



**University of
Sunderland**

Localism or Pulling the Plug on Public Services? Consequences of Austerity for the Third Sector in the North East

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The Context

The UK Coalition Government response to the global financial crisis and recession has been fiscal self-discipline or 'Austerity'. Underpinning austerity are three ideological and policy commitments:

i. Cutting back the role of the state, government department spending, local government and welfare provisions by conducting a Spending Review which has led to a five-year programme of public expenditure cutbacks starting in 2010¹.

ii. Localism: through which the neoliberal aim of reducing the role of the state² is given the rationale of empowering local authorities and people so that they have:

the freedom to spend money on the things that matter to local people and give local communities more power over how money is spent locally.³

iii. The Big Society: underpins the Localism agenda and promotes what have been claimed as traditional conservative values of self-help and voluntarism; which redresses the conservatism of Thatcher which was expressly against society; and which invokes nationalistic ideas about British values of 'mucking in', helping out, philanthropy and 'pulling together'.

The North East is likely to be amongst the worst affected regions in the UK by the Spending Review since spending on the public sector has been amongst the largest in the UK in recent years⁴; and because geographically and historically it is peripheral to spaces of capital accumulation and circulation.⁵ A BBC commissioned survey found that the NE was amongst the least resilient regions in the UK to be able to accommodate and responding positively to the cuts because of the existing levels of deprivation, poverty, social and health needs.⁶ The spending cuts also have an impact beyond the immediate groups for whom income or services are diminished or taken away. In Newcastle, for example, Newcastle City Council are 3 years into a 6 year 'austerity plan' which will have a knock on impact for the local

¹ To date only 12% of total planned cuts have been implemented (Institute of Fiscal Studies, (2012) *The IFS Green Budget*, London: IFS).

² Taylor-Gooby, P. and Stoker, G. (2011) 'The Coalition Programme: A New Vision for Britain or Politics as Usual?' *The Political Quarterly*, 82, 1:4-15.

³ Conservative Party, (2010) *Control Shift – Returning Power to Local Communities*. Policy Green Paper no. 9, London: Conservative Party, p. 3.

⁴ Kitson, M, Martin, R and Tyler, P. (2011) 'The geographies of austerity' *Cambridge Journal of Regions, Economy and Society* 2011, 4, 289–302.

⁵ Hudson, R. (2005) 'Re-thinking change in old industrial regions: reflecting on the experiences of North East England', *Environment and Planning A.*, 37, 4: 581-596

⁶ BBC, (2010) *Spending cuts to 'hit north harder'* [<http://www.bbc.co.uk/news/uk-england-11141264>]

economy in combination with the recession. It has been suggested that the results of these fiscal measures will exacerbate the already established north/south divide.⁷

This Study

This is the second year of a study that has been tracking some of the impacts of the spending review on partner agencies to the undergraduate degree programmes in the Department of Social Sciences at the University of Sunderland. The research has used mixed methods: a survey of agencies in year one as well as qualitative focus groups and interviews in both years. In the main organisations involved included those from the public and third sector from across the region.⁸

Our survey from year one (76 respondents representing a response rate of 16%) indicated that reduced funding (72%), planning and budgeting (51%) reduction of staff numbers (46%) and ability to refer service users on (34%) were the key areas to be adversely affected by changes in funding arrangements. 23% of those who were impacted at the time indicated the quality of service had been reduced and 25% of those who felt they were not being impacted at the time suggested that reduction of quality was anticipated in 2011/2012. Either in the financial year 2010/2011 or 2011/12, 99% of agencies recognised that they would feel a negative impact of the cuts

This year, fifteen interviews with practitioners and six focus groups with service users were conducted. Our analysis here is based on interviews and focus groups conducted with third sector organisations and self help groups.⁹

The Findings

Contrary to the rhetoric about Localism most participants believe that local decision-making has been removed further away from local control. Decision-making by local authorities concerning funding and commissioning arrangements was seen to be opaque and unfair, including appeal procedures; and distanced from the local communities and agencies who were responding to procurement procedures or applying for funding.

All of the local councillors talk about commissioning, tendering, going to tender for this contract. Their rhetoric doesn't match their processes and I don't understand why, because it looks like they want to destroy us and that's what it feels like.
(Manager of Youth Project, Newcastle)

⁷ Hetherington, (2011) 'The local government 'resource review' will widen the north-south divide' *The Guardian* (15/11/11) [<http://www.guardian.co.uk/society/joepublic/2011/nov/15/resource-review-widen-north-south-divide>]; Price Waterhouse Cooper, (2011) *UK Economic Outlook November 2011* (London: PWC).

⁸ This includes in the public sector: education, childcare and social work and in the third sector: young people, disability support, older people, health promotion, community development, self-help groups for survivors of domestic violence, refugee and asylum seeker support. The sample was drawn from the following geographical areas: Middlesbrough, Sunderland, County Durham, North Tyneside, Newcastle and Gateshead.

⁹ This sector was identified as most adversely affected by the impact of the cuts in our initial survey (Donovan, C., Clayton, J. and Merchant, J. (2011) *An Exploration of the Impact of the Coalition Government's Spending Review on the North East Region*, Sunderland: University of Sunderland.

Members of self-help and community groups were in no less doubt about the impact of new funding regimes on the ability of voluntary sector and self-help groups to fund raise. For example, the following excerpt is from a community leader for a refugee and asylum community in Middlesbrough. His perception of how the funding regimes have changed reflects the frustration of many service users:

refugee community organisations and community leaders are unable to seek funding because of the dry-out or the squeeze on funding altogether. So what you have is the small grants that we used to apply to as community groups which were exclusively for community groups previously like the Awards For All and the Community Chest and stuff like that. Now the bigger agencies are competing into that. So the bigger agencies would have those smaller pots because of their own squeeze on funding and the smaller organisations which had a burden of more work feel even more... They find themselves struggling to survive.

A group of young women were interviewed in their project in Newcastle which was facing severe cutbacks in funding. In response to a question asking them what they would like to say to the Prime Minister or the Deputy Prime Minister their response mirror the sense of disbelief and confusion of many service were interviewed about the rationale for the spending cuts:

YW1: Why are you making all these cuts to things like that are making good in like communities? It's just like if you cut like stuff like this, cut budgets, stuff like this, then people will stop coming and there'll be like back to where we started before.

YW2: More kids hanging round on street corners and stuff like that. The government keep complaining about that and they're not doing any good for it because they're cutting things that matter...

YW1: Like this Centre is such a like, let's say like a fairly big part of women's lives that come here and without it I don't know what they would do. I think it would just be like back to square one like.

Local politicians were also seen to be distanced from the decision-making which was, by some participants, understood to be carried out by inexperienced officers who were filling the posts vacated by skilled, experienced colleagues who had been lost through voluntary redundancies. A group of women we interviewed in North Tyneside who had experienced domestic violence were trying to continue as a self-help group after the funding for the domestic abuse project had come to an end. They were experiencing real difficulties finding the funds to pay the for the venue hire for their weekly two-hourly lunch club. Their feelings about their local politicians were very clear:

W1: When I sit and listen to the politicians and the councillors and things like that, I think are they on drugs? Are they on drugs? ...You know what I mean? Their brains are in their backside, all councillors, because they haven't experienced domestic abuse. They haven't been through it. They don't know how much it hurts.... Oh but if somebody rings up the phone say, 'Oh there's a child being abused', they won't

look at the background or anything. They'll just go in. Straightaway take the child away and things like that. They don't think 'oh well this woman's been through domestic abuse...' They don't care. They just don't care. They don't want to recognise it because they're pompous and they really, really pee us off [laughs].

W2: This is what I mean about you can vent in this room...

W1: But look at the cars they drive as well. How many people could be helped. Instead of them buying a car, tell them to get a bike [laughter].

Other funders were understood to have changed their criteria so that small, local agencies were competing unfairly with large national charities, corporate organisations and sometimes statutory sector agencies. For example, the following excerpt comes from a regional voluntary organisation providing education services to women:

We went for a pot of money...and the [City] Council have this thing where you have to be on like a preferred provider list and it was called [City First]. So you think, 'Oh well. We're a preferred provider, you know, we'll have a good chance.' One of the organisations that got the money was from [another city]. And you think, 'Well what's that about?' They say one thing.

I: What does that indicate to you? Is that something new?

Yeah. I think it's new but I think it's all this thing about opening it up, you know, where more national ... organisations can apply for different things. I think if they kept things more regional, which the European Social Fund used to be. ... The North East had its own pot. You knew you were in with a fair chance, but if you're up against Barnardos and stuff, multinational or Age UK, you just don't know what's going to happen.

(Manager, Women's Education Centre)¹⁰

These experiences appear to represent an accelerated form of competition for resources within the third sector, with little relation to an agenda which encourages and fosters the value and experience of locally embedded organisations.

Decisions were perceived to have been made without any real knowledge about the local communities that third sector agencies served, and in the case of local authorities without any consultation with those communities about what they needed, yet also little regard for established links and trust between agencies and the local community. The survivors of domestic violence were unanimous in believing that those who make the decisions about funding do not understand the everyday realities of their lives. The following comments came from the women when they were discussing with the ex-worker the decisions local councillors make about funding, including how they make comparisons with other localities:

¹⁰ Since this Report was written this project has gone into administration

Ex-worker: The contract ended 31st March. It was a three year contract and it ended this year on the 31st March.... the money was supporting people. So the Supporting People funding money was cut...

W1: And we've got flowers and we've got boulders in the middle of the roundabouts and we got big Christmas trees [references to the street furniture and landscaping the women have noticed]...

W2: this is what the Council don't understand what they're doing to people. I mean when we found out that we weren't going to have [the project] anymore, there was a lot of ladies who haven't turned up and they've turned to drink problems...

W3: I'd turned to the drink as well for a little while. If it hadn't have been for the support, that would have been it because I had turned to the drink as well. Certain things were happening in my life and I couldn't deal with it and I started hitting the drink which is not normally like me.

W2: [we try to keep in touch with people] but there's nowhere to send them.... I mean the police officer who deals with domestic abuse, she's gone. Her job's gone. ... That's how bad it is. And what hurts me the most is it's only North Tyneside that have lost it. Sunderland's still got it. Chester-le-Street got it. Gateshead's still got [it]. It's only North Tyneside that hasn't got it anymore.

Our research found that the lack of control over decision-making about funding experienced by most participants is resulting in three main impacts:

1. Further marginalisation of already marginalised groups: Along with other research¹¹ we found that a number of groups including older people, young people (particularly those from Black and ethnic minority groups [BME]) and women, those out of employment and reliant on benefits of any kind (because of retirement, sickness, disability, incapacity, unemployment), asylum seekers and refugees, those recovering from abuse/violence and/or homelessness, were all identified as being further at risk of losing out. The position of these groups is worsening as projects close, ration their services, impose longer waiting lists, face harsher welfare eligibility tests, as unemployment increases and as political rhetoric demonises and blames them for their own circumstances. The following excerpt comes from a youth work practitioner working with BME groups in a rundown urban area of high deprivation in Newcastle:

I mean for me the cuts have disproportionately impacted on the BME kids. That's what's happened. ... So while you're still having bits of white youth work going on, ... it's just the black work has just been like decimated. That cannot be good for

¹¹ McQuaid, R., Egdell, V. Hollywood, E. (2010) *The impact of reduced public services spending on vulnerable groups - review of UK and international evidence*, Edinburgh: Edinburgh Napier University; Butler, P. (2011) 'Savage cuts will leave people sleeping rough on the streets' *The Guardian*, (18/01/11); Cultural Consultation Service (2011) 'Competent Commissioning in Mental Health Care' *Mental Health Commissioning Seminar*, London (29/09/11); Fawcett Society (2011) *A Life Raft for Women's Equality*, London: Fawcett Society; McVeigh, T. (2011) 'Child poverty warning as cuts threaten to close 3,500 Sure Start centres' *The Guardian* (13/11/11); Batty, E. & Cole, I. (2010) *Resilience and the recession in six deprived communities: Preparing for worse to come?* JRF Programme Paper, London: Joseph Rowntree Foundation.

anybody. ...The way the money is apportioned out. The bulk of the groups are the white groups.... when the cuts do impact, it's just the way the mathematics are worked out. ...I don't really think it's like talked through by the people who distribute, the decision-makers. I don't think they've thought it through...Then you realise oh golly, I see what's happened here. So sometimes not even deliberate. It just wasn't thought through.

Amongst disabled service users it was quite clear that there were fears not only about being cuts to their benefits and services but also the impact of being depicted in the press as undeserving and/or scroungers which would have the effect of further marginalising them. This was compounded by their treatment from some professionals including GPs and ATOS representatives conducting 'fitness for work' tests, which meant they were constantly having to prove their disability and justify the benefits they were entitled to:

It is extremely worrying and frightening and of course the various tests that there are for people on their ability to work, there's a huge percentage of those have been won on appeal, but in that period that person has gone through all that worry and anxiety and feeling of, in some cases, worthlessness. And so all this uncertainty and all this, I would say, villainisation of people who either have a disability or people, because of their disability, are having to claim benefits. I've not seen it to this extent I don't think since I came into the voluntary sector.

(Chair of self-help disability group, Sunderland)

For refugees and asylum seekers, the cuts were perceived as having devastating impacts on their already marginalised position within society in terms of homelessness, destitution, access to interpretation, legal aid and as is expressed here, education:

I think lots of asylum seekers would like to access some form of formal education, but because of the cuts, they are not able to. And I think you might be aware that this asylum process is very long, a very long process. It can take several years in some instances. It depends from each case. So I mean during that time, you know, while an applicant is waiting for a decision, you know, they could be gaining some form of education or training that would benefit not just them, but the whole community as well and the economy. But the cuts have put an end to that. So the only free education I think that asylum seekers can access is ESOL, the English classes which are free, and that service, ESOL training is provided from here, from this office on a Monday.

(Focus group with NERS Service Users, Middlesbrough)

2. An emotional toll on practitioners and service users: We found increased insecurity among practitioners and service users about what the future will hold along with an emotional toll on practitioners attempting to accommodate the spending cuts without any detriment to their service users. Most participants conveyed the impression that they felt funders, particularly local authorities, but also the government, no longer care about them, whether this was in terms of their individual problems and/or needs, and/or the services

provided. Many practitioners spoke about feeling personally and professionally overwhelmed with the increased work they were being asked to do to cover for posts deleted, services cut and hours curtailed. The emotional toll was articulated in expressions of despair, bewilderment, low morale, ill-health and fears about their personal and/or their professional future and/or the future of their service and the future for their service users.

For example the following excerpt is from an interview with a Community Development Worker in Newcastle:

But it's just diabolical how bad that's been. I can't express how absolutely disgusted and lost I am about that. I really worry about where it's going and the idea now... is there's no sense of justice in it.
(Community Development Worker)

Of course the most keenly felt emotional stresses for practitioners was the worry about potential or actual redundancies – which is the other side of the cuts in services. Most practitioners interviewed spoke about the pressures they and/or their colleagues were under in this regard:

Well people in [City Council], if they didn't know what stress was, they know what it is now because they're feeling it in bucket-loads. I've seen it on a scale I've never even seen it before. ...By the time they get into it I'm thinking 'god, you're going to have to go off on the sick'. You either take redundancy or go off on the sick because some people are not able to cope with it. I personally couldn't cope with it. I went through about two months of just feeling like I was in a fog and just so depressed. I thought, 'I just...' I wanted to walk. I nearly did at one time. Lucky I made it through, but I'm expecting another round of cuts. So it's not over yet. I think they're going to do it all again next year. So there's no way anybody can relax at all. I'm constantly making sure I've got things in the home ready so if I lose my job, that my husband at least has got a job, that his wages will be able to keep us going.
(Community worker, Sunderland)

Service users themselves also talked about their fears of being made invisible, their needs being unheard and/or not understood and their futures being uncertain. The focus group with survivors of domestic violence were also keen to point out that their children were also at risk as a result of the cuts, not just to the domestic violence service, but also benefits. One service user explained that on leaving her violent partner she waited eight weeks for job seekers allowance and had to apply for three crisis loans just to buy food. She had been able to get food donations from the voluntary organisation that ran the domestic violence project but once that project had stopped so did the food parcels. These service users talked about how being able to feed their children became a pressing and worrying problem:

W1: You can't concentrate on enjoying being with your children because you're thinking about how to feed the kids

W2: Yeah, we [indicating another woman in the group] often share our shopping so that we can buy what we need. We try to give the kids omega but veg is so expensive.

Those who felt they had been particularly impacted by changes in rules of eligibility to benefits also talked specifically about the emotional impact of politicians encouraging society to believe them to be scroungers and/or deliberately idle and of being scapegoated in the national press. Some participants had given up trying to claim certain benefits that required physical tests, because of the traumatic and dehumanising nature of the process.¹²

Not all of the emotions expressed were negative. Positive emotions evoked by participants as a result of the current funding context can be typified as outward looking, focussing on 'the fight' that was to be had to win over funders, and more broadly the political arguments in favour of public sector funding for the third sector. All participants, no matter how negative the emotional toll for themselves or their colleagues, were engaged in processes to develop survival strategies for their agency/group.

In addition, participants articulated emotions related to their commitment to their service through their: determination to fight for the survival of their service and/or self-help group; championing of the work; commitment to the service user group and a belief that the work is of social use to those people using it; dedication to the work evidenced in the willingness of staff to do more hours and more work with less resources so that the service to the users is sustained in some format. These positive emotions underpin the resourcefulness discussed below.

3. Emerging resourcefulness of participants: In finding ways to respond to the shifting funding regime and spending cuts. Whilst all participants were engaged in strategic planning of some form to weather the changing funding context, and thus exhibited resourcefulness, this did not always have positive outcomes. Indeed, on occasion it may have been to the detriment of practitioners, service users and services.

Participants were often very keen to explain how they/their organisation had made concerted attempts to adapt to the changing funding regimes. The following is a list of those strategies that may be useful at some times in some circumstances for some agencies/ user groups:

Volunteerism

Most participants felt that volunteerism, now being re-branded as 'The Big Society' has always existed but is actually under threat as a result of the spending review:

¹² It has been suggested by senior Job centre executives that this process is increasing the risk of self harm and suicide amongst those claiming sickness and disability benefits. For example see Domokos, J. and Butler, P. (2012) 'Jobcentre bosses warn of suicide risk among benefit claimants' *The Guardian* 20/06/12.

I think what David Cameron used to try and shove down our throats is the big Society. This is a total model of it isn't it when you think about it? Like the Big society where everybody, a lot of volunteers come in and help out as well? There's been a community spirit in this area for a long long time. So that's something that them's designed...it's always been there when you've got good communities (Service user, Healthy living centre, County Durham).

The use of volunteers can be experienced as positive when volunteers are engaged in ways that are mutually beneficial; when a realistic assessment of what aspects of the service lends itself to voluntary work, what training and supervisory support is needed and the basis on which voluntary work will be commissioned is conducted. In self-help groups active volunteers, in the absence of any paid staff to support the work of the group can be the difference between the group surviving or not.

This can be a negative strategy when training and supervisory support are not provided and volunteers are treated as free labour to cover posts that have been cut. Where the role of volunteers is misunderstood there is the risk of exploitation and of jeopardising the quality of the service provided to service users; and in extreme cases, putting service users and/or volunteers at risk.

So we've always had volunteers and we couldn't survive without volunteers. but I can't run youth clubs with volunteers because I think and maybe I'm wrong and maybe it'll change, but the work that we do, I think, is really high quality work and I'm not saying that volunteers can't do high quality work, but my staff are all trained. There's issues around safeguarding and there's issues around...I suppose it is around the quality of the work (Community youth worker, Newcastle)

Charging for services

This can be a useful way to supplement funds for projects, for example, charging for room hire and courses. However, there can be negative outcomes when charging a self-help group for room hire means that they can no longer afford to meet; or when numbers attending courses drop because potential participants cannot afford the course costs. There are also issues around changing the focus and priorities of agencies when profit generating becomes one of the primary *raison d'être* of an agency:

Service User: I've got to say my concern is listening to what we're talking about today, is that Centre's got to pay its own way. Would these services or these rooms still be free or would you have to charge to pay the staff's wages to keep them in a position to run the Centre? So it's a vicious circle we could be going into next year. I wouldn't like to be on the finance group..I do know that *****'s budget is very, very limited. And that's why I think she's been very, very good at getting volunteers to come in and help out....I think [the photography course] was cancelled because I

think ***** is very reluctant to charge people for coming to the courses. Where she can get them free, she'll do them free. I mean the photography one was free and then I think it went to three pound per person you know, so once you've got to pay for the people coming in, you've then got to charge to try and fund it.

Interviewer: So it tends to go against the philosophy of the place a little bit really?

Service User: Yeah.

(Service user focus group, Healthy living centre, County Durham)

Diversifying funding streams

Diversifying funding streams so that agencies are not reliant on one big funder can be a useful way of developing a survival strategy. However, there are also negative factors to consider: again following the funders' agenda rather than the mission of the agency/ group can move the work away from its original aims to its detriment; this strategy demands the work of a fund-raiser because the funding applications and processes are complex that need to be navigated strategically and methodically. Smaller agencies and community groups are often not able to invest this kind of resource in fund-raising or have to accommodate the knock-on costs of so doing for the availability of staff to provide the current provision.

[the name of national children's charity] also has a massive fund-raising department. They are a national organisation that has that infrastructure to survive, whereas the smaller projects, it is down to one person who has to spend all of their time constantly fund-raising which is soul-destroying when your local authority turns round and hands it to someone else.

(Community youth worker, Washington)

Developing consortium bids

Co-operation and partnership building can be a useful way of building local strategies about need and the provision of services. However, there seems to be some evidence that current interpretation of procurement procedures of local authorities result in big, national agencies being preferred over local consortia. This can be problematic because of the loss of the knowledge, expertise and relationships that have been built up by smaller and locally embedded organisations. Work may need to be done with local authorities on procurement procedures to guard against this. The other problem in developing consortium bids –as well as diversifying funding streams is that impact this is having on the multi-agency working ethos that has grown up over many years across the statutory and third sectors. Instead of seeing each other as partners and drawing strength from collective working there is evidence of a growing suspicion and lack of trust between agencies, of a commodification of what hitherto would have been shared as best practice or as information useful for the sector. For example:

Communities are running by themselves because it's dog-eat-dog and they all want to retain their own things that are going on. So much so that I think they're worried that if they go with another organisation, [their money] will be diluted and they'll take half their bits. So they've actually gone more insular. It's gone the opposite direction to the way the Big Society is trying to make them go I think.

(Older people charity worker, Sunderland)

Campaigning and lobbying

Nurturing powerful friends and allies can be a useful way of raising the profile of the work of the agency/group. Again, this takes time and smaller agencies/community groups may not be able to compete with larger agencies to undertake this work which exacerbates the 'competition' between groups for funding; and leaves it open for larger local and/or national agencies to move in and achieve funding for the work previously provided by smaller agencies.

Conclusions

The Spending Review has been described as the 'great social science experiment' of our time, posing the question: what happens when money and services are taken from the poorest and most vulnerable people in society?¹³ This study contributes to finding out what is happening. The rhetoric about what has been called 'Austerity localism'¹⁴ – local control over decision-making about funding of services and promotion of 'The Big Society' – is contradicted by the findings in this study which suggest that among the third sector there is a sense of losing control over local funding decisions. Whilst voluntary work is perceived as something for which there is a long tradition in the North East, there is also a perception that 'Big Society' rhetoric is being cynically deployed to mask cutting public services and exploiting free labour. There are clearly consequences for the material, living and health (including mental health) conditions of those who are already marginalised; and the emotional costs to practitioners and service users should be the subject of further research. Much of the anger and distress expressed by participants was directed towards local authorities because in the North East they have been a relatively big provider of funding for public services. However, it must also be remembered that local authorities themselves have borne the brunt of the spending review and this has resulted in three consequences that in themselves have had knock-on effects for small organisations such as the ones included in this study: local authorities have had to make spending cuts to their own services and officers; this has resulted in the loss of many experienced local authority officers and middle managers, including in those departments which are now being asked to

¹³ Dorling, D. (2011) *The Geography of Austerity: consequences of the coalition government cuts*, Invited Seminar and Debate, Geography Department, University of Leeds, (02/02/11).

¹⁴ Featherstone, D., Ince, A., Mackinnon, D., Strauss, K. and Cumbers, A. (2012) 'Progressive Localism and the Construction of Political Alternatives' *Transactions of the Institute of British Geographers*, 37, 2: 177-182.

make recommendations to the council about funding and put into practice new funding arrangements; the new funding and procurement arrangements have had to be introduced on very short timetables. The cumulative impact of the effects of the spending review on local authorities have been that new funding arrangements that are little understood have been introduced too quickly by staff who may themselves be new and/or inexperienced in their role.

We have decided to talk about resourcefulness rather than resilience because, it has been argued¹⁵ that resilience suggests (passive) adaptation to the changing circumstances rather than any resistance which is implied by resourcefulness. There is evidence that participants in this study are resourceful even though there are sometimes unintended consequences that are negative. Charging for services, for example, might be seen as a resourceful response to spending cuts but this is often a last resort and/or imposed by funding criteria and can have unintended and foreseen consequences since the services are targeted to the very group that do not have the resources to spend on services. In addition there are limits to resourcefulness. There is only so much that can be achieved without putting the quality of services and the well being of practitioners and service users at risk.

The Spending Review, in combination with an ongoing recession, continues to have a very substantial impact on the provision of services across all sectors, but particularly within the public and third sector. This contradicts the rhetoric of 'Localism' and 'The Big Society'. As large national charities or corporate bodies are able to dedicate more time to fundraising and already have the capacity to build networks and relationships with funders; and as funders change their criteria and accept applications from statutory and local authority applicants along with large national charities, smaller, locally embedded third sector agencies and self-help groups are finding it harder to navigate a way through funding procedures and procurement processes.

Recommendations

- The role of volunteers as a panacea for cut backs in staffing and resources should be addressed across the public, private and third sectors. Small organisations should be funded to attend events that aim to promote available best practice in the use of volunteers
- Funders should monitor their processes and funding decisions to chart which agencies are receiving funding; and whether smaller, locally embedded organisations and self-help groups are losing out. Local authorities should review their procurement procedures to ensure that they are transparent and being implemented in ways that are

¹⁵ Mackinnon, D. & Driscoll-Derickson, K. (2012) *From Resilience to Resourcefulness: A Critique of Resilience Policy and Activism*, Papers in Evolutionary Economic Geography 12.12, Utrecht: Utrecht University.

fair and which promote local services; and are seen to be accountable to the local communities they serve. Additionally, funders should ensure that funding decisions do not only favour new and apparently innovative work to the detriment of established, successful projects.

- The role of umbrella organisations for the third sector (e.g. VODA, GVOC, STCVS and NCVS, VONNE etc) may become increasingly important for the survival of smaller and more vulnerable organisations in the third sector. We therefore recommend the development of what has been called ‘progressive localism’¹⁶ i.e.: ‘community strategies that are outward-looking and that create positive affinities between places and social groups negotiating global processes’ which prioritise the needs of the most vulnerable third sector organisations and their service users.
- Further research should focus on
 - the long-term impact of the reduction of these services on the region and more in depth detailed experiences of specific marginalised groups.
 - the changing nature and role of local authorities in delivering public services from their own perspectives; and the impact of this on their emerging role primarily as funders of public services.

¹⁶ Featherstone, D., Ince, A., Mackinnon, D., Strauss, K. and Cumbers, A. (2012) ‘Progressive Localism and the Construction of Political Alternatives’ *Transactions of the Institute of British Geographers*, 37, 2: 3