to apply for funds to address disadvantage. Available from http://www.nationalarchives.gov.uk.ezproxyd.bham.ac.uk/ERORecords/HO/421/2/reu/grant.htm; INTERNET.


[21] Sir Brian Cubbon (1928–), civil servant.

[23] National Council of Social Service, the former title of the National Council of Voluntary Organisations.
[25] E.g. Windsor Campaign and Giving Campaign
[29] (1936–), businessman.
[34] National Assoc. For the Care and Resettlement of Offenders—whom Hurd likened to ‘serpents constantly emerging from the sea to strangle Laocoon and his sons in their coils’. Stuart, Douglas Hurd, 183.
[38] Research Community Development Foundation and NCVO, academic 1990- Universities of Brighton and West of England.
[42] Academic, Professor of History of Social Policy, University of Southampton.
[46] Location of DHSS.
[52] British Association of Settlements and Social Action Centres.


[63] Academic with interests in social policy, health promotion and drugs, Professor, London School of Tropical Medicine.


[69] War on Want was investigated over its political activities and use of charitable resources in 1991.


[71] The creation of the Social Democratic Party by four disillusioned Labour politicians (Shirley Williams, David Owen, William Rodgers and Roy Jenkins) following the Limehouse declaration in March 1981.