New Public Management and its Impact on the Voluntary Sector: a case study of youth unemployment services in Coventry

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Abstract

Voluntary sector organisations (VSOs) find themselves operating in an interesting and often contradictory environment. Whilst austerity has widened the scope of contracts they can assess, the amount of funding now available from the public sector, one of their main sources of income, has drastically reduced. This has resulted in a rapid increase in competition amongst a greater variety of providers, to secure the same funding, amongst and across sectors. At this same time greater collaboration has been advocated across all sectors, resulting in internal contradictions where they can be collaborators or competitors. Such conflicts are posing a threat to the survival of VSOs, who have been subjected to numerous external pressures.

Adopting a case study approach of one Youth Service in Coventry and its network partners, the thesis relies on secondary sources, interviews and participant observation to develop its analysis. The voice and experience of voluntary sector (VS) practitioners are used, to provide an updated account of the transformation the sector has witnessed and understand how these changes are being managed in relation to delivering services to unemployed youth. Three key themes were established, which inform the research questions. The first analytic chapter establishes accountability of the voluntary sector. The second chapter focuses on competitive contracting and the third funding changes and their impact.

The thesis aims to contribute to literature on case studies of voluntary sector meso management and contemporary debates around the sectors ability to still provide a valuable and unique service. The thesis concludes that increased accountability to multiple stakeholders, growing competition for contracts, emphasis on partnership working, competing objectives of different funders/providers, the short-term nature of many projects and the complexities consequent on the team-building required to fulfil major projects all force a departure from delivering social values. Each factor contributes to rising costs and associated pressures, a narrative which has scarcely been explored.

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Contents

Expanded Table of Contents

Abbreviations and Acronyms

BL   Big Lottery

CAB   Citizens Advice Bureau

CCT   Compulsory Competitive Tendering Programme

CiN   Children In Need

DWP   Department for Work & Pensions

ESRC   Economic and Social Research Council

ESA   Employment & Support Allowance

ESF   European Social Fund

IER   Warwick University Institute for Employment Research

IS   Income Support

JSA   Jobseekers Allowance

LA   Local Authority

LSP   Local Strategic Partnership

NEET   Not in Education, Employment or Training

SLA   Service Level Agreement

SRA   Social Research Association

SS   Support Society (anonymised name for case study organisation)

VAC   Voluntary Action Coventry

VS   Voluntary Sector

VSN   Voluntary Sector Network

VSOs   Voluntary Sector Organisation/s

WP   Work Programme

List of Figures

List of Tables

List of Appendices

Chapter One*: Introduction*

1.1 Scope of the research

In the past three decades UK systems of delivering public services have dramatically changed: 'By the beginning of the 1960s the post- welfare state euphoria was dying and in the early 1970s empirical doubts were joined by philosophical/political doubts' (Leat et al 1981:2). State bureaucracies, understood as cumbersome, unresponsive, slow and expensive by their critics, have been replaced by a competitive market place by inviting alternative providers to deliver public services under specified contracts monitored by public authorities. The upsurge of interest in market alternatives to the delivery of social services by the state was precipitated by changes in the economic and political climate (Brenton 1985). The introduction of what has been labelled New Public Management (NPM) gradually replaced established forms of public administration during the 1980s and 1990s.

NPM is designed to embody the priorities and assumptions of a business world in which excellence is promoted through competition that guarantees public services are delivered at optimal prices. One of the main aims for this change was to reduce the burden imposed by state welfare bureaucracies on the public purse. This research reveals the journey taken by one Youth Service operating in the realms of the voluntary sector (VS), which is the sector of primary focus to this thesis, at both the organisational and individual level. After briefly examining the behaviour of voluntary sector organisations (VSOs) prior to the genesis of NPM, the thesis focuses on the external pressures imposed by this new administrative system, recently exacerbated by the impact of austerity and seeks to update the context in which VSOs now operate.

The voluntary sector has become increasingly involved in delivering social services. Governmental agencies, particularly local authority departments, now call upon VSOs to plan and implement social policies (Dunsire 1995). This research examines how changes in the voluntary sector operating environment had influenced the Youth Service and the impacts of contract culture in increasingly constrained circumstances. The thesis will explore the idea that the introduction of competition to the delivery of services by the voluntary sector have detrimental consequences for

internal organisation and voluntary sector clients. Unlike commercial businesses, the voluntary sector has extensive experience of helping the vulnerable and those experiencing multiple disadvantages. The voluntary sector is not motivated by profits or the need to protect the financial interests of shareholders. However, it has become increasingly dependent on external funding to deliver services. In a context of NPM service provision, the thesis will also draw from the insights of organisation theorists to explain the changes and challenges experienced by the Youth Service.

This thesis explores how the voluntary sector has responded to the various challenges posed by its increased involvement in policy delivery through an in-depth analysis of one agency in Coventry (anonymised as Support Society) Youth Service. It will focus on the Youth Service networks and partnerships, and analyse the initiatives delivered by the Youth Service team members in specific reference to providing support to unemployed young people. Unemployed youth, as will be detailed in chapter four, are one of the most marginalised and vulnerable groups in society. This research will critically question and identify the challenging aspects of the voluntary sectors operating environment and its impact on the support provided to this group of young people.

Coventry as the location for this research is in part explained by its record of persistently high youth unemployment, in part because the researcher has worked for the voluntary sector in the area and could use established networks to facilitate the research. A degree of empathy proved helpful in winning the confidence of interviewees. As will become apparent, the objective was not to focus on the experiences of the young people themselves, but to locate the Youth Service within the organisation's wider activities and gain information and data from its partnerships, contract partners, and its funders.

The choice of a voluntary sector meso-level study, which are scarce, offers the advantage of observing how contractual demands from varied funders interact within the context of a single agency allowing processes of bidding, delivering and monitoring to be delineated and thus the impact of internal and external changes to be fully assessed. Two observations should be made. First, the contractual agenda today has spread well beyond government policy to include major charitable funders, such as the Princes Trust, Children In Need and the Big Lottery Fund (recently renamed to

The National Lottery Community Fund). This raises issues about the differing expectations of funders, throwing into question the possibility of increasing delivery efficiency at minimal cost. Second, the thesis does not aim to assess the experience of service users. No young unemployed were interviewed for this study, which has remained primarily focused on the challenges of competitive contract-based funding and public sector austerity for the agency's Youth Service staff.

The voluntary sector has long been involved with the process of delivering public services, notably welfare services. Even in the 1950s, arguably the heyday of the British welfare state, VSO gained grant income from local authorities, designed to fulfil statutory obligations with regards to the care of the elderly and homes for the chronically disabled. Grant funding, however, served different ends. In general, fund management and professional practice were left to the discretion of the agency concerned as long as the recipient VSO accommodated users who required help, submitted to periodic official inspections, and employed suitably qualified staff. In the absence of scandals or disasters, grant renewal could be expected and agency autonomy preserved. However, competitive contracting changed this. The thesis will seek to investigate the implementation of this shift, especially in relation to the balance of power between external stakeholders and the Youth Service. The principal topic of exploration is the impact of replacing social values with corporate values.

With the advent of NPM, outcomes have been measured and expenditure monitored in increasingly detailed fashion, forcing all recipients to adopt business strategies in order to survive. This clashes with what we might term the ethos or 'social values' of the voluntary sector, with its emphasis on charitable endeavour and voluntary care. Since 2000, the amount of grant funding had decreased as contractual arrangements spread. In the first decade of the 21st century, registered charities experienced a 151% increase in contract income from statutory sources (NCVO Almanac 2013). The literature addressing this shift in funding sources is examined in chapter two.

These changes have not taken place in a vacuum, but have been driven forward during a period in which politicians have demonstrated increasing preferences for private over public agencies in policy delivery and have generally sought to reduce the role of the state. We have moved from the idea of the state as provider to the state

as guarantor, a process driven by a desire to contain, or preferably cut, costs. Specifically, in the years since the global financial crisis (2007-9), the period with which this thesis is primarily concerned, public expenditure cuts have increased pressure on the voluntary sector to do more with less, tightening performance criteria at a time when the decimation of local authority budgets increases competitive pressure on VSOs dwindling funds. The National Council of Voluntary Organisations (NCVO 2011) calculated that VSOs were to lose £3 billion in cuts over the spending review period 2011-15. This simultaneously stimulated interest in extending the voluntary sector role, as potentially the most cost-effective means of service delivery, while cutting back available funding. This pincer movement has trapped many smaller VSOs in its vice.

Following the economic crisis, as austerity bit, unemployment drastically increased amongst young people. Official statistics show how youth unemployment rose rapidly in the years 2008-12 (see Appendix 1.1). New labour market entrants were badly affected by the recession. According to a recent House of Commons Library briefing paper (HC Library, September 2019), youth unemployment remains at 11.4%, significantly higher than the unemployment rate of 3.8% for the whole population. Furthermore, 15.8% of all unemployed 16-24-year olds have been out of work for more than 12 months. We must bear in mind that these figures do not include young people on government training programmes or on zero hour contracts, both of which expanded following the crisis. Persistent long-term unemployment among the young, commonly identified as NEETs (Not in Employment, Education or Training), frequently results from their other difficulties, such as family conflict, alcohol or drug abuse, which require sustained intervention. These kinds of interventions are not widely encouraged by those outsourced programmes which are closely monitored to secure job placement and little else[1]. In chapter four, we further examine issues related to these forms of sustainable support for unemployed youth.

Research around NPM and organisational theory provides the backdrop to this research. Academic studies of NPM and organisation performance in theory and practice, both critical and supportive, are extensive. More detailed appraisals of the

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[1] Precarious pathways to employment for young people? Unpaid, temporary and involuntary part-time work in transitions from education to employment. *ESRC research programme to which researchers doctoral funding was attached. Information on youth unemployment draws on work of colleagues particularly Phil Mizen (Aston University)* https://warwick.ac.uk/fac/soc/ier/research/pathways/

impact these changes have had on the voluntary sector are less common. Much of the literature, discussed in chapter two, was published decades ago. The novelty of this thesis is the use of a case study to revisit arguments about NPM and offer new insights, updating the context in which this voluntary sector Youth Service was found to operate.

1.2 Aims of the research

This study presents the voices of administrators and practitioners to analyse transformations in the voluntary sector, to hear how the impact of changing external environments has been accommodated or challenged. This research provides a critical assessment of NPM, demonstrating the multiple challenges faced by the Youth Service staff, administrators and service users. The realities of the formal adoption of market-based competition, business functionality and performance standards will be addressed. The thesis will challenge whether these three principles are actually association with improved performance in service delivery. The thesis will thereby examine the extent to which the assessment of earlier academic analyses of NPM remain relevant after several decades. This meso-level analysis, focused on the perspective of those involved in programme delivery at the Youth Service, allows us to examine how staff experience the problems that emerge when they are constantly seeking to secure funding, managing multiple contracts, and fulfilling the varied demands of different stakeholders.

As some authors have noted (e.g. Butler and Wilson 1990; Leat 1995; McDonald 2007; Benjamin 2010) there are fundamental differences between the commercial and voluntary sector in terms of their objectives (profit v. not-for-profit), in terms of their clients, and the fundamental purpose of their activities. These differences shapes both strategies and the deployment of resources. Most importantly, success in each sector cannot be ascertained or calculated in the same way. For the commercial sector, the bottom line, demand for products and services, and share prices, facilitates judgement about organisational performance. For the voluntary sector, success in meeting personal needs is not so easily measured as personal problems cannot be easily reduced to statistical estimates. One unemployed youth may be illiterate, drug dependent, homeless and heavily in debt, another may have extensive qualifications but still needs a job. Each requires different levels of support

and, when dealing with individuals, simple statistical appraisals of outcomes do not compare like with like.

The super-imposition of a commercial, market-based rationality on VSOs undermines the sector's ethical principle that the most vulnerable need, and should be given, the most support. Inverting this principal creates incentives to focus on those it is easiest to help, so called 'cream-skinning', in order to play the numbers game and fulfil contractual targets. Strategic dependency theory, a key underpinning to much of macro-organisation theoretical reflection, offers us a way to understand how strategic decision-making is faced with competing dilemmas due to changing relationships with multiple stakeholders and the original objectives of VSOs. The journey of the Youth Service which provides the case study for this research, will be analysed in terms of these competing dilemmas.

The preceding paragraph illustrates one of the fundamental problems VSOs face in the new climate, but there are others. This research set out to focus on the following research questions:

1. How has accountability of the voluntary sector changed?
2. How has the competitive context of contracting and commissioning changed the relationship between stakeholders?
3. How have funding changes influenced the performance of the voluntary sector?

The main aim of this research was to address issues of accountability, competition and funding in the context of the changing operational environment of the voluntary sector. The research focuses on the journey of one VSO's Youth Service and its partners. The desire to deliver targeted work to unemployed youth in a holistic way was central to the Youth Service practice. However, the ability to do this within a corporate value driven environment is a central dilemma explored in each of the findings' chapters.

This research contributes to knowledge in three key ways. Firstly, by outlining the experience of the Youth Service, it provides an account of how NPM relates to the current context in which VSOs operate. As chapter two will demonstrate, much of the empirical and theoretical work within the sector is rooted in the 1990s and thus pre-

dates the influence of NPM. The research questions and findings are therefore able to provide a rare contextual update through empirical research with the Youth Service and concluding remarks in 2019. It allows the research to present changes or recurring patterns found in the sector. Secondly the research provides new in-depth empirical evidence of the voluntary sector. As chapter two demonstrates, there are limited number of qualitative case-studies of voluntary sector agencies, and existing research generally tends to be more quantitative or statistically focused. Thirdly, the research contributes to the body of knowledge by presenting the journey and adaptation of the Youth Service in being able to assess and identify new factors which may have emerged as NPM has matured. The research focuses on environmental changes and what impact they had on the Youth Service and why?

There is little empirical evidence to demonstrate that NPM has improved VSO performance. What little evidence there is on this topic, such as research by Kiwanuka (2011), actually indicates that the opposite may be the case. Recent funding changes have been based on theoretical assumptions and a particular narrative that assumes private sector methods are best practice. By exploring the three research questions, this thesis will contribute a critical assessment of these assumptions. We should challenge these assumptions especially when VSOs, such as Support Society's Youth Service, are being relied upon to support vulnerable groups, while operating in a context of more competition, reduced resources and increasingly unpredictable funding environment.

1.3. Definition of the Voluntary Sector

Before the chapter goes on to outline the structure of the thesis, it is important to briefly provide a definition of the voluntary sector. The National Council of Voluntary Organisation's (NCVO), UK Civil Society Almanac and the Charity Commission are the primary sources for data on the voluntary sector in the UK. The NCVO is an independent charitable company which organisations may apply for membership. NCVO currently has approximately 11,000 members. It has published the UK wide Civil Society Almanac on an annual basis since 1996. The Charity Commission is an official regulatory agency, whose duties and responsibilities are laid out in the Charities Act 2011. It is principally responsible for the registering of eligible organisations in England and Wales and ensuring charities meet their legal requirements.

The NCVO acknowledges that it is very difficult to define the voluntary sector. This notion is supported by writers such as Marshall (1996) and Osborne (1993) who state that there is a distinct lack of clarity around what the voluntary sector is and what it is not. The voluntary sector is a large and growing part of what is often termed civil society. Civil society covers a wide range of groups, societies and organisations which share common values and institutional beliefs (Harris 2001). In the UK, civil society covers everything from neighbourhood watch groups, universities, housing associations and independent schools. The phrase 'civil society' captures this wide range of organisations including charities, this last term being used specifically to refer to organisations registered with the Charity Commission. The voluntary sector is then defined as a sub-sector of civil society (Kendall and Knapp 1995).

The voluntary sector, third, not-for-profit or charitable sector is incredibly diverse. These are organisations which meet the definition of being a 'general charity' in England, Scotland, Wales and Northern Ireland. They exclude independent schools, religious organisations, government bodies and trade associations. Broadly speaking then there are two types of organisations within the voluntary sector: firstly, registered charities and secondly non-charitable voluntary bodies.

In this thesis the term voluntary sector will be used to refer to VSOs that are formally constituted, non-profit making, private entities, having charitable status and being so registered with the Charity Commission. The main argument for the selection of one VSO, was to be able to provide a detailed account of its development since its foundation, in order to understand its complex relationships with partnering agencies in a comprehensive manner. This allowed working partners to comment on the agency's performance, views that could be triangulated with interview material from the Youth Service staff. Chapters three and five will provide further justification towards the reasoning behind the selection of this Youth Service for the case study.

The number of charities listed on the Charity Commission's register has risen to a nine-year high of more than 168,000 and their collective income has increased to over £75bn for the first time. Figures from the Charity Commission show that 168,237 charities in England and Wales were registered on 31 December 2017, which is the first time that numbers have risen above 168,000 since 31 December 2008 (Charity Commission, 2018). The latest figures show that registered charities collectively had

a gross annual income of £75.35bn in 2017, which was an increase of more than £2.24bn year on year and more than £30bn more than in 2007. The number of larger charities with incomes of more than £10m a year increased by 18% in 2017, rising to 1,209 compared with 1,191 in 2016 the year before. Most of the income growth came from larger charities, which had a combined gross annual income of more than £47.05bn in 2017, compared with £45.47bn the year before.

Large charities with incomes of more than £10m a year now account for 62.4% of the overall income of charities on the register, which is an increase of almost 12 percentage points on 2007. The number of registered charities has been rising by between approximately 1,000 and 1,500 a year since 2009, when just 160,515 were listed. However, the figures did fall back slightly in 2011. These growth figures would indicate that many VSOs have been able to successfully compete for contracts. Whilst the funding accessible to VSOs has increased, it is large charities who are dominating the sector. Support Society is defined as a medium-sized charity based on its income, which helped make it an interesting case study to examine the pressures it faces in the current funding climate.

Support Society is a VSO and registered charity which is formally structured with its own governing Board of Trustees and set mission statement (see 5.2.1) and constitutionally distinct from the private commercial and statutory sectors. As will be explored in chapter five, Support Society has formally broadened its funding base since 2010, by officially supporting unemployed youth in partnership with public and private agencies. O'Connell (1996) argues that VSOs are driven by social value-based missions, borne out of the shortcomings of the public sector's ability to meet the needs of the most marginalised in society. How far such values survive 25 years on is one major issue examined here.

1.4. Structure of the thesis

In conducting this research, theoretical frameworks provide a strong basis for understanding of how changing circumstances have affected the Youth Service, not just in theory but in practice. Organisation theory provides valuable insights to address the research questions. Aldrich (1979) argued that organisations and their environments operate in a mutual relationship and, because of this dependency,

organisations must adapt to changes in their operating environment. This is of direct relevance to the research, in considering the environmental changes witnessed by the Youth Service and changes to their operations. Resource dependency theory was explored to create an understanding of how organisations compete for resources (Pfeffer and Salancik 1978). This helped to reveal how and why the Youth Service had been forced to manipulate their environment, to secure increasingly scarce resources. Macro-organisation theory will also be explored, to explain how organisations align themselves with their operating environments (Miles and Snow 1978). Section B of this thesis will adopt the analytical framework of macro-organisation theory, to demonstrate how and why significant changes in the Youth Service operating environment impacted on their decision making and internal processes.

However, as resource dependency theory predates the Conservative government's public sector reforms, it rapidly became evident that the influence of NPM was strong and, alongside organisational theory, offers a contextual framework for the analysis of the research questions. NPM developed as a key phenomenon to be analysed, along with its impacts to help understand these environmental strategic changes.

The case study approach was chosen as this allowed for examination of multiple ways in which elements of their environment shaped the Youth Service operations, both directly and indirectly. The research questions focus on recent administrative changes, their outcomes, the performance of the agency and its ability to still deliver services aligned to their social values. The nature of the thesis also required the use of research methods to understand the journey of the organisation over time, focusing on the development of the Youth Service in particular from 2010 onwards. The fieldwork covered the period May 2016-January 2019, however secondary sources were also examined to understand the history of the organisation and in particular its Youth Service.

The researcher also drew upon her own professional and practical experience as a manager supporting young people in a local voluntary sector agency. This background facilitated access to the case study organisation and subsequently enabled deeper understanding of the challenges the Youth Service staff spoke about. The voluntary sector is ever evolving and the researcher was aware of the limitations

of this study, namely that she would not be able to cover all areas of exploration in the NPM influence on the entire voluntary sector. The aim was to provide an authentic account of the experiences of this particular Youth Service and their network partners and shed light to some of the real challenges faced directly from within the sector itself. This could then be used as a basis for future research and policy recommendations.

The thesis is divided into three sections. Section A covers five chapters namely on relevant theory, a review of literature, a methodology chapter, and two further chapters documenting the experience of youth unemployment, how Youth Services operate in the Midlands, and the background to the case study organisation. Section B comprises the three findings chapters which address the three research questions. Finally, section C offers a discussion of the issues emerging from the research and offers some conclusions. A more detailed description follows below.

Chapter two uses academic and policy literature to provide an initial theoretical backdrop for the thesis, detailing the origins of NPM, its emergence in a context of contemporary politics and its increasing popularity since the 1980s. It also examines existing literature from key contributors of organisational theory and research relating to different forms of organisations. Based on existing literature, the chapter will conclude by querying how far the promises, and criticisms, of NPM have been realised over the past twenty years in the context of tighter financial constraints.

Chapter three outlines the research strategy and methodological approach of the thesis, justifying why specific approaches and methods were chosen as appropriate. The advantages and drawbacks resulting from the adoption of specific techniques are discussed. The chapter describes how the methods were applied and how the analysis of fieldwork data was conducted. Chapter four offers a contextual framework for the research. It examines how youth unemployment has developed in recent years and the policy responses to address the issue, with specific reference to Coventry. This includes an exploration of prominent VSOs in the city and the role the sector plays in the community. Chapter five provides a background to the case study organisation. This includes its vision, mission and values, organisational structure, key activities and strategic objectives in relation to supporting unemployed youth.

Section B offers three findings chapters, which provide an exploration of the fieldwork, broadly organised under each research question. Chapter six addresses issues of accountability. This chapter looks at how the work of VSOs such as the Youth Service are seen as more than just service providers, but are linked into wider debates concerning the provision of specialist services to provide a unique offering. It defines the various types of accountability that the Youth Service was expected to fulfil and identifies the various stakeholders to which the Youth Service was actually accountable. Chapter seven addresses how market-based systems, a contract culture and increasing competition, all imposed by NPM, have affected the relationships between stakeholders and providers in practice. The chapter describes the shift from grants to contracts and analyses the tendering process at the Youth Service, exploring the concept of 'needing to be business-like' in order to be successful. This is often referred to as the professionalisation of the voluntary sector. The consequences of this way of commissioning services on the Youth Service are considered. Chapter eight focuses on how new operational systems affected the running costs of the Youth Service, as changes in funding streams inevitably resulted in the service recalibrating the way it operates. The chapter considers the sources of funding at the Youth Service and offers a breakdown of the experiences with the three key funders. Running costs and financial risk assessment are then examined, with funding challenges experienced by the Youth Service as a direct result of NPM strategies being the key focus.

Finally, under Section C, chapter nine provides a discussion and some conclusions. The idea that changes in the voluntary sector's operating environment has been somewhat of a contradiction, as both a blessing and curse, will be explored. Following a summary of the thesis, chapter nine identifies the key themes that have emerged and ends with implications for future research and policy. The influence of NPM reform on the Youth Service and insights provided by organisation theory, evidenced the need for reforms to be considered with caution as the knock-on effects of public sector administrative policies had created real challenges for the Youth Service, distorting its purpose and, not least, undermining its ability to secure its future survival.

Building upon the pioneering research of Kiwanuka, K (2011), this case study contributes to a growing literature which is presenting a contemporary critique of NPM theory and practice. Kiwanuka concluded his research ten years ago and called for more empirical studies to be undertaken of NPM influences on VSOs. This thesis responds to this call. In terms of unique contribution to knowledge, the thesis offers the viewpoint of voluntary sector employees, allowing us to understand how the challenges are identified from within the sector itself. It updates the context in which VSOs operate and the new factors and challenges which have emerged as the Youth Service in particular adapted to its changing operational environment. At a time when the sector is being called upon to make a greater contribution, understanding the needs and voice of the sector is arguably more pertinent today than ever.

The next chapter will present the literature review and theory which have grounded this research.

Chapter Two: *Literature Review and Theory*

2.1 Introduction

This chapter will explore what internal and external factors have influenced the development of the voluntary sector over recent years. The chapter will also examine two main bodies of theory to help account for the evolving relationship between VSOs and their operational environment, namely the contribution of New Public Management (NPM) and organisation theory. Both of these theories help explain the voluntary sector's motivations and stakeholder relationships.

This chapter starts with the historic development and changing role of the voluntary sector, examining its strengths and weaknesses. The chapter will then consider the origins and development of NPM in the UK, with a brief historical introduction, focusing mainly on the Conservative government led by Margaret Thatcher, the rise of neoliberalism and public choice theory. The appeal of public-private partnerships for government, both in ideological and fiscal terms, will be outlined to explain the rising importance of the voluntary sector to delivering public services. Following a critical appraisal of NPM, the chapter will explore research related to different forms of organisations, i.e. general organisation theory, and their operating environments, such as the strategic choice narrative, that will be further explored throughout the analytical chapters.

As outlined in chapter one, the thesis aims to contribute new in-depth empirical evidence on how the voluntary sector operates through accountability, competition and funding. This chapter will conclude by reviewing key literature in relation to each one of these three concepts, each of which guide the field work in future chapters.

2.2 Changing relationships between the state and the Voluntary Sector

The case study organisation, Support Society, was founded in 1977 and therefore it is useful to understand social service provision during this period. Governments in the 1970s found themselves caught between external economic constraints, rising public expectations in relation to living standards and public

welfare and their own claims that the economy could, in principle, be guided by the state to secure a high degree of efficiency and effectiveness (Pfeffer and Salancik 1978).

The late 1970s also saw a dramatic increase in voluntary sector activity and in the way in which government policy viewed the voluntary sector, in an attempt to help address public dissatisfaction. Many new voluntary sector agencies were established during this period to help address social concerns. Commissioned in October 1974, the Report of the Wolfenden Committee reviewed 'the role and functions of VSO in the United Kingdom over the next twenty-five years' (1978:9). The report provides valuable insights into the voluntary sector in the 1970s, as it was written three decades after the ostensible foundation of the welfare state which had absorbed the roles previously undertaken by the voluntary sector. The following sections discuss the key findings presented in the report, which are relevant to the nature of this research.

2.2.1 Principal developments in social provision

The report of the Wolfenden committee starts with a brief sketch of the development of the voluntary sector in Britain over the last two centuries. It identifies four main phases of changes in the provision of social services and in turn the changes in the role played by VSOs. The third, covering the 1940's, identified 'the emergence of Statutory Social Services when VSOs which provided basic services, such as voluntary hospitals, were increasingly criticised and became subject to statutory authority' (1978:19). The fourth phase is termed 'The Consolidation of the Welfare State', which, the report argues, 'started with the first plans of a national health service and as the state was charged with the provision of basic social services to all citizens' (1978:19). This brief historical account of the changing role of VSO is important for two reasons. It identifies how 'the history of the voluntary sector over the last three decades has been dominated by the problems of adaptation to the new role of government' and also how 'in the development of social provision over the last two hundred years the pace was first set by the voluntary sector and then by the state' (1978:20). This point is highly pertinent in the context of this research and in 2019. As social services are today commissioned back to the voluntary sector, history appears to have gone full circle.

Wolfenden strengthened awareness of the significance of the voluntary sector by presenting evidence on the substantial scale of its contribution to social welfare. 'Beyond this it has drawn up a framework for analysing this contribution and offered rationale for the inclusion of VSOs in a process of collaborative social planning' (Leat et al 1981:1). Wolfenden described what had been in place for decades, as local authorities had long contracted out statutory services to the voluntary sector, usually on a long-term basis, under grant funding. However, in the 1980s the advent of competitive tendering under market competition was introduced to drive down costs. The extent to which this corporate-value agenda influenced Support Society Youth Service, almost forty years on, will be explored in later chapters.

Harris et.al (2001) argue this report spurred a growing consciousness of the voluntary sector's distinctive characteristics and in turn created the conditions in which the sector developed a more powerful voice. The growing interest in the voluntary sector in the late 1970s, also provided one of the intellectual segues into radical social welfare reforms in the UK in the 1980s and 1990s. Once welfare services were conceptualised as the responsibility of different sectors, welfare pluralism could replace welfare statism: 'It became clear that the voluntary sector was a sturdy survivor helping propose a mixed economy of welfare' (2001:3). The idea of mixed economy of welfare was a key plank in the Thatcherite project of rolling back the frontiers of the state, reducing the scale of government activity and changing its role from the direct provision of services to the monitoring and regulating of services provided by others. VSOs became a key part of the mixed economy of provision in health and social care. However, 'many questions can be raised about the impact that close relations between the state and the voluntary sector has had for both parties' (Mold, A 2012:51). This thesis will seek to highlight these questions and responses, by detailing the experience of the Youth Service which forms the case study under examination.

2.2.2 Strengths and weaknesses of the Voluntary Sector

The Wolfenden report identified the strengths of the voluntary sector in the late 1970's, when Support Society was founded. These included 'an ability to extend the scope of existing provision; a setting for innovation; improving standards of statutory provision and finally offering services where little or nothing else was

available' (1978:26). The report also identified three main reasons for government support: 'firstly, where the need was not enough to justify specialist statutory provision; secondly, where the voluntary sector could provide a desirable degree of choice and thirdly, where the supplementation of statutory services by voluntary effort gave added benefit' (1978:64). The extent to which Support Society came in to existence in 1977, based on these external factors, will be explored in chapter five.

The main weaknesses of the voluntary sector identified by the Wolfenden report focused on:

'the unevenness of its distribution and performance. Despite the number and variety of organisations there are some needs which are not met. This is a weakness which arises from the very nature of the voluntary sector, from the freedom of individuals to intervene where they chose and the inherent appeal of some causes rather than others' (1978:190).

This weakness directly links to strategic choice theory which will be explored below (2.7) and will be used to understand the decision-making process of staff at the Youth Service. Further 'duplication or overlapping between one organisation and another' (1978:190) was also undesirable. The extent to which this is still true over forty years on, will be explored through understanding the challenges of partnership working at the Youth Service.

The relationship between the voluntary sector and the state was also explored by one of the rare analyses conducted of the voluntary sector, by Leat et al *Voluntary and Statutory Collaboration* (1981). Eight detailed case studies showed that this relationship was not a new discovery in the 1970s, but dates back to the beginning of the 1960s. Many of the conclusions derived from their pioneering research are evident in contemporary debates. It could even be argued that NPM finds its roots here. Their research was conducted as Thatcherite policies were beginning to gain dominance and the idea of adopting the private sector for policy delivery was being popularised, which makes this a very interesting publication to inform debates prior to academic accounts of NPM. Leat et al. (1981) not only provide a critique of the state's responsibility in moving the pluralist agenda forward but also highlight the proactive role the voluntary sector itself should adopt in this endeavour. 'The

voluntary sector has been criticised as taking a secondary, more passive role to the dominant partner when it comes to policy formation' (Lewis 1999:255). In this critique the voluntary sector fails to challenge, influence and assert its authority on wider policy debates. 'VSO would need to pay equal attention to thinking as well as doing and need to become more self-critical and evaluative in relation to their own and others functions, more fact and research orientated. More emphasis needs to be placed on clear priority formulation and planning ahead' (Leat 1981:175).

2.3 Reforming the Voluntary Sector since 1979

Neoliberalism's first practitioners emerged in the United Kingdom under Prime Minister Margaret Thatcher and in those governments in the U.S. that had suffered most heavily from economic recession. By the end of the 1980s, neoliberal ideals were firmly embedded (Harvey 2005). Prime Minister Thatcher introduced a number of neoliberal reforms, including tax reduction, deregulation and privatisation. The aim was to defeat inflation, curb the power of the trade unions, liberalise markets and restrict the extension of state intervention. This move to limit the direct involvement of the state in the delivery of services has had a major impact on the voluntary sector. Thatcher's Conservative government's strategy to reform public management was to privatise public services, enhancing the ability and responsibility of public authority to guarantee their economic, efficient and effective provision (Hughes 1997). Increased pressure for economic reform allowed privatisation to emerge as the solution. 'Efficient allocation of resources is the most important purpose of an economic system, and the most efficient way to allocate resources involves market mechanisms, according to neoliberal economic theory' (Munck 2005:62). Thatcher's reform programme was inspired by a 'war on waste, disdain for the civil service, an ideological orientation towards the market, and a determination to cut public spending' (Rhodes 1997:12).

Political and economic pressures shed light as to why neoliberalism prevailed. For example, in relation to youth unemployment, 'in the seven major OECD countries, youth unemployment stood at 17% in 1983 with Italy 32% and Britain 23% particularly high' (Thomas 1985:224). Public spending came under immense scrutiny during this period. There was increasing pressure for overt and transparent accounts of expenditure, especially in relation to welfare services and those that the public

held accountable by virtue of their tax contributions. High levels of youth unemployment directly relate to pressures on public expenditure, as the cost of unemployment benefits and other forms of support formed a growing burden on public budgets.

On coming to power in 1997, the Labour government under Tony Blair continued with various privatisation and deregulation measures. The distinctive features of the voluntary sector and the contribution it could make were acknowledged (Giddens 1998). Blair's keynote speech to the National Council for Voluntary Organisations (NCVO) conference in January 1999 affirmed his intention to encourage voluntary sector activity (Howlett and Locke 1999).

Blair's government sought a partnership between the public and voluntary sectors through a national compact (Home Office 1998) that established mutual undertakings between the state and the voluntary sector. These emphasised 'how agencies remained accountable to both funders and users, with a particular stress on user involvement in the development of services' (1998:8). The Blair government introduced the 'Best Value' initiative as a statutory requirement in April 2000 to modify the compulsory competitive tendering (CCT) programme (Loffler 2003). Compulsory competitive tendering had required public sector organisations to allow private sector firms to bid for the delivery of services, in competition with any internal provision by the organisation itself. The policy developed by the previous Conservative governments established market relationships in public service provision on the assumption that this would drive down costs and improve efficiency, whilst ensuring quality through contractual obligations.

Neoliberal ideals created and sustained a position for the voluntary sector, advocated by government, as a sector which could help promote the efficiency drive. Thus, the appeal of the voluntary sector for government stemmed not merely from its reputation for innovation, but also its apparent fiscal advantages. The voluntary sector offered private service provision without the need to meet the demands of shareholders as found in the for-profit sector. Avoiding the protection of shareholder value was inevitably attractive for the government and explain their choice of consulting and encouraging growth in the voluntary sector (Deakin 1995). Therefore,

it is important to acknowledge the economic benefits associated with this transformation of service provision.

The final policy innovation that has affected VSO performance has been the years of austerity that, in accordance with neoliberal precepts, was introduced by the Conservative and Liberal coalition government in 2010. The brunt of public expenditure cuts was born by local authorities, which also reshaped all public sector contractual arrangements. With the influence of NPM in place, this in turn required the voluntary sector to tighten their budgets, bidding essentially to do more for less when competing for contracts.

2.4 The origins of New Public Management

NPM can be traced back to a variety of theoretical origins, notably public-choice theory, management theory, classical public administration, neoliberal public administration, principal-agent theory, property-rights theory and transaction-cost economics. As will be detailed below, the individuals who advocated and implemented various NPM reforms were influenced by an eclectic variety of these ideas (Gruening 2001). To gain an understanding of how NPM developed it is important to understand its key foundations.

NPM is widely accepted as a strategy derived from neoliberal economics. It is therefore useful to set out some key features of neoliberal theory and its historic rise as the bedrock on which NPM rests. The UK has played a pivotal role in the development of the NPM paradigm and can arguably claim to have been its birthplace. The seminal paper which coined the term NPM was in fact the product of UK experience (Hood 1991).

2.4.1 Neoliberalism and shrinking the state

Neoliberalism wields, according to Munck (2005:68) 'great power over contemporary debates concerning reforms of international trade and the public sector'. Recorded usage of the term 'neoliberalism' stretches back to the end of the nineteenth century, when it appeared in an article by the prominent French economist Charles Gide (1898; 1922). According to Saad-Filho and Johnston

(2005:1) 'we live in the age of neoliberalism which is the dominant ideology shaping our world today'.

In *A Brief History of Neoliberalism*, David Harvey provides a comprehensive definition of the term. 'Neoliberalism is in the first instance a theory of political economic practices. It argues that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets and free trade' (2005:18). Harvey's assessment is particularly useful to understanding the significance of neoliberal influence on the development of NPM, as the role of the state is clearly defined:

'The role of the state is to create and preserve an institutional framework. The state has to guarantee, for example, the quality and integrity of money. Among other functions, it must also secure private property rights and to guarantee, by force if necessary, the effective functioning of markets. If markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created' (Harvey 2005:2). Beyond these activities it is argued the state should not be involved.

In some respects, recent debates on the advantages and disadvantages of state interventions in the economy can be traced back to the different economic traditions stemming from the writings of Hayek, on the one hand, and Keynes on the other – albeit that both were referring to very different economic situations. Hayek has been widely regarded (not least by Margaret Thatcher) as a founding father of free market economics which is viewed as the foundation stone of personal freedom. Keynes, in contrast, thought it essential for government to play a central role in steering markets in order to safeguard growth and minimise unemployment. 'The work and debates produced by these two economists influence almost every economic or political conversation' (Horber 2017:5). Both conservative or liberal views can be attributed to either Hayekian or Keynesian theory. These debates have been significantly influential in establishing the free market rhetoric which until recently has been the position favoured by UK government policy and which forms the foundation for NPM ideas.

NPM's origins can be traced to the early 1980s and we need to understand the political landscape that fostered its rise. Years of domestic inflation in the 1970s caused political disillusion with Keynesian policies designed to stimulate growth and this is when the ideology of neoliberalism emerged as a dominant philosophy. Politicians and their advisors turned to the private sector for advice on how to effect reform public service delivery, to ensure better results.

'The ideology extended to a belief that the public and private sectors did not have to be organised and managed in fundamentally different ways. Indeed, that it would be better for public services to be managed as much like the private sector as possible' (Dawson and Dargie 2002:35). Neoliberal policies advocated the transfer of economic control from the public to the private sector. Crucially this outsourcing of public services and statutory responsibility has significantly shaped the face of the voluntary sector (see 2.8 below).

2.4.2 Public Choice Theory

Until the election of Thatcher's Conservative government, the idea of 'user involvement' was largely rooted in notions of democratic participation in general elections. The new government shifted the focus to ideas of consumer preference and demand as primary mechanisms for exercising public accountability (Deakin 1995). This produced a 'quasi market' in community care and many personal welfare services (Le Grand and Bartlett 1993) applying market mechanisms and business methods while reducing the role of local government as a service provider. Quasi-markets are pertinent to understanding the influence of NPM on the voluntary sector and changing role of government. These are public sector institutional structures designed to reap the supposed efficiency gains of free markets, without losing the equity benefits of traditional systems of public administration and financing.

Following the Griffiths Report (1988) the government formally separated the roles of 'purchaser' and 'provider' in community care. It required local and health authorities to subcontract a large proportion of these services to the 'independent sector', including the voluntary sector. This initiative has been widely characterised as the introduction of the 'contract culture'. Although the hand of the market was exercised through this purchaser-provider relationship, users were a necessary

element in the quasi market. One key example of this was the introduction of the Children Act 1989. This required local authorities to consult with the voluntary sector and users in planning, which promoted the user as a consumer or customer capable of exercising individual choice – allowing consumers thus to identify the superior provider who offered the best goods and services.

'The public choice school and its message had an influence upon politicians facing big deficits. Strategy became a major concern with politicians, who had for a long time accepted public sector growth. According to this theory the only remedy would be choice and competition among agents' (Lane 2009:33). This notion of public choice theory within a competitive environment, as a tool for performance improvement, is important in understanding the creation of NPM. 'Traditionally managed public services do not effectively meet the standards of service expected by ordinary citizens, so let us give individuals a charter of rights to standards of services which they can legitimately expect' (Dawson and Dargie 2002:36). Organisations which meet their clients' needs will flourish at the expense of those that do not. Public choice theory allowed performance to be judged by the clients themselves, the recipients of services being seen as customers.

As noted in chapter one, VSOs are distinctly different in organisational terms as they are not-for-profit (Wistow and Hardy 1999). The main drive of VSOs is a focus on meeting their mission and the needs of their clients. These characteristics allow the voluntary sector to be considered as an alternative provider. This transition links in with the concept of co-production. Co-production means delivering public services in an equal and reciprocal relationship between professionals, people using services, their families and their neighbors (Boyle and Harris 2009).

In section B, this thesis will explore how the Youth Service had responded to public choice and competition in securing the delivery of contracts which support unemployed youth. Also, it will look at how the Youth Service had pitched itself to demonstrate how it met the demands of customer choice. How can the Youth Service, which constantly needs funding to survive, manage to demonstrate that it meets the needs of service users? In addition, how did they believe they were accountable to the individuals who accessed their projects and to the funders who

financed this work? This points in two directions, accountability up and down, both which will be explored.

2.5 What is New Public Management?

NPM was a term first coined in the late 1980s to denote a new (or renewed) stress on the importance of management in public service delivery. This is often linked to doctrines of economic rationalism (Hood 1989; Pollitt 1993). Public-private partnerships have significantly influenced the prominence of the NPM agenda, with a large proportion of voluntary sector income coming from the public sector. The apparent emergence of a more managerial orientation in several mainly English-speaking countries at that time created the new label NPM. The most cited original references on NPM are Hood (1991) and Hood and Jackson (1991). Christopher Hood's seminal characterization of NPM's principal themes included 'a shift away from an emphasis on policy toward an emphasis on measurable performance; a shift away from reliance on traditional bureaucracies towards quasi-autonomous units and competitively tendered services; and a shift away from classic command and control regulation towards self-regulation' (Hood 1991:4).

Hood, in his 1991 publication, *Public Management for all Seasons,* states 'the rise of NPM over the previous 15 years is one of the most striking international trends in public administration' (1991:3). Hood goes on to identify how:

'NPM's rise seems to be linked with four other administrative mega-trends, namely: (i) attempts to slow down or reverse government growth in terms of overt public spending and staffing (Dunsire and Hood 1989); (ii) the shift toward privatization and quasi-privatization and away from core government institutions, with renewed emphasis on subsidiary in service provision (Hood 1988; Dunleavy 1989); (iii) the development of automation, particularly in information technology, in the production and distribution of public services; and (iv) the development of a more interactional agenda, increasingly focused on general issues of public management, policy design, decision styles and intergovernmental cooperation' (Hood 1991:3)

Dunleavy et al (2006) have summarised NPM as 'disaggregation + competition + incentivisation'. Other writers have drawn a distinction between 'hard'

and 'soft' versions of NPM (Ferlie and Geraghty 2005). The hard definition emphasises control through measurements, rewards and punishments or sanctions. Soft versions of NPM prioritises customer-orientation and quality but still includes the shift of control away from service professionals towards managers.

The development of NPM in the UK is an evolving phenomenon. Pollitt and Bouckaert (2011) categorise different waves of reform thinking. 'From the mid-1960s to late 1970s cost-benefit analysis was key. This is where science and expertise were trusted to produce progress. However, from the late 1970s to the late 1990s, the NPM agenda dominated where business techniques were adopted to improve efficiency. The rise of better management was seen as the solution to a wide range of social problems' (2011:11). NPM favoured market mechanisms designed and guided to yield outcomes which were in the public interest. NPM as a strategy appears to have many components. 'There is now a substantial branch industry in defining how NPM should be conceptualised and how NPM has changed' (Dunleavy et al 2006:96). Ferlie et al (1996:10) argue 'there is no clear or agreed definition of what the NPM actually is and not only is there controversy about what it is, or what is in the process of becoming, but also what ought to be'. This makes NPM an elusive term. Some observers believe that it is best to perceive NPM as a menu from which choices can be made (Manning 2001, Turner 2002). From existing literature, it is clear that although there is some ambiguity surrounding NPM, academics have continued to identify common characteristics of reforms and organised them under this label of NPM (Dunsire 1995).

NPM does advocate certain approaches which are commonly accepted, as it implies that the public sector is not distinct from the private sector (Olsen 2003). 'NPM promotes clarification of intentions, goals, targets, and indicators to measure progress and advocates the application of markets, competition and contracts for resource allocation and service delivery within public service organisations' (Olsen 2003:510). This approach has historically helped foster the expansion of the voluntary sector, as it offered the opportunity to give the voluntary sector a seat at the commissioning table.

Academic authors have redefined NPM in terms of its strategies and dimensions. For Pollitt and Bouckaert (2011), NPM is a two-level phenomenon. 'At

the higher lever it is a general theory that the public sector can be improved by the adoption of business concepts, techniques and values. Then at a more mundane level NPM is a bundle of specific concepts including greater emphasis on performance, injection of market-type mechanisms and an emphasis on treating the individuals using a service as customers' (2011:10). Ferlie et.al (1996:10-15) identify at least four NPM models. The first model, 'The Efficiency Drive', was the earliest to emerge, and dominated the early and mid-1980s. 'Public managers were to concentrate on business-like professional management ideas and approaches as practiced by private agencies, which rely on customer satisfaction, market mechanisms, information technology and entrepreneurial spirit' (Farazmand 2006:16). This reshaped political decision-making in social welfare reform. The second, 'Downsizing and Decentralization, emphasised a search for greater organisational flexibility, decentralisation of strategic budget responsibility and increased contracting out of services. NPM model three is In Search of Excellence. Refuting the methods of model 1, this highlights the role of values, culture, rites and symbols in shaping how people behave at work. Finally, NPM model four is Public Service Orientation. This combines private and public-sector management and includes a strong focus on securing the accountability of services to local users and citizens (rather than customers) which is less apparent in other variants' (Ferlie et.al 1996:12)

The four models provide a comprehensive understanding of all the facets associated with NPM. They also demonstrate how the theory has evolved, with later versions offering different strategic perspectives to earlier ones. This research has developed out of the need to understand these different dimensions and for greater analysis of the relationship between NPM and VSOs and the marketisation of voluntary services.

2.6 Critiques of New Public Management

By the later 1990s, NPM was coming under increasing attack. 'This did not mean that it suddenly stopped - not at all. Indeed, NPM-type reforms are still going forward in many countries. But it did mean NPM was no longer seen as the only solution to a wide range of public sector problems' (Pollitt and Bouckaert 2011:11). Critics have questioned the deceptive nature of the term, noting that there is no

single model of NPM which can be developed as a tool for analysis. They thus query 'the extent to which it has sufficient conceptual coherence to provide an alternative to public administration' (Osborne and McLaughlin 2002:11). The fact that Ferlie et al (1996:10-15) identified at least four models of NPM, works to its disadvantage as an analytical tool as there is no one model to define its complexities. It lumps together under a single heading a variety of different approaches which have been introduced at different times in different services and different locations.

NPM reforms have provoked strong reactions. For example, Rhodes (1994:148) describes the trends in the UK towards a smaller public sector, as 'the bold new era of the hollow state'. He fears NPM is risking institutional fragmentation, fostering loss of accountability, and reducing government's capacity to steer the system. He further goes on to state 'at the worst, NPM could be a disaster waiting to happen' and contemplates the possibility of a 'catastrophe' (Rhodes 1994:148).

Similar concerns are expressed by Minogue (1998) and Greve and Jesperson (1994). Minogue states that 'deregulation, contracting and market testing in the UK sacrifice important values such as equity, community, democracy and citizenship. Deregulation represents a shift away from the traditional oversight values of probity and professionalism towards a primary concern with efficiency and value for money' (Minogue 1998:31). Minogue's critique is important as it helps question at what cost the efficiency drive is to be achieved.

Greve and Jespersen (1999) are very cautious and critical of NPM agendas for VSOs. They highlight 'the need to consider voluntary sector client groups in their own right and how efficiency may come at the direct expense of compromising the quality of services provided. NPM removes the normative foundation of the voluntary sector, which is intimately connected with fundamental principles of equal rights and fair processes' (1999:146). Dismissing or overlooking the human element of the work of VSOs, has developed as one of the key critiques of NPM influence over the voluntary sector.

Newman and Clarke (2009) discuss the NPM influence in the context of exploring the changing fortunes of public services. They note that market domination and business efficiency became prevalent, but question to what extent this actually

improved the quality of public services. The introduction of NPM was stimulated by the desire to reduce the role of the state, not merely for ideological but for budgetary reasons. The process of tendering is designed to reduce public expenditure, but the insistence on public transparency (audit trails) impacts running costs.

This contradiction of increasing costs is highlighted by Hood and Dixon (2015) who focus on how the cost of running UK government changed over a period of three decades. They conclude that 'the battle for better management in government has not been won, and that pressures to make governments work better and cost less are unlikely to go away' (2015:15). The private sector is extolled for its efficiency in service delivery, but this model is essentially profit driven and professional. In order to compete, the voluntary sector becomes increasingly 'professional' in financial terms - and necessarily more expensive, thereby undercutting its previous economic advantages. This juxtaposition is clearly central to the debate and will be explored.

Although NPM had a dramatic impact in the 1990s on management and policy making, many scholars believe that NPM is past its prime. A range of criticisms has suggested that, among other things, NPM has simply been a passing fad, that it has undermined the accountability of public services to their communities and it has failed to deliver the promised efficiency and effectiveness of public services (Lynn 1998; Pollitt 2000). Dunleavy (2008) believes 'NPM is being phased out because of a disconnection between 'customers' and their institutions. The modern digital era and the new importance of technology kills the need for NPM' (2008:19). Dunleavy argues that new forms of governance should be heavily centred upon information technology. The digital era provides a unique opportunity for self-sustainability, so NPM is outdated.

Although Brenton researched and wrote her publication in 1985, before the new structures were operational, she makes a significant critical point about the welfare pluralist case in direct relation to the voluntary sector. She argues for the inherent superiority of the voluntary sector over statutory sector provision of social services, in its capacity for innovation and cost effectiveness, which have to be treated with considerable caution. Brenton argues such claims 'have to be understood in the light of the very natural tendency to inflate claims to attributes and

characteristics which are known to be favoured by governmental and non-governmental funding agencies as a means of justifying the allocation of funds where perhaps other criteria are lacking' (1985:17). Her criticism alludes to the idea that the government may have had wider agendas at play, when outsourcing and perhaps the 'efficiency drive' is only part of the story.

In their 2009 discussion paper, Boyle and Harris suggest that 'the kind of short-term financial efficiency consequence of NPM tends to squeeze out the broader considerations of positive social and environmental outcomes' (2009:15) Contracting-out services based on this narrow model, in their view, can also have the inadvertent effect of preventing more cost saving because contracts are based on payments for specified activities, which gives little incentive to provide cheaper or more effective alternatives. In their opinion the danger in this cost-efficiency game is that it creates a 'race to the bottom' in public service provision. Shorter-term horizons are fed by ever narrower outputs. This trajectory becomes even more problematic in current financial circumstances, a key focus for this thesis in examining the impact of post-2010 austerity on VSOs.

Boyle and Harris (2009) argue if public services are to become genuinely better and efficient, they must focus on maximizing positive outcomes defined in terms of public benefit, rather than merely minimizing costs which was the key priority of NPM. They conclude the current narrow focus on efficiency inadvertently undermines that possibility. There are difficulties measuring success in terms of narrow efficiency on the basis of outputs alone, which can be extremely misleading.

However, despite such criticisms, NPM continues to dominate public sector management. According to Dawson and Dargie (2002:53), 'the institutional structure created by NPM in the 1990s has been elaborated rather than eradicated'. There has subsequently been more emphasis on the importance of setting standards, measuring performance against benchmarks and acting to eradicate persistent poor performance. The government's role in securing, but not directly managing, regulatory frameworks and chastising poor performance has if anything become more pronounced in recent years, particularly under the impact of the austerity drive from 2010. This helps reinforce the need to understand the impact of this strategy,

especially its influence on the voluntary sector where such considerations are currently scarce.

2.7 Organisation Theory

General organisation theory is the study of organisational design, relationships and structures. It focuses on such dimensions as level of organisation formalisation, specialisation, standardisation, hierarchy of authority, complexity, size, goals and strategy. These dimensions provide a way of measuring and analysing organisations (Daft 1997). As this research focuses on a single case study of one voluntary sector Youth Service and its partners, organisation theory and research relating to understanding the various dimensions of an organisation would be most relevant. Especially the changes in organisation design and structure that have been largely determined by external influences under stakeholder engagement, how these have increased over the years and the reasons why.

Macro-organisation theory focuses on the organisation and its socio-economic environment. As the social and economic environment within which the Youth Service operates was of direct interest to this thesis, it was relevant to understanding the issues faced by this agency. Macro-organisation theory authors have studied the ways in which organisations have attempted to align themselves within their operating environment. There are many types of macro-level organisational structures in which organisations interact, function, compete, and cooperate (Scott and Davis 2007).

The concept of strategic choice theory another keynote theory, is associated with the work of John Child (1972) and continues to have a significant influence on the study of organisations and management. Up until the emergence of the concept in the early 1970's, understanding of organisations was largely deterministic and functional in nature. The utility of strategic choice was that it brought managerial agency and decision making in to the equation. For Child (1997:45) strategic choice refers to 'the process whereby power holders within organisations decide upon courses of strategic action'. Strategic choice will be used throughout the analytic chapters and in particular chapter nine, to help understand choices made by the Youth Service.

Miles and Snow (1978) popularised the term 'organisational adaptation' and illustrated how organisations attempt to position themselves to operate in different environments. 'For most organisations the dynamic process of adjusting to environmental change and uncertainty, of maintaining an effective alignment with the environment while efficiently managing internal interdependencies is enormously complex' (Miles and Snow 1978:3). However, they go on to argue that these complexities can be penetrated by searching for patterns in the behaviour of organisations. Miles and Snow conclude that 'adaptation occurs through a series of managerial decisions, the effectiveness of which hinges primarily on how consistently managers choices are integrated' (1978:153). This argument will be used in chapter nine to help explain the patterns of behaviour which have navigated the journey of the Youth Service.

Miller and Friesen (1984) develop organisational adaptation to provide what they term a 'quantum view of organisations. 'By discovering and studying the nature, behaviour and performance consequences we can ultimately bring to bear a great deal of descriptive and prescriptive knowledge concerning organisations' (1984:1). They were primarily concerned with structural and strategy changes and highlighted how different strategies towards their environment led to comparative success or failure. The strategic vision of Support Society will be outlined in chapter five and how this has impacted upon their mission to support unemployed youth.

One key criticism of the theories outlined above has been that they provide a simple classification of what are in reality complex situations. They also tend to be static in their approach. They fail to address the different dynamics involved in an organisation's relationship between key stakeholders and, while acknowledging that adaptations happen, do not provide explanations of what occurs to key components in any given environment change. By providing an account of the context in which the Youth Service operated, this research will attempt to unravel how the service changed based on the significant challenges faced.

This thesis is interested in not only what changes the Youth Service experienced but also why, as a VSO, the organisation reacted in the way it did. The notion of organisational power helps provide a further explanation of how, when things change in the political, social and economic environment of an organisation,

this impacts who actually has the power to determine what happens (French and Raven 1959).

As the influence of NPM has grown stronger, reinforced by austerity in recent years, it becomes clear that the Youth Service was forced by external factors beyond its control to react and adapt in the ways expected by the NPM model. In their influential journal article on the strategic contingencies' theory of power (Hickson et al 1971), the authors describe the factors that have enabled NPM to have such a powerful influence over the voluntary sector. The theory identifies how power shifts in favour of the environment. In the case of NPM, the adoption of market performance and the pressures exerted by austerity, external factors control the strategic contingencies the Youth Service faced (accountability, competition, funding etc). This control and its associated pressures can force organisations to abandon their own autonomy in order to survive.

Pfeffer and Salanckik (1978) discuss how organisations survive: 'Our position is that organisations survive to the extent that they are effective. Their effectiveness derives from the management of demands, particularly the demands of interest groups upon which the organisation depends for resource and support' (1978:2). In their opinion, 'survival comes when the organisation adjusts to and copes with its environment, not only when it makes efficient internal adjustments' (1978:19). They argue that no organisation is completely self-contained because it imports resources from its environment. This is true for public, private, small or large organisations or organisations which are bureaucratic or organic (Burns and Stalker 1961). This became known as strategic dependency theory and has developed as a milestone of macro-organisation theory. Degrees of dependency vary, with the most extreme scenario being total dependence, where an organisation is wholly dependent on its environment for survival. Chapter nine will consider that whilst there are degrees of dependence, the Youth Service faced an increasingly dominant and powerful operating environment which placed real constraints on their daily operations and strategic direction.

To counter the argument proposed by organisational dependency, strategic choice theory already mentioned above, associated with the work of John Child (1972), delivers an opposing insight. Strategic choice brings active decision making

directly into the picture. Child argues that even in the most demanding and dictatorial environments, managers can still exercise choice in their decision-making. This idea is pertinent in chapter nine to understanding the closing decisions made by Support Society in relation to a Youth Service.

2.8 Impact of external factors on the Voluntary Sector

NPM focuses on professional entrepreneurial management as developed within the private sector. Butler and Wilson (1990) found that effective and responsive management has been the key issue facing VSOs. They argue that a process of 'natural' professionalisation had occurred over time and VSOs have become much more efficient. However, an 'additional overlay of deliberately trying to import professional management skills and values is likely to have an impact on the wider context of charitable activity beyond that of increased efficiency' (1990:166). The analytic chapters of this thesis explore these impacts, providing practical illustrations. Butler and Wilson argue (1990:167) 'that professionalisation is accompanied by competition between voluntary organisations' (see chapter seven). They demonstrate how VSOs recruited 'professional' managers so that competitive lessons from the commercial world could be translated into a charitable context (1990:172). As chapter five will evidence, this was also the case at Support Society when recruiting their current CEO.

Butler and Wilson's research demonstrates how VSOs formulate strategies for securing funds, providing services, and dealing with other public, private and VSOs. The central theme was organisational change and how managers have responded, strategically and structurally, to changes in their environment. 'The major concerns of managers in the voluntary sector follow the necessity to combine professional management with the strong culture of altruism and voluntarism that characterise the sector' (1990:164). Although this thesis covers the years 2016 to 2019, 30 years on from Butler and Wilson's publication, the same challenges still appear relevant. How the Youth Service was able to manage this problem while staying true to its original values frames the analytical chapters in Section B.

There is a literature documenting how NPM directly helped foster the expansion of the voluntary sector. Historically, it is no coincidence that in 1978

Brunel University established the UK's first voluntary sector-centred programme which became the Centre for Voluntary Organisations in 1987. The NPM agenda re-established the popularity of the Wolfenden Committee's report, where the innovation of sub-contracting social services such as youth employment to the voluntary sector or other private sector providers was actively encouraged. Harris et al (2001) document the NPM strategic shift on the voluntary sector. 'The voluntary sector was propelled into the centre of the social policy stage with an expanded role in public welfare. Instead of meeting social needs to complement or supplement state provision, the voluntary sector increasingly took over responsibility for services previously offered by statutory bodies' (2001:3). However, on the other hand, although voluntary sector status was enhanced, other concurrent new themes were increasingly leading voluntary sector managers to feel that they were at best 'junior partners' and at worst helpless supplicants (Deakin 1995, Harris 1998). The influence of the NPM strategy on the voluntary sector had both positive and negative attributes. It is largely agreed that NPM has however resulted in a re-evaluation of all sectors of this 'market'. Smith et al (1995) argue this development has meant increased responsibility and accountability as well as a reappraisal of VSO management. The next three sub-sections consider how this re-examination has transformed the voluntary sector, through a focus on the three research themes of this thesis.

2.8.1 Accountability

Its proponents have argued that NPM has brought benefits of cost efficiency and service effectiveness to public and non-profit management and has helped address fundamental weaknesses in VSO management, by increasing accountability and control. Accountability has become a key term in the literature surrounding the voluntary sector and takes several different forms (Leat 1990; Rochester 1995). Disentangling its features becomes more urgent as the voluntary sector has moved increasingly into contracting or forming compacts with other sectors (Lewis 1996; Kumar 1997). For some, accountability is seen as the mechanism for disciplining the voluntary sector, just as profit operates in the private sector and elections in the public sector. The 1992 Charities Act imposed legal requirements as well as demands for public accountability on VSOs.

Rochester (1995) argues that demands for accountability pose more difficult and complex issues for the voluntary sector, than are experienced by their counterparts in the statutory or for-profit sector. Among the demands to be balanced by the voluntary sector are accountability to members; to users or beneficiaries; to funders; to the community and to the public at large.

Leat (1988) argues that the implications on staff time, form one cost of multiple accountability. Voluntary sector staff are required to produce different reports and different figures at different times for different authorities and stakeholders. The cost of accountability can be very high, as lack of clarity between often-conflicting pressures for accountability are exacerbated by a range of demands which can reveal conflicts and tensions. Leat conducted interviews with voluntary sector managers and found that they were able to contain the problems of multiple accountabilities, largely because local government funders did not have the time or knowledge to pursue the matter effectively. This appears a significant weakness as it is government officers and commissioners who are tasked with implementing the efficiency agenda.

Taylor and Basi (1998) say that not enough information is provided to ensure that the voluntary sector is on top of their legal requirements, whereas Hudson (2005) argues that the voluntary sector is over-regulated. The voluntary sector main business objective does not involve the generation of profit from its service users. However, as Armstrong (1992) notes, whilst the voluntary sector is not driven by the profit motive, it is still accountable to income providers so increasingly needs to be 'business like' and cost effective. Cornforth (2008) points up the rising numbers of performance indicators the voluntary sector is required to meet. This has created 'increasing demands on the voluntary sector and recognition of their growing importance have led to calls for better quality assurance in this sector' (Cornforth 2008:4).

The voluntary sector has long been credited with being able to meet the needs of its service users in a more accessible way. Smaller VSOs are often based in the communities they serve (Armstrong 1992). This distinction of smaller and larger VSOs (usually defined in relation to income) is important. Recent trends have fostered the growth of larger VSOs, but with growth comes compromise. One-way

larger, national VSOs remain local is to subcontract to smaller, local VSOs. Support Society is considered medium-sized in relation to its income but is still based in the local community it has served since 1977. This localism arguably adds another layer of accountability, as staff generally reside in the community and individuals can therefore be located by users and held accountable with relative ease.

Billis (1993) argues that, in relation to accountability, there are ultimately three decisions that VSOs can make. One is to give precedence to accountability to funders over all other demands and effectively become 'instruments for the implementation of government policy' (1993:21). Another is to make a brave decision not to take the funding on such terms and jeopardise never being in receipt of state contracts again. The third course of action is to learn to manage the tensions between the competing demands for accountability, which may be available to agencies with deep roots and clear-sighted, effective leadership. Research question one aims to consider how the Youth Service, as a VSO led programme which supports unemployed youth, reacted to these accountability changes.

2.8.2 Competition

Wilson (1992) highlights how the relationships between public, private and the voluntary sector in Britain have witnessed increasing levels of change. He identifies the increased levels of competition between sectors and between VSO themselves and increased pressures towards professionalisation in voluntary sector management and organisation. The pertinence of NPM for this thesis, from the definition provided by Ferlie et al (1996) model one, is the focus on voluntary sector management and this shift to more 'business like' operations. There is a growing literature which suggests that although VSOs are non-profit, because they still deliver a service for which they receive funds 'voluntary organisations are businesses' (Gann 1996:2). As public, voluntary and private sector organisations compete to deliver welfare services, Billis et al (2010) question if these categorical distinctions retain any meaning in a contemporary welfare landscape. Especially as organisations increasingly possess significant characteristics of more than one sector. This generates 'hybrid organisations' (Billis 2010:21) that require assessment as policy delivery may well vary in accordance with the organisation involved.

Adapting to the demands of NPM has greatly influenced VSOs. 'NPM favored schemes that allowed for some form of tendering/bidding, meaning short term contracts and contracting out' (Lane 2009:33). This particular method of funding has been widely criticised as not allowing VSOs to be long-sighted and this creates problems for securing sustainability. On the one hand, for vulnerable clients such as unemployed youth, a long-term and sustainable plan of action is vital (Greer, Breidahl, Knuth and Larsen 2017). Yet competition for contracts is now something almost all VSOs have to face in order to survive. On the other, the voluntary sector has long been regarded as innovative, being able to operate on a tight budget and 'do much more with less' (Leat 1993). This innovation and shoe-string budget reputation, particularly in an era of public austerity, has often worked in the voluntary sector favour.

Transitions from grant funding to competitive contracting have left their mark on the voluntary sector. Academic authors have noted the results. The proportion of voluntary sector income received from the state has grown steadily. There are five sub-sectors of voluntary service activity that receive more than half of their overall income from statutory sources. The employment and training sub-sector top the list, with agencies receiving three-quarters (75%) of their income from the state (NCVO 2010). This has had the effect of exporting the values of the state to the agencies they contract and raising voluntary sector reliance on the public sector. Deakin (1995) argues this is a change of fundamental significance for many VSOs, who have found it necessary to adapt to the new imperatives of the 'contract culture' and in so doing, to reformulate their style and approach to the content of their work. 'The process of 'professionalisation', involving the import of management strategies from the commercial sector, has been promoted by VSOs eager to raise their competitive standards to secure contracts. VSOs can find themselves in competition with agencies formed by ex-public sector workers, whose insider knowledge of service delivery and public policy expectations offers advantages when it comes to securing contracts' (Butler and Wilson 1990:172).

'Lack of information, understanding and skills has tended to undermine greater involvement for many smaller VSOs' (Leat 1995:170). Competition fails to operate fairly as larger, cost efficient operations come to dominate and monopolise

the market. Since the 2007-9 financial crisis, cash-strapped local authorities have increasingly turned to the voluntary sector for service delivery, while tightening contractual specifications in the delivery of youth-focused services, exacerbating the risk of cream-skimming (prioritizing the placement of clients closest to the labour market, see: Lowery 1998), again raising the advantages enjoyed by larger VSOs or established networks of experienced providers.

Assessment of contractual performance again reveals problems encountered by VSOs. 'It's a familiar problem, funders want hard facts but charities often work with vulnerable people and measuring the success of charitable projects can be fraught with problems' (Ricketts 2008:16). This feeds back into the issue of cream-skimming in order to fulfil targets, identified above. When the client group being supported is unemployed youth, one of the most vulnerable groups in society, these issues become even more important. Ricketts (2008) demonstrates the measurement and delivery of outcomes, as fulfilling target numbers is essential for contract renewal, proves highly problematic. This research will shed light on such dilemmas facing the Youth Service, especially whilst reporting accountability of their contributions.

The NCVO report, *Navigating Change* (NCVO and Lloyds Bank Foundation 2016), found that after the 2008 financial crash, small and medium-sized charities lost more income proportionally than their larger counterparts, as grant funding dried up. From the start, state funding raised concerns about the autonomy of the sector (Taylor and Bassi 1998). Forder and Knapp (1993) argue that the voluntary sector working methods and service delivery patterns are so tightly constrained that voluntary sector providers increasingly come to resemble their funders. These issues, as experienced by the Youth Service, are explored further throughout chapter seven.

2.8.3 Funding changes and their impact

The previous section outlined the rising significance of public sector contracts for voluntary sector funding. Strategic dependency theory as outlined in 2.7 becomes relevant as the voluntary sector becomes increasingly dependent on a changing environment for financial survival. The popular notion that voluntary sector income

comes from voluntary sources, such as fundraising from the general public, does not accord with reality. In their report, *Transparency Begins at Home* (2015), the Centre for Policy Studies established that 50 of today's biggest charities declared income of £3.1bn from publicly funded sources, and the majority listed public funds as their main source of support.

From the earliest days, competition exerted indirect pressure on voluntary sector funding. To compete successfully frequently means neglecting additional infrastructure and regulatory costs which local authorities were reluctant to finance (Davies and Edwards 1990). Rising standards, client demands and inflation also impose additional budgetary burdens. Mocroft and Thomason (1993:107) illustrate how 'there is a tendency for specification to concentrate on the immediate, identifiable cost of a service without any element for supporting the organisation as a whole.' Unfunded expenses hand competitive advantage to larger agencies, who possess the reserves to absorb them (Gutch 1993) and who also hold the required proven track record in service delivery, making it harder for new, smaller voluntary sector agencies to compete successfully. In addition, growing use of professional consultants or higher salaried, experienced staff to guarantee success (Butler and Wilson 1990; Romo 1993), put into question NPM's promise of offering value for money.

Funding issues influence VSO behaviour in three major ways (Leat 1995). 'First, it may directly or indirectly increase demand for VSO services' (1995:158). Increased demand creates pressures either for more resources or for ways of containing demand by tightening eligibility. Organisations facing increased demand without more resources may tighten financial management or draw on reserves. 'Second, wider contexts may reduce the financial or labour resources available to the voluntary sector – the latter thanks to the inability of professional management to force increased effort from unwaged volunteers. Third, official contracts may increase the resources available overall, or for particular areas of work or under certain conditions' (1995:160). Such policies offer some VSOs increased resources, but the terms and conditions may significantly affect those organisations' objectives, style and structure.

Gann, in his work on managing change in the voluntary sector found 'while the source of funding may be different to the private sector, the aim is the same for voluntary sectors to provide what people need at the best quality and manageable, competitive cost' (Gann 1996:2). The possibility of securing lucrative contracts (which NPM offers) offers a key explanation for understanding why Support Society became involved in youth unemployment intervention. The state outsourcing its statutory responsibilities has greatly assisted the voluntary sector in ensuring its financial existence. However, there are costs attached to this privilege.

Brenton (1985) was one of the first to explore this by analysing the relationships between the voluntary sector and government. Broad issues of autonomy and control are raised by growing financial dependence. The interface between government and the voluntary sector comprises a vast mixture of conflicting motives, interests and goals on both sides. The understanding of partnership as a collaborative relationship between local authorities and the local voluntary sector, involving joint responsibility and parity of status and influence, exists more in theory than reality. The reality is that in most areas the two sectors operate as if they were entirely separate:

'Voluntary organisations cope with their need for public money often by walking a precarious tightrope between becoming puppets of government and thus losing their identity and independence and setting themselves as adversaries and critics so stridently as to disqualify themselves from funding' (Brenton 1985:111).

Thus, for the voluntary sector, although the contract culture has assisted the development of services, the dangers of growing financial dependence are a real concern. In chapter eight the way in which the case study manages this will be explored.

The duration of funding also raises issues of cost and risk. Long-term block contracts may reduce financial uncertainty. However, block contracts, attractive to local authorities as a means of containing costs, may lead to the collapse of smaller agencies that provide more flexible and specialist services, catering for particular client groups (Forder and Knapp 1993). This fosters 'mission drift', the redefinition of an agency's principles and mission, to reflect the funder's priorities. Chapter eight

will focus on how the Youth Service responded to competing funding demands, to evidence how funding changes have practically influenced performance in supporting unemployed youth.

2.9 Conclusion

This chapter has detailed two key theories which seek to account for the evolving relationship between the voluntary sector and various elements of their environment. This thesis analyses the journey of the Youth Service at Support Society to assess why some of the patterns already identified in literature have endured and identify any new factors which have emerged, especially as NPM has gained popularity as austerity has reduced resources. Critical appraisal has demonstrated that this journey towards the 'efficiency drive' and 'contract culture' has not always been a smooth one and continues to present real challenges. The ideological shift towards corporate values of business functionality and performance standards, has, according to the literature, clearly reconstructed the operations of VSOs. This greatly impacts upon their ability under organisation theory to sustain autonomy in making decisions and to demonstrate strategic choice. The voluntary sector has found itself operating with competing demands in trying to satisfy the performance criteria of its funders, to stay true to the varied levels of accountability while respecting its mission driven by social values. Organisation theories have contributed to understanding the motivations and influences which impact upon the ability of agencies to remain autonomous and make decisions which reflect the best interests of the VSO and its clients.

By adopting a case study approach and providing in-depth empirical evidence, the researcher seeks to provide evidence of the organisational context in which the Youth Service operated and present the challenges faced by this VSO, as outlined in the literature, through the lens of those who operate within the sector itself. The issues identified above have informed the field work, especially in relation to the direction of the interview questions. Meso-level study offers the opportunity for the factors separately identified in the preceding three sub-sections to be integrated within the experience of a single organisation. The next chapter will now outline the methodological considerations involved in this research.

Chapter Three: *Methodology*

3.1 Introduction

The main aim of this thesis, is to explore the internal and external factors which have impacted the performance of the Youth Service under examination, in delivering services to unemployed youth. In order to deliver a meaningful insight into the debate, certain methods are more appropriate than others - especially as the focus of this research was on voluntary sector organisational processes at meso-level management, procurement, organisation and management of youth provision. Meso-level analysis involves the study of specific groups, communities, and institutions such as VSOs, and is thus appropriate to the nature of this thesis.

From the outset the researcher wanted the experience of the Youth Service employees to be heard, crucially offering an authentic account. In order to achieve this authentic account, immersion in to the organisations culture was required. The case study design chosen is suitable for most ontological and epistemological approaches (Creswell 2014). The main reason it is suitable is because of the level of access gained through this particular method. The insight required naturally gravitated towards this method, as will be demonstrated throughout this chapter. Embedding herself in the sector and more specifically the Youth Service being examined, offered the researcher a comprehensive understanding of how funding and the strategic delivery of services to unemployed youth operates 'on the ground'. This approach also revealed the contribution staff believed they have made and the perception of this contribution by key stakeholders.

It is important to establish from the outset that whilst the case study organisation delivered multiple work streams, some of which will briefly be outlined in chapter five, the sole focus of this research was the Youth Service at Support Society. This intentionally became the specific 'case' under examination and whilst relevant aspects of the wider organisation are detailed to assist context, it is the Youth Service which is the primary focus and which comprises the case study, not the organisation as a whole. The rationale behind this stems from the specific emphasis on youth unemployment, which forms the basis of the next chapter. This chapter will go on to explain case selection rationale, highlighting the importance and significance of the specific service under investigation.

The chosen research approach was methodological triangulation. This chapter will detail how specific methods were adopted and how the field data was collected and then analysed for the findings stage. As will become apparent the desirability of seeking individual views and opinions, inevitably influenced this research approach. Saunders, Lewis and Thornhill (2003) describe 'The Research Process Onion' which details widely the four elements of research: '(1) research philosophy; (2) research strategy; (3) research approach and (4) data collection methods' (2003:83). This chapter will apply 'The Research Process Onion' analysis and within each area detail which philosophy (interpretivism), strategy (qualitative case study), approach (triangulation) and data collection methods (secondary data, participant observation and semi structured interviews) were adopted and the reasoning behind these choices. This will include a critical evaluation of any alternative methods considered, in order to provide a balanced view.

Finally, the chapter will detail all the ethical considerations for this research and add a section on reflexivity. The reflexivity section, will mainly be in relation to researcher bias and the measures put in place to limit any undesired effects. By the end of this chapter, the reader will appreciate the reasoning behind the researcher's adoption of a single case study approach as an appropriate method to addressing the three research questions of this thesis.

3.2 Research Philosophy- Interpretivism

Within social research literature, there are two widely recognised methodological approaches: positivism and interpretivism. Research generally falls under either epistemological position, and whichever one is adopted will inevitably influence and direct the course of the research. 'Your research philosophy depends on the way that you think about the development of knowledge' (Saunders et al. 2003:83). This section explains why an interpretivist approach to the development of knowledge, was adopted as a basis for answering the three research questions.

Auguste Comte (1798-1857) coined the term 'positivism'. 'The intention of positivism is to produce general laws that can be used to predict behaviour, in terms of probability at least, if not with absolute certainty' (Fisher 2007:17). Positivists prefer 'quantitative' methods which, as Bryman (2012) highlights, entails the

collection of numerical data such as official statistics. Quantitative data are viewed as offering a more scientific analytical basis from which causality, generalisations and replications can be derived. The 'deductive' approach is adopted 'where the purpose of theory is to generate hypotheses and then design a research strategy to test them' (Bryman 2008:13). Research, as a process, is generally governed by an existing hypothesis which requires verification. As May argues, positivists 'generalise from the observations on social phenomena and make statements about the behaviour of the population as a whole' (May 2001:10).

The positivist/quantitative research philosophy was quickly ruled out for this project. For this research, there was no specific hypothesis to be proven or disproven. Nor did the researcher wish to make generalizations about a broad population. In fact, the opposite was desired, where the journey of the Youth Service was considered and the challenges, the service face under NPM was to be explored. In contrast to a specific hypothesis the researcher developed three research questions, in relation to the voluntary sector and wished to provide an insight under each. As stated in the Introduction, each question starts with the word 'how', illustrating the investigative nature of the research and the desire to understand each topic under consideration, namely accountability, competition and funding. The approach to the research questions is explorative by nature, to provide a comprehensive understanding of changes which have occurred over time.

From the 1960s, positivist social science was heavily criticised for ignoring the importance of individual subjectivity and the role of consciousness, 'with an anti-science sentiment and growth in popularity of interpretivist methods instead' (Jupp 2006:230). Qualitative research has become increasingly influential, as supporters claim that scientific approaches are inadequate on their own for collecting, analysing and explaining data, or that they are totally inappropriate in research that deals with human behaviour. This research seeking to reveal the opinion of individuals, has consciously chosen to adopt a qualitative/interpretivist approach.

Interpretivism argues that it is necessary to explore subjective meanings motivating people's actions, and 'is critical of the positivist tradition, arguing that the social world is far too complex to lend itself to theorising by definite laws in the same way as the physical sciences' (Saunders et al. 2003:84). Researchers who adopt an

54

interpretive approach are usually the strongest advocates of 'qualitative' data, who emphasise values as a means to understand action. 'A frequently used distinction of research studies is quantitative versus qualitative' (Blumberg 2008:218). The main steps in qualitative research are detailed by Bryman (2012) as 'a sequence which provides a representation of how the qualitative research process can be visualised. The process comprises: general research question/s; selection of relevant site and subjects; collection of relevant data; interpretation of data; conceptual and theoretical work and writing up findings' (2012:384).

The qualitative process highlighted by Bryman reflects how this thesis has developed. The research commenced with establishing research questions, finding an organisation that could help shed light on those questions, collecting data during fieldwork within this organisation, interpreting this data in light of the theoretical assumptions of NPM and then writing up the key findings in relation to the questions.

The overarching benefit of an interpretivist approach is its ability to provide a descriptive narrative of the topic under investigation, which is the main aim and contribution of this thesis.

3.3 Research Strategy: Case Study

As established above, the research questions themselves are explorative in nature with accountability, competitive contracting and funding at their heart. Becker (1990) has described one aim of case studies as the attempt to arrive at a comprehensive understanding of the group/organisation under study. 'Case studies cover the detailed study and analysis of particular persons, events, decisions, periods, projects, policies, institutions and other systems using one or more research methods' (Thomas 2011:23). This definition resonates with the aim of this thesis. The researcher wanted to study intensively a single case (Youth Service) in relation to the research questions using triangulation.

When considering the adoption of a single case study approach, it is important to note that multiple case studies were initially considered as being desirable. However, it was rapidly concluded that finding suitable comparators would prove very difficult in terms of the ambition of analysing changes over time. Support

Society was one of the only VSOs within Coventry which dated back to the 1970s and which had a long-standing history of working with vulnerable youth. Interestingly the majority of agencies working in the youth employment arena in Coventry were created much later, originating in the 2000s and well after the adoption of NPM became widespread. The time commitment associated with multiple case studies would also hinder the ability of the researcher to derive in-depth empirical evidence, which as identified in Chapter one, was one of the main contributions to knowledge which this research sought to make. Also, crucially as the focus of this research was on the Youth Service and its network partners, the findings have to some degree involved the contribution and analysis of other local VSOs. As the conclusion to this chapter will reinforce, the approach of this research was to use the findings revealed by the case as a basis for raising issues and queries. These will be outlined in chapter nine and could usefully be followed up by further research, possibly using another agency facing similar challenges and perhaps in other locations to provide an extensive comparative analysis. In such a capacity this research provides a starting point for the dialogue of impacts and challenges experienced by this particular Youth Service to be further explored.

The case study method involves in-depth investigation and can be descriptive or explanatory, based on multiple lines of enquiry or sources of evidence (Yin, 2014), offering an attractive flexibility. 'To study a single case intensively need not limit an investigator to qualitative techniques. Case study research may be either quantitative or qualitative, or some combination of both' (Gerring 2007:10). As will be seen under 3.5 the researcher utilised a variety of techniques to help create a profile of the case study organisation. Blaxter et al. (1998:66) claim 'the case study is in many ways ideally suited to the needs and resources of the small-scale researcher. It allows focus on just one example; this may be the researcher's place of work or another organisation with which they have a connection'. In this instance, the research was small scale and the researcher has a strong connection with the voluntary sector, having operated in this field for the last decade.

The case study approach allows significant amounts of detail to be collected. Bryman and Bell (2007) state that interviews, questionnaires, documents, audio-visual materials and reports can all be applied. With the wide range of data collection

methods available as part of this strategy, case studies allow a significant amount of access and can therefore enhance the validity of data collected. The researcher actively wanted to immerse herself in to the culture of the Youth Service, with the hope that any data collected would have greater depth. Adopting a case-study approach made this possible.

Another widely recognised benefit is that case studies can help adapt ideas. Having conversations with workers and interviewing them enabled access to be gained to their personal views. These views helped direct the focus and attention of the research, redefining the next stages in the research process. At the Youth Service important insights were gained from dialogue during semi-structured interviews and certain issues in relation to the research questions were explored. Such revelations were actively encouraged, to build a rapport with individuals. Participant observation gave both opportunity and access to develop this.

The adoption of a case study approach at the Youth Service, also enabled insights into the wider voluntary sector context through network partners, thanks to the participation of a wide range of key stakeholders. These ranged from funders, partners, senior management team, trustees etc. One of the main advantages of using a single case study, and more precisely single service, was that a single point of entry allowed the research to establish networks, lines of accountability and to evaluate efficiencies all through partnership working. Establishing these lines of accountability required time, building rapports and a continuous presence in the setting. Focusing on the Youth Service fostered the ability of the researcher to shed light on these networks in the desired way.

Thanks to the unique situation of the Youth Service, the conclusion was reached that a single case study should be used because there were no readily available comparators. The research design focused instead on snowballing interviews and fieldwork, to reveal the constraints and opportunities within which this specific VSO operated. This helped reveal the processes of funding and its accountability, detailed in the finding's chapters, rather than being confined to looking at the agency per se.

Case study research has, however, not gone without criticism. Yin (2014) argues that case studies provide very little basis for generalisation, as a focus on small numbers of subjects is not necessarily representative. One of the most common criticisms and limitation of case study research, is that it cannot be applied widely. The findings of this thesis may provide some generalisations, which could reflect on the experience of other VSOs. However, the examination was of the Youth Service alone and its network partners. Noting the idea that research should benefit the maximum number of people, Alan Bryman (1988) suggested that one way to overcome this problem is to use a number of case studies on the same type of phenomena. If this research was to be developed, it could go on to examine other similar case studies within the voluntary sector. However, for the purpose of this thesis, extended research of this nature was neither desirable nor possible due to the in-depth empirical evidence required. The research used one point of entry and chose this as the focus of all fieldwork, to be able to establish comprehensive and deliver authentic findings. The researcher had experienced multiple case study research previously, as part of her Masters dissertation. However, when reflecting back, one of the key limitations of this approach was not being able to dedicate enough time on each case study to be able to present a thorough account. Focusing on the Youth Service gave the opportunity for the researcher to provide the in-depth account desired and really have the time to understand the experience and journey of this case study.

In general, case studies make no claims to be representative. However, findings produced here may resonate within the wider voluntary sector community. For example, funding is one area of interest in the findings chapters (chapter eight), and other voluntary sector agencies are required to bid for contracts under similar processes and are audited on their results in similar ways. This being part of an administrative system that has been subject to an extensive reform in recent years, as outlined in chapter two. This research has provided insights in to how the Youth Service operates and some of the constraints and opportunities found will also be relevant to other VSOs.

Case studies have been criticised for using informal designs with multiple variables and too few cases, resulting in unsystematic research (Gering, 2007). At

the point where the emphasis of a study shifts from the individual case study to a sample of cases, that study becomes cross-case. Case study research may incorporate multiple case studies, however at a certain point it will no longer be possible to investigate those cases intensively. Weighing up the pros and cons of this strategy, the rationale behind a single case study approach, was precisely because intensive investigation at the Youth Service was desired to deliver the level of insight required to contribute towards understanding the research questions in a comprehensive manner.

3.3.1 Alternative strategies

Research strategies such as action research, experiment, archival research, grounded theory and ethnography were initially considered as alternative research strategies. Action research, favored mainly by educators, is a disciplined process of inquiry conducted by and for those taking the action. The primary reason for engaging in action research, is to assist the 'actor' in improving and/or refining his or her actions. Action research involves active participation in a change situation and is focused around solving problems. The researcher did not wish to influence change in the fieldwork setting during her research, so action research was quickly ruled out. The main reason for not wanting to influence change, was for fieldwork to be able to provide an unbiased and accurate reflection of the experiences and views of the participants themselves.

Although archival research was used as part of the secondary data analysis, this type of research alone would not have been sufficient to gather the primary data required. In order to remain true to the intention of providing an in-depth, authentic account and in order to provide the voice of practitioners, their voice needed to be heard. This is why interviews became the primary means of data collection. So, although archival research was used as part of the triangulation approach and did assist the researcher in establishing the organisation and Youth Service background, it would not have been sufficient as the sole approach for the aims of this thesis – not least because written documentation, in an era of fast-growing IT communication systems, is increasingly partial.

Grounded theory, a methodology which originated in sociology (Glaser & Strauss, 1967) was also considered and whilst not adopted in its purest form, this research approach did deploy some elements from it. Grounded theory has similarities in relation to beginning with a question and then collecting data, which very much was the approach of this thesis. However, the use of codes for the basis of creating new theory was not necessarily required as two main bodies of theory had already been chosen for analysis. As shown in the previous chapter, the researcher made use of existing theories, namely NPM and organisational theory, to contextualise the research. Whilst discussing the relationship between theory and evidence of this research, it is key to note that the relationship is symbiotic. One of the wider aims of the research questions is to critically identify any shortcomings of NPM, which, as chapter two identifies, is a term which has become so generalised. This research strategy focuses on one specific voluntary sector service, using insights provided by organisation theory and seeks to reveal the strengths / weaknesses of NPM by observing how that service and its network partners have responded to its demands. To reiterate, unlike traditional grounded theory, creating a new theoretical framework was never the researcher's intention. Rather the intention was to analyse the phenomenon of NPM along with its impacts on the chosen case over the years. The intention was that the findings and conclusions would allow the researcher to modify the current understanding of NPM – through some elements of 'grounded theory' - and deliver a current and updated account.

One fundamental question raised in relation to this research may be why NPM was specifically chosen in the first instance as the phenomenon to be analysed. When starting the literature review and reading authors who had already commented on the challenges of VSO, it became apparent that the key challenges were those advocated and encouraged either directly or indirectly by this shift towards NPM ideals. From the outset, this conceptual framework was dominant and hard to ignore. As the thesis sought to present the view of practitioners and the challenges, they faced in delivering services, NPM along with its impacts became the clear frontrunner as the phenomenon to be analysed.

This thesis builds upon the work of Kiwanuka (2011), as he had already illustrated the merit of using NPM theories to understand the changes and

challenges witnessed by the voluntary sector, with his research specifically focusing on competition. Whilst competition forms the basis of analysis in chapter seven, this thesis builds upon that by also considering accountability and funding. In this sense, by not taking an inductive approach to the analysis of fieldwork data, the researcher acknowledges that there was an element of pre-formulating how she would analyse the materials collected. This aspect is discussed under reflexivity. The other main theory considered was that of co-production, as there is an increasing amount of literature relating to the adoption of such strategies and how they are increasing user involvement in voluntary sector delivery. However, as the focus of the thesis was on meso-level management and organisational processes, as opposed to micro and young people/front line delivery itself, this was dismissed in favour of NPM.

Finally, when considering research strategy, ethnographic research was considered as a strong option due to its viability in relation to the research questions. Ethnographers try to explain culture, including organisational cultures, by writing accounts of their subjective experiences of living and working in the environment being studied over a considerable period of time (Fisher 2007). A case study approach can also be contrasted with ethnography, though the distinction between the two is sometimes blurred. 'An in-depth case study drawing on participant observation is an ethnography of a kind but ethnographic study generally calls for much more immersion in a context than most case studies' (Hammond & Wellington 2013: 17). Ethnography is a field of study which 'is concerned primarily with the description and analysis of culture' (Saville-Troike, 2003:1).

Saunders (2008) highlights that the most common ways of collecting ethnographic data is direct, first-hand observation of daily participants which can be done through observation and interviewing. Ethnographic study always involves qualitative investigation; however, it may also include quantitative methods (Lecompte 1999:18, Bernerd 1995 and Pelto & Pelto 1978). Ethnographers are data collection 'omnivores' (Spindler & Spindler, 1992); that is, they make use of any and all types of data that could possibly help shed light on the answer to a research question. As detailed in 3.5 this research also adopted a mixture of data collection techniques.

Ethnography is rooted firmly in an inductive approach, which is in line with the chosen research philosophy of this research. It derives from the field of anthropology and the purpose is to describe and explain the social world the research subjects inhabit, in the way in which they would describe and explain it. Ethnography is a research strategy which takes place over an extended period of time. The researcher needs to immerse themselves in the social world being examined, and 'has a more inclusive sense than participant observation' (Bryman 2002:693). This level of inclusivity was not appropriate for this research, because a level of detachment was required in order to analyse data critically. Such detachment, not favored by ethnographers, was necessary for both objectivity and reducing researcher bias. This is mainly why ethnography was ruled out as the objectives were different to those embedded in this research.

3.4 Case selection rationale

Writers such as Batsleer (1995), have focused on changes which the voluntary sector have witnessed since the early 1980s. However, even with close to 200,000 VSOs in the UK today (2019), it appears that the sector's specific experiences with delivering services to unemployed youth remain under researched. Therefore, an original contribution to knowledge made by this thesis lies within this object of study, as well as the city of Coventry being used as the primary case study.

Coventry has a strong manufacturing heritage, hard hit by the 1980s recession, and the labour market has since undergone considerable restructuring, which is the main reason it provides an interesting city for this research. The rationale behind the selection of Coventry, also reflects to the personal history of the researcher who has had over a decade of direct experience working with Youth Services delivered by local VSOs in the area. This has stimulated a passion for investigating and contributing towards the youth unemployment debate, in particular at a local level.

There has been a notable growth of registered charities since the 1980s. During 2013/14 financial year, the Charity Commission received 6,661 applications for new charities in England and Wales, a 16 per cent rise on the previous year (Charity Commission Registrations: 2015). By virtue of securing contracts and

registration with the Charity Commission, the accountability of charities is already established within limits.

As partnership work also features very heavily at the Youth Service, it was shortlisted as the potential case study very early on, not least because the agency was active in a wide range of networked activities (see 5.4). Because Support Society had been established over 40 years ago, it offered insights into historical evolution and changes over time. During the fieldwork phase, long-standing members of staff and trustees offered evidence on the changes witnessed by the organisation and this informed the findings chapters. The fact that the organisation still had members of staff who had been there since inception, provided invaluable insights for the analysis.

The principle focus of this research was the Youth Service and its responses to changing administrative frameworks. One of the main rationales and key benefits of choosing the Youth Service in particular, rather than the other work streams delivered by Support Society - for example combatting domestic violence - was the fact that this specific sector has been subject to official interventions by the state for some time. Therefore, changes in administrative practice and central regulation could be identified to help map any patterns and identify new factors which may have emerged. Also, as the researcher was attached to the Pathways Project at the IER (Warwick Institute for Employment Research) where youth unemployment was the primary focus, the fieldwork provided from a voluntary sector-based Youth Service added a useful and additional insight to the wider debate.

3.4.1 Access

Gaining access to the Youth Service was obtained with relative ease, as the organisation supported the aims of the thesis and saw the benefits of this research. With the specific focus being on the Youth Service, the researcher went about gaining approval by firstly contacting the Youth Service Manager at Support Society. The intentions of the research were outlined and the rationale behind the three research questions discussed. The Youth Service Manager supported the research and worked as a gatekeeper, offering links to the CEO at the time. Formal approval was gained for the research to commence in April 2016 and the organisation gave

consent for primary and secondary sources relating to the organisation be used for the purposes of this research. A confidentiality agreement was signed, stating that any information in relation to the safeguarding of young people that the research might encounter was kept entirely confidential. As the researcher had personally operated in the youth work field and having been a safeguarding lead herself, she was familiar with the terms of safeguarding and confidentiality which arguably also helped gain access. The researcher then linked in with other staff, mainly from the senior management team and those in the Youth Service, predominately through team meetings, to request consent for their participation. A participant information sheet was always handed out and explained prior to seeking their formal permission via a consent form (Appendix 3.1).

Access was approved as the organisation was keen for their voice to be heard. The Youth Service team welcomed the opportunity to highlight the struggles they encountered in attempting to support vulnerable young people. The researcher managed relations by keeping the Youth Service Manager and CEO informed of progress and advising them of any preliminary findings. As the nature of this research was to understand the changes witnessed by the organisation and the challenges associated with these changes, the researcher found that practitioners were keen to share their experiences as a means to address frustrations they felt. Members of the senior management team, when interviewed, stated that they had often wanted to have the opportunity this research offered to make their opinions heard, but never had the time or opportunity. The participants were largely happy to be involved and the nature of the research questions and aims of this study made it much more accessible.

The researcher made a conscious effort to inform everyone who had participated when her fieldwork had finished. Also, that she would happily share the outcomes post submission and verification. Since fieldwork ended the researcher has kept in touch with the current CEO and Director of Resource and Finance, who both continued to support and show an interest in the research process.

3.5 Research Approach/Data Collection Methods

The focus of this section is on the specific research methods of data collection. This research adopted methodological pluralism, often referred to as the practice of triangulation. Triangulation has come to be associated most clearly with the use of more than one method for gathering data and 'it is very difficult to argue that triangulation should not be employed in principle (Hammersley 2008). This was considered to be the most beneficial method as 'approaches can be used together so that a more complete picture of the social group being studied is produced' (Bryman 2008:1023).

When considering and justifying the use of any research methods, it is crucial to highlight the practical limitations of each method and how this could impact on any findings. 'Quite simply if both the strengths and weaknesses of different methods and their analysis are understood, they can provide us with an essential way of understanding and explaining social relations' (May 2001:145). In this section, the various strengths and weaknesses of the chosen methods are considered, and the potential reduction of these limitations is assessed. Researchers must be realistic and appreciate that they can never fully eliminate all the limitations/undesired influences of the chosen research method. However, while understanding such dangers, a depth and breadth of data collection can be achieved.

'It is largely agreed that qualitative methods have strong characteristics that enable the researcher to: carry out investigation where other methods such as experiments are either not practicable or ethically justifiable; investigate situations where little is known about what is there or what is going on; get under the skin of a group or organisation to find out what really happens and unravel the informal reality which can only be perceived from the inside' (Gillham 2000:11). To elaborate the picture to the maximum extent, triangulation of information was used whenever possible to verify events and facilitate more detailed analysis. This was largely achieved by using documentary evidence and by snowballing interviews with both the Youth Service staff and partnership organisations with which the agency worked.

3.5.1 Secondary Data Analysis

Corbetta (2003) defines document analysis as a type of qualitative research, in which the data source and knowledge are reviewed and assessed rigorously and systematically. Secondary data analysis was desirable, as the journey of the Youth Service in relation to youth unemployment was to be explored. Secondary data refers to analysis of published data generated by other studies and made available to the wider research community. The application of document analysis was used throughout the thesis, first to establish the background information for specific youth unemployment provision. Support Society delivers a variety of work streams, not necessarily all related to unemployed youth. The document analysis which predominately happened early on in the research, informed the questions which were raised at interview stage.

When selecting the documents for analysis, it was necessary to consider in advance: the department, organisation, and person involved, the types of documents to be reviewed, and the time of publication and release of these documents (Altheide, 1996). This was pertinent because different youth unemployment initiatives had been delivered by Support Society at different times. Bearing this in mind, one of the first things the researcher did early on in to her field work, was to create a timeline of the different funding streams related to the topic. This method was invaluable in creating a rapport with the staff and understanding the outcomes the Youth Service wished to achieve.

Documents are generated by a wide range of sources, including personal documents in both written and visual form; official documents from the state and private organisations; mass media and virtual sources (Bryman, 2016). Once access to the case study organisation was gained, access to various documents was offered which helped map the journey of the organisation and in more particular the Youth Service. The documents used (published and unpublished) came from a wide range of sources, some of which have been included in the appendices, including academic papers, websites, voluntary sector discussion forums, Support Society's own constitution, memorandum of understanding/registration with charity commission, historic AGM notes and copies of successful funding bids (both past and present) related to youth unemployment. Understanding the historic landscape

of the organisation required the use of past policy documents. This included national government reports and initiatives as well as how they were delivered locally in Coventry. Support Society held a limited amount of records and documents from when they were first established, including annual reviews dating back to the past six years, which were analysed to help create a profile of the organisation. One particularly useful document was the agency's strategic plan, with the current one covering 2018-2021 as this helped explain the organisations direction and priorities (appendix 5.8).

The researcher used such documents as a basis of assisting knowledge of, for example, contracts which had been delivered or were being delivered. This greatly assisted the interpretation of conversations with staff, with referencing projects or understanding the projects being referred to in meetings. This helped gain acceptance as the participants were confident that they were talking to a researcher who understood context. Having a background and work history in the voluntary sector also assisted the researcher to gain this confidence.

However, as Corbetta (2003) notes documents analysed have their limitations. Documents are used to understand the institutional context and specific official purposes and may sometimes contain material that is not relevant to the research design. The researcher found this limitation was managed with ease, as irrelevant documentation was easily identified. Being confident in her objectives and staying focused on the research questions greatly assisted this ability.

In relation to funders and delivery partners of the case study organisation, secondary sources were also used such as funding criteria documents, delivery partner mission statements and Charity Commission registrations. These helped create an understanding of the delivery partner's specialism and how this tied in with the Youth Service agenda. This secondary research and conversations with Support Society staff established the identity of partnering organisations, allowing interviews with their staff to be set up.

In principle, there is little to be said about accessing secondary data. 'But secondary data may have been collected years ago which raises issues of interpretation' (Hammond and Wellington 2013:135). There is a significant body of

literature on the interpretation of documentary sources that needs to be acknowledged not least because the documentary evidence used here is particular, reflecting one side of the story alone. It is important to consider that literature produced by any organisation will usually be presented in positive terms as it is often used as promotional literature. However, in the case of this thesis, secondary sources were only used to establish the background of the organisation and Youth Service. They did not necessarily require any interpretation in a critical sense. They were primarily used to create a timeline and understanding of project delivery at the Youth Service, which by nature are factual and so for this purpose alone were found to be very beneficial.

3.5.2 Participant Observation

Participant observation is a longstanding data collection method and is often the initial step in case study research. 'Very simply observation has three main elements: watching what people do; listening to what they say; sometimes asking them clarifying questions. Observation is of two main kinds participant where the researcher is involved and detached where they watch from outside' (Gillham 2000:46). During her time at the Youth Service the researcher attended 8 Youth Service team meetings, where she observed the youth team practitioners and managers discussing progress in a formal setting.

Spradley (1980) elaborates on the levels of participation by categorising them as to 5 different types. 'First, non-participation where the observer has no involvement with the people or activities studied. This would occur when a social situation does not allow for any participation, but still holds possibilities for research. Second, passive participation where the researcher is present at the scene but does not participate or interact with other people to any great extent. In this category the researcher is often referred to as bystander or spectator' (1980:58). The third categorisation, which this thesis would fall under is that of 'moderate participation'. 'Moving up the scale of involvement, this occurs when the researcher seeks to maintain a balance between being an insider and an outsider, between participation and observation' (Spradley 1980:58). Although the researcher was interested in the actions and views of the organisation and its employees, during fieldwork the researcher participated in activities including team meetings, offering relevant

updates or asking questions. During team meetings, although present, the researcher would take a back seat. The course of the meeting followed the agenda developed by the Youth Service Manager. Although the researcher carried out moderate participation by introducing herself, sitting around the same table, passing on information and handing minutes around, she remained detached throughout.

The researcher found that staff deemed her presence inoffensive as they knew they would have the opportunity of being interviewed directly. If staff raised any safeguarding concerns about the young people they were working with, the Service Manager who chaired the meetings would advise them to meet with her privately afterwards. This helped reduce any issues of the researcher being privy to any case sensitive information throughout the duration of her time at the Youth Service.

The fourth categorisation is 'active participation, where the researcher seeks to do what other people are doing, not merely to gain acceptance, but to learn the cultural rules for behaviour. The fifth and final is complete participation which is the highest level of involvement and usually comes when the researcher studies a situation in which they are already ordinary participants' (Spradley 1980:58). Neither of these were desired for the thesis as a level of researcher detachment was very much required to be able to collect and analyse data critically.

Schensul et al. (1999) list the following reasons for using participant observation in research; 'to identify and guide relationships with informants; to help the researcher get the feel for how things are organised and prioritised, how people interrelate, and to identify the cultural parameters; to show the researcher what members deem to be important in manners, leadership, politics, social interaction, and taboos; to help the researcher become known to the members, thereby easing facilitation of the research process and to provide the researcher with a source of questions to be addressed with participants' (1999:18).

Each reason reinforces the justification as to why the researcher selected this approach. This method helped the relationship with participants, assisted the researcher's understanding of the Youth Service culture and eased facilitation of the research process mainly through growing familiarity. Participant observation also gave access to the 'backstage culture'. The researcher was able to observe, interpret

and better understand the behaviours, intentions, situations, and events as understood by the participants. This approach also provided opportunities for participation in unscheduled events. For example, a regional manager from one of the Youth Service funding bodies emailed at short notice to say they were in the local area for another meeting and just wanted to come and visit to informally meet staff. The visit was on a day when the researcher was also at the Youth Service and thus was able to meet with them and have a conversation which otherwise would not have been possible.

Participant observation also allowed the researcher to witness action in context, gaining a first-hand insight into the different dimensions of the Youth Service staff roles. This was invaluable in the researcher's ability to better understanding terms/projects participants referenced in interviews. Participant observation during the initial eight months at the Youth Service provided the source of questions which would be used at interview stage. Instead of commencing fieldwork with interviews, the researcher first wanted to understand the setting from inside the agency. She also wanted to ensure that the twenty individuals selected to be interviewed, reflected a range of roles and backgrounds.

Participant observation sessions happened over the period of eight months (from June 2016 to February 2017) through attendance at the monthly scheduled one-hour team meetings. Notes from each observation session were made in a journal either during the day or straight after the session. Notes were taken of significant events or of comments helpful to the research. Bryman (2012) looks at the different types of field notes and provides a classification based on Sanjek (1990) and Lofland and Lofland (1995). 'First, mental notes which are necessary when it is inappropriate to be seen taking notes. Second, jotted notes written in a notebook to jog the memory about events that could be written up later' (Bryman 2012:450). This was the preferred method for this research. Often taking detailed notes in front of people can make them self-conscious. The researcher did not feel comfortable taking detailed notes whilst in the field, as this did not allow for eye contact which can often make people more comfortable. This also helped with the aim of not influencing the agenda of the meeting. Writing up observation notes at the earliest

opportunity was favored as this assisted the accuracy of her account of the meetings.

Gillham (2000) argues that, 'when we go into new social situations, it is sensible to keep a low profile, to watch how other people behave. Not to do so may mean that one gets off on the wrong foot. The researcher must carefully observe and record some behaviour or phenomenon, sometimes over a prolonged period, in its natural setting while interfering as little as possible. Social acceptance has to be gained while remaining in the background as much as possible, even when a participant' (2000:55). This was the strategy adopted for this study. 'The researcher needs to build a high degree of trust with the research participants and, finally, develop strategies to cope with being both a member of the social context in which the research is set as well as undertaking the research' (Saunders, Thornhill, and Lewis 2009:58). Having the researcher in the setting for six months greatly assisted the ability to win trust. As this research is both explorative and critical, trust and cooperation at SS was essential to gain the honest views of the interview participants. Economic Social Research Council (ESRC) and Social Research Association (SRA) approved practices were used as guidelines in all aspects of this research.

There are both positives and negative attributes to participant observation. The overpowering validity of observation is that it is the most direct way of obtaining data. 'However, from the point of view of positivist objectivity a major objection to unstructured participant observation is the effect of your presence on those you are observing' (Gillham 2000:47). Observation-based researchers are frequently criticised for the subjectivity that informs their work. The observer effect was considered by the researcher, including the influence this may have had on the data.

The researcher agrees that observational research is emergent, but argues that, in this context, it has great potential for creativity. Observations give the potential to yield new insights and these insights helped to inform the course of this thesis. The researcher believes that observational research combines well with other techniques for the collection of information. This is why participant observation was favoured and used as one data collection method during field work.

3.5.3 Semi-structured interviews

This research used one-to-one, in-depth, semi-structured interviews to allow the participants to provide detailed responses. The interview is perhaps the most widely employed method in qualitative research. 'Semi-structured interviews are the most important form of interviewing in case study research. Well done it can be the richest single source of data' (Gillham 2000:65). Rich, detailed data was designed to inform the findings' sections. Questions were semi structured, to help the interviewee in focusing on the research questions. This was predominately because the researcher wished to strike a balance allowing participants to have the freedom to explore the topics under investigation, but also remain within the context of the research. She did not want interviewees to deviate towards wider topics which were not the focus for discussion.

Fisher (2007) best describes the approach adopted here by stating how the interviewer engages in informal conversation with the respondent about a particular area of interest. 'The interviewer may steer the conversation a little, by picking up on the cues and themes raised by the respondent, but generally the respondent leads the direction of the interview' (Fisher 2007:159). This method was chosen as opposed to pre-coded interviews, as the researcher did not wish to control the conversation. She instead was keen for conversation to flow from the participants.

The advantages of interviews, reinforced by the researcher's own experience, are many. First, results have high 'face validity'. This term describes the authenticity of the data gained, as concepts and words used by interviewer and interviewee alike can be clarified. In this instance, whilst conducting the interviews, the interviewee was invited to ask if they were unsure of any aspect. This worked well to assist mutual understanding. Second, the format allows researchers the flexibility to explore unanticipated issues as they arise in the discussion. Respondents are not limited to fixed choices in their answers, and so interviews can be useful for generating unanticipated hypothesis and theories. This was the case in this study as ideas emerged through the process of interviewing. Third, when combined with participant observation, interviews are especially useful for gaining access, focusing site selection and sampling and even for checking tentative conclusions (Morgan, 1997). The researcher found that what was noted in observation sessions, could be

explored during interviews. Linking the two together was highly beneficial in securing and understanding data. Finally, the cost of interviews is relatively low, they provide quick results and can increase the sample size of qualitative studies by permitting more people to be interviewed at one time (Krueger, 1988). As the researcher had a fixed amount of time to establish the findings of this thesis, interviews certainly provided a convenient method to gain the information required.

The disadvantages of semi structured interviews include, first, issues of power dynamics. The researcher needs to be aware of these and ensures these have been understood. Within any setting there are inevitably different personalities. For example, some people are more confident and not fazed by being asked questions. Some interviewees can feel very nervous about the situation, and this may affect their ability to answer. Having been in the setting for six months prior to any interviews being conducted, the researcher felt this helped address any issues of power dynamics. Also, fully briefing the participants about the nature of this thesis was crucial to create transparency. Second, time lost due to dead-end conversations can make data analysis trickier. The researcher overcame this by ensuring there was some structure to the interviews, which reduced the likelihood of this, while recognising that some level of deviation was healthy, to explore wider areas of the debate. Third, interviewer and interviewee bias can never be totally eliminated, simply because interviews are interaction situations. 'Interviewees can bias the data when they do not come out with their true opinions but provide information that they think is what the interviewer expects of them or wants to hear' (Sekaran 2003:229). This is something that would be impossible to measure, and all the researcher could do was consider what was in their control. This included creating a safe environment so that respondents would be inclined to give their honest opinion. As the topic area chosen was not offensive, anonymity was offered and the organisation stood to benefit from the results, the researcher concluded that everything had been done to enable interviewees to feel safe and to give honest opinions – to the benefit of data gained.

Having considered the strengths of interviews, it was quickly apparent that they would be very useful as a data collection method. The researcher believes that

semi structured interviews were key and a vital research method in assisting the development of this thesis.

3.5.3.1 Selection of the participants and interview procedure

All interviews conducted as part of this research were transcribed, which was why the researcher was realistic about the number of viable interviews. In discussion with both supervisors and colleagues within the IER, the decision was made to interview twenty individuals. The interviewees offered relevant and different perspectives so that a variety of viewpoints could be considered. All twenty individuals interviewed had been fully briefed on the nature of the research and their formal consent was gained. All participants were given the opportunity to meet and speak with the researcher before the field work commenced. They were also all given the Participant Information Sheet (Appendix 3.2) detailing the nature of this thesis.

As this thesis is concerned with accountability, service managers and those staff responsible for monitoring, finance and reporting were the prime candidates for interview. Due to the nature of the research questions, service users were not directly observed or interviewed. The following twenty individuals were selected. For anonymity, their names are not used but their job titles are listed:

<u>Interview participants</u>

1) Former CEO of SS (was CEO at start of fieldwork left September 2016)
2) Youth Service Manager at SS
3) Contracts Support Officer at SS
4) Youth Service Deputy Manager at SS
5) Director of Finance and Resources at SS

6) Youth Worker at SS
7) Youth Worker at SS
8) Regional Manager from partnering VSO
9) Director of Operation at SS
10) Member from the Board of Trustees at SS – later became Chair (2018)
11) Current CEO of SS – commenced September 2016
12) Regional manager from funding body
13) Local manager from funding body
14) Representation from local authority funding - Coventry City Council Commissioner
15) Director from network partner
16) Development Manager from network partner
17) Director of Policy and Partnership at local VS umbrella organisation
18) Head of Service Development from network partner
19) Team Leader from network partner
20) Project Manager from network partner

Within the organisational team structure and focus on meso management, it was apparent that the Senior Management Team would be of primary interest. Whilst conducting the literature review for this thesis, the researcher identified a gap in existing literature on meso-management in the voluntary sector. In relation to funders and delivery partners, these individuals were selected by information provided by Support Society staff on who would make the best-placed informants, enabling a 'snowballing' process of interviewee selection. The six months of participant observation within the youth service was particularly useful in establishing networks for the interview stage.

The interviews each lasted approximately one hour, following a semi-structured format. Although most interviewees were only interviewed once, the researcher took the opportunity to liaise with them after the original interview for follow up as and when required. So, for example the researcher met with the CEO, to gain further comments on points made in the original interview. One example of a typical interview prompt sheet used by the researcher can be found in Appendix 3.3. As noted above, the decision to adopt a semi-structured format, was consciously made in order to allow natural flow while retaining a focus on the research objectives Interviews commenced in summer 2016 and were completed by early 2018.

3.5.3.2   Transcriptions and analysis

All interviews were recorded so that the data were not just reliant on memory. This allowed for more thorough examination of what people said and permitted repeated examination of the answers. The researcher transcribed the interviews, word for word. This enabled the researcher to become much more familiar with the data. Although it was heavily time-consuming process (it was the researcher's first attempt at transcription), the transcriptions proved invaluable for the data analysis stage. Because the researcher personally transcribed all twenty of the interviews, she found this hugely advantageous as alongside key themes emerged. The transcriptions became of paramount importance in providing authentic accounts of the experiences of the Youth Service in supporting unemployed youth.

The researcher used the software NVivo, purpose built for qualitative and mixed methods research, to analyse the transcripts. The last decade has seen a

revolution in the ease of accessing data with the use of technology. While collecting data has never been easier, the bigger challenge is bringing it all together in a meaningful way. Although the researcher was confident that she had been able to gain some really useful information from the participants, categorisation and the identification of themes was initially problematic. With data spread across so many different formats, finding connections proved difficult and time consuming without the right tools. Hence the decision to identify software which could make the process of analysis more efficient. Colleagues at the IER were very supportive in helping to advise on this. The data from interviewing twenty individuals required a coherent system of analysis, to be able to present in the findings stage.

NVivo offered the means to organise, store and retrieve data to enable more efficient working, time saving and rigorously backing up findings with evidence. The software was found to be very accessible and supports the analysis of field data. With advanced data management, query and visualisation tools, NVivo allowed the researcher to ask complex questions of her data and discover trends for thematic coding. NVivo also acknowledged accountability, competition and funding as key themes from the word cloud function, which allows reoccurring words to be identified. Arguably this was inevitable as the researcher kept her three research questions at the forefront of her mind during interviews. Accountability, competition and funding developed as the three main themes from the literature review, which informed the research questions and thus guided the analysis of all materials collected. Being able to have themes or 'nodes' as referred to in NVivo, greatly assisted the analysis of the transcribed materials. The quotes listed in the analytic chapters have all been arranged and specifically located as relevant to each sub heading with the use of NVivo.

3.6 Research Ethics

Sekaran (2003) writes that 'ethical behaviour pervades each step of the research process' (2003:18). Ethics are an area of consideration for all research. 'Ethics are norms or standards of behaviour that guide moral choices about our conduct and our relationship with others. The goal of ethics in research is to ensure that no one is harmed or suffers adverse consequences from research activities' (Blumberg 2008:179). This particular thesis is considered as low risk, due to the

nature of the topics being explored. Whilst individuals were asked to give their personal opinion on matters, they were always assured of anonymity.

Ethical issues need to be considered in order to protect the rights, dignity, privacy and safety of the research participants, to safeguard the researchers conducting the study, to ensure the high quality and viability of the research, and to maintain the reputation of the university (Social Research Association, 2003). One responsibility the researcher felt was enhanced, by the nature of the sector they had chosen to examine, was the obligation to conduct themselves in an ethically sound manner. 'The ethical issues encountered in applied social research are subtle and complex, raising difficult moral dilemmas. These dilemmas often require the researcher to strike a delicate balance between the scientific requirements and the human rights and values potentially threatened by the research' (Kimmel 1988: 9).

This research complied with the British Sociological Association's 'Statement of Ethical Practice', as well as the ethical scrutiny process of Warwick University. The researcher was also required to complete an IER Ethical Approval Form, before any research was conducted. This ensured that all research involving collection of individual information and their data was subject to appropriate ethical review. As the research design for this thesis did not require any detailed personal information from the participants, the need for extensive ethical protection was limited. Nonetheless in order to operate in an ethical manner the researcher considered each section under the guidelines, and how they would ensure the safety of all including protocol should any issues arise.

Whilst conducting research involving human participants, Ruane (2005) outlines four main ethical considerations. 'Firstly, that the researcher should not cause harm to subjects. In general research must be designed so that the participants do not suffer physical harm, discomfort, pain, embarrassment or loss of privacy' (Ruane 2005:98). In this respect the research of this thesis is 'low risk' and due to the nature of the chosen topic, completion should not entail any harm to the participants. However, if any participants were to experience such effects, the researcher made it clear in the participant information sheet (PIS) that they were to inform the researcher as soon as possible. Should it not be felt appropriate or

comfortable to directly discuss this with the researcher, the details of both supervisors were provided.

Secondly Ruane (2005) identified that the researcher should obtain the informed consent of subjects. Burgees (1993:120) states that informed consent is based on four issues:

1) All aspects of what might occur are disclosed to the participants
2) Information is communicated in a way which is easily understood
3) Research participants are capable of assessing situations and making mature judgements
4) There should be an agreement to participate in the research, as there is no obligation on anyway to partake in your study.

The researcher ensured that all these four aspects were considered and covered. Measures which were put in place included the informed consent of all participants in the form of a signed consent form (appendix 3.1). Jargon free language was preferred and where sector specific acronyms or terminology were used, they were always clarified and explained just in case the participants had any doubt. This was made easier by the researcher operating in the voluntary sector for many years. Also, all participants of this study were of sound mind and were able to take part in the study and give their own consent. From the offset it was explained that participation was entirely voluntary. All personal information was anonymised to protect the rights, privacy and dignity of participants. During the course of the interviews, participants were also made aware that they had the option to cease or pause the audio recording or even end the interview and retrieve all data at any point. Names of all participants were never used. All transcripts, audio recordings of interviews, conversations, field notes, were stored on a personal laptop which was password protected.

Ruane (2005) third ethical consideration is 'that the researcher should respect subject's privacy'. This research is an overt case study and thus did not involve the private lives of any participants. Participants were informed of their right to privacy/confidentiality in the PIS and how this would be respected throughout the research. The fourth and final ethical consideration is that the researcher should

avoid conflicts of interest. The researcher endeavored to limit any conflicts of interest through the process of reflexivity and if any conflicts had occurred would have attempted to understand why this had been the case and consider the impact it had upon the research findings.

3.7 Reflexivity

As the researcher was keen to deliver an authentic account of the topic under exploration, reflexivity was given strong consideration and was a continual exercise throughout fieldwork. 'It is easy to detect subjectivity in social research. It is impossible to confirm objectivity' (Shipman 1997:18). The researcher was well aware of her own bias and subjectivity in this thesis, right through from the topic and research questions chosen to preferred methods of data collection. Having operated in the local voluntary sector for the past decade also supporting vulnerable young people, she was well placed to relate and understand the structure of the organisation under examination. This experience helped build rapport with staff and appreciate their views. The researcher concluded after presenting the findings stages, that overall, this was a strength more so than any disadvantage. Having prior knowledge of the sector assisted understanding and saved much time. This in turn arguably reinforced the validity of any information gained as there was a mutual understanding throughout. The researcher never directly worked with or for the case study organisation prior to this research, which was also advantageous in limiting researcher bias.

However, there was always the risk that her knowledge and work experience would influence her ability to remain objective. Angrosino (2007:61) provides an interesting take on researcher bias, writing that 'the very naturalness of case study research provides some inoculation against bias, since the observer does not demand that people do anything out of the ordinary'. To help limit researcher bias when participating in observations and interviews, the researcher was always mindful to limit their personal opinions. This was often difficult as the researcher would agree or disagree with personal opinions, but could not react in a way to indicate her own feelings to the participants as this would then influence the situation. The researcher also had the benefit and wisdom of the ongoing support of two supervisors, who helped ensure objectivity remained throughout.

'To address reflexivity researcher should bracket out preconceptions in his or her grasp of that world' (Bryman 2008:15). The researcher was conscious that actually already working in the sector under study, would inevitably pose certain issues when it came to having preconceived ideas. However, although the researcher has worked with young people, her own area of expertise has never been in relation to youth employment. Researcher bias was reflectively noted by the researcher before conducting any practical work in the field. Although it was understood that this could not be eradicated, as has been detailed under constraints of fieldwork in this chapter, measures were put in place, such as trying not to impose personal opinions and knowledge on to the participants. The researcher was mindful and reflected upon this throughout the course of the study.

3.8 Conclusion

This chapter has provided justification as to why this thesis is by nature positioned in the interpretivist-qualitative-inductive school of thought, and also, why it adopted a single case study approach. As stated by Burgess 'there is no best method of conducting social research. Instead researchers need to consider the kind of research questions they wish to pose and the most appropriate methods of research and techniques of data collection' (1993:2). Each research methodology involves its own considerations and limitations, it is the job of the researcher to highlight these and understand within context what impact they may have.

The main appeal of the case study over any other research strategy, was an agenda of the researcher to be able to contribute an intimate understanding of the research questions in relation to one VSO's youth service and be able to do that justice. The research questions themselves gravitated towards a case study approach as the best course of action for exploration. The nature of this thesis is to provide to the sum of knowledge a better understanding of how accountability at the Youth Service had changed, how competitive contracting has influenced VSOs and how funding changes have influenced the performance of services within the voluntary sector. As the focus was on organisational processes, reinforced by the contribution from general organisational theory, the researcher argues that an in-depth investigation of the Youth Service at Support Society from inside was greatly assisted by adopting a single case study approach. Section B will showcase how

having the time to build relations with the Youth Service staff, which arguably would not have happened if multiple case studies were chosen and thus having the opportunity to understand their dynamics with network partners, have both resulted in a greater validity of the fieldwork data gained.

Methodological pluralism was favoured as the researcher assessed the benefits of each method and saw the strength in a collaborative approach. As detailed in this chapter there were clear advantages in using participant observation, interviews and secondary materials to shed light on the three research questions. Equally the drawbacks of each have also been outlined in this chapter and the researcher proceeded in a manner which was always conscious of these limitations. The next chapter will now examine youth unemployment and the background to the Midlands in particular Coventry, the city in which the case study Youth Service was based.

Chapter Four: *Background to the Midlands: Coventry*

"Youth unemployment has proven to be a stubborn problem across the UK, but here in the West Midlands we are pioneering new approaches to help unemployed young people get into work. The voluntary sector plays a vital role in this" (Mayor of the West Midlands, Andy Street, West Midlands Combined Authority: May 2019)

4.1 Introduction

This chapter will provide a background to Coventry: a city in the West Midlands, England. Coventry is the second largest city in the West Midlands region, after Birmingham, and had a population in 2018 of 366,800. The particular focus on Coventry will be in relation to the labour market, and specifically youth unemployment and the contribution of VSO. The chapter will start by providing a brief historic account of Coventry and key economic events pertinent to the topics addressed in this thesis.

Following on a more contemporary view of Coventry will be provided, with information primarily from local authority sources, tracing developments in the labour market since the 2008 recession. Coventry City Council's Jobs and Growth Strategy 2011-2014 and 2014-2017, will be examined to highlight key priorities for the city. The trends in youth unemployment will be explored, along with key initiatives which have been proposed and implemented to help address the barriers young people face in securing employment.

It is important to remind ourselves that the problem of youth unemployment is not a new one, but that is has been defined in different ways according to the point of history at which it occurred. Therefore, it is important to consider youth unemployment in its historical context and differing economic circumstances (Banks et al. 1988). This chapter reinforces how the rate of long-term, youth unemployment in the UK has been an ongoing concern for government.

The chapter will then proceed to provide an account of the UK voluntary sector. National figures will be used to build a background of size, income, growth and scope of the sector. Then more specifically the voluntary sector presence in Coventry and the local role VSO play within the city will be explored. The pressures

and challenges faced by the Youth Service at Support Society is the key focus of this thesis, so providing a background to the voluntary sector in the case study city is key. Chapter five will go on to provide a more comprehensive background of the case study organisation itself, its networks and Youth Service operations.

The chapter will conclude having showcased that Coventry has been particularly hard hit by periods of recession. Over the years, Coventry has been ranked as both one of the worst and one of the better cities for youth unemployment, making it an interesting case study city for this research. The way in which Support Society's Youth Service originally founded and operating across Coventry has positioned itself and been able to assist with youth unemployment becomes the focus of Section B, building on the contextual background provided in this chapter and chapter five.

4.2 Historic Coventry

'Coventry is a city with an important economic history. Throughout the city's existence it has been at the centre of a slew of economic events that have served to repeatedly and fundamentally alter its character and structure' (Begley et al 2019:1). Over the years Coventry became known for its significant contribution to the automotive industry. After the first British car was built by Daimler in 1897, the UK car manufacturing industry grew significantly. During the 1960s the UK was the second largest carmaker in the world. Notably a host of the major companies were based in and or around Coventry, including the British Motor Corporation (maker of the Mini), Jaguar and Rootes Group, which later became part of Chrysler and then Peugeot.

During this boom period, the average wage in Coventry was approximately 25% higher than the rest of the country. This positioned Coventry as an attractive city for individuals to relocate to and find paid work. It was seen as a city of job opportunities and secure employment. However, in the late 1970s increasing demands to drive down costs and greater competition from car manufacturing abroad meant that the car industry increasingly fell into decline.

'From the mid-1970s to the mid-1980s official unemployment rates in most western countries increased from around 3% to between 10% and 15%' (Banks et.al 1988:8). In relation to youth unemployment, Thomas (1985:224) records that 'in the seven major OECD countries, youth unemployment stood at 17% in 1983, with Britain particularly high at 23%'. People entering the labour market faced 'a world of intense competition from manufacturing imports and multinational enterprises switching output from their British factories to overseas plants' (Hart 1988:8). Coventry's strong manufacturing heritage was particularly hard hit in the early 1980s recession, when Coventry had one of the highest unemployment rates in the country and crime rates rose well above the national average. 'In September 1980, unemployment in the West Midlands region stood at 8%, which was well above the national average at the time' (Crick 1981:1).

Begley et al. (2019) publication 'Revival of a City- Coventry in a Globalising World' trace this decline in the economic performance of Coventry during the early 1980s. It is estimated that during this period, the top 15 employers in Coventry cut their combined workforce by almost half. Research surrounding the changing environment for employers in the 1980s was conducted by Burrows, Gilbert and Poller (1992). They collected data from 954 telephone interviews covering six areas in the UK, including 156 interviews in Coventry. The sample group were all firms employing 20 or more employees. Their research highlighted how Coventry was found to have larger establishments, many connected with the automobile and metal work industry as mentioned above. However, they also found high levels of unemployment in Coventry during the 1980s, due to the cuts associated with the downsizing of these firms. These cuts generally affected young people more, as they are particularly vulnerable at times of economic downturn (Green, 2020). Factory closures and increasing unemployment rates gave the city a bleak and dispiriting feel. Its image, once so vibrant and leading edge, worsened as some of the more skilled people sought work elsewhere. During this period many young people left the city looking for work (McGrory 1993).

4.3 Coventry: post 2008

Some 40 years later, Coventry's labour market has undergone significant reinvention and considerable restructuring. Today many large corporate companies such as Jaguar Land Rover Limited, Sainsbury's, Severn Trent, National Grid and Celesio, as well as government departments such as Ofqual, have head offices based in Coventry.

As a direct response to the 2008/09 recession in March 2011 Coventry City Council launched its three-year Jobs Strategy. Since then the local authority has also developed a second three-year Jobs and Growth Strategy covering 2014-2017[2], as outlined in the next section, with the council announcing at the end of the period covered by this research that a new strategy is currently being prepared. The Jobs Strategies set out the City Council's approach to leading the creation of new jobs and renewing the city's prosperity. Throughout successive strategies, there was a focus on young people, particularly those identified as NEET's, and on supporting them with skills development and pathways into work. The strategies will be used to contextualise the debate and understand the local priorities for the City.

At the start of 2011 when the first strategy was written, the city was facing severe pressure on public sector budgets. This is a very similar economic situation to that which fostered the rise of NPM, as detailed in chapter two. The three key objectives of the Jobs Strategy were to secure job opportunities through investment; help people get jobs; and help people improve their skills. The 2011 Strategy highlighted Coventry's economic and labour market indicators mirrored national trends. Employment by industry figures revealed that the city had a higher proportion of public administration, education and health employment, and so would be vulnerable to continued public sector cuts.

During 2011 welfare reforms in the UK fundamentally shifted the way employment services were delivered and funded. The Department for Work and Pensions provided a number of schemes to tackle youth unemployment. During this

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[2]
http://www.coventry.gov.uk/download/downloads/id/19645/lp35_ccc_jobs_and_growth_strategy.pdf accessed on 12th June 2018

period the Work Programme (GOV.UK), a UK government welfare-to-work programme was introduced in Great Britain in June 2011. It was the flagship welfare-to-work scheme of the 2010-2015 UK coalition government. Under the Work Programme the task of getting the long-term unemployed into work was outsourced to a range of public sector, private sector and VSOs. This shift is pertinent to the thesis with the rise in outsourcing social services to the voluntary sector, as detailed in chapter two. The scheme replaced a range of active labour schemes and initiatives which existed under previous New Labour governments including Employment Zones, New Deal, Flexible New Deal and the Future Jobs Fund which aimed to tackle youth unemployment[3].

In Coventry, two organisations were awarded the prime contracts to run the Work Programme. They were Serco and ESG. ESG formed in Sheffield in 2007 has grown into a national company that delivers skills and employability services, often directly delivering provision themselves and bringing in more specialist partners where required. Serco have been managing welfare to work and other services in Coventry for some time and are a service and outsourcing company delivering to Government and private clients. Delivery of the work programme in Coventry was subcontracted to a range of partners including Sarino Russo and Groundwork.

Groundwork is a registered charity and of direct significance to this thesis, as it was one of the network partners of the Youth Service at Support Society. Two senior management staff employed by Groundwork were interviewed during the field work stage of this research. Job Centre Plus (JCP) customers were mandated onto the Work Programme, and providers were resourced to work with them on a payment by results (PbR) model. The pressures on the Youth Service of this form of 'payment by results' funding will be explored in chapter six of the thesis.

Through the Jobs Strategy the Council exercised and adopted a role of both seeking to influence positively the work undertaken in Coventry by the 'prime contractors' and scrutinise its effectiveness and value for money. The relationship between the public sector and 'contract culture' with the voluntary sector, as found in the literature review, will be explored in subsequent chapters. Despite being the

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[3] https://www.youthemployment.org.uk/ accessed on 12th March 2019

flagship welfare-to-work scheme of the Conservative-led coalition government, and then the incumbent Conservative government from May 2015, the DWP announced in November 2015, that it was replacing the Work Programme with a new Work and Health Programme for the longer-term unemployed and those with health conditions. New referrals to the Work Programme were discontinued and it was officially stopped on 1 April 2017. This short-term nature of initiatives/funding from government will be explored in greater detail in chapter eight of the thesis.

4.4 Jobs and Growth Strategy 2014-2017

The second Jobs and Growth Strategy states that in Coventry it was not until 2013 that signs of growth in the local economy were seen and economic conditions began to improve. It claims that the second Jobs and Growth Strategy was written at a time with a different economic backdrop where economic indicators were showing improvements. This was reflected in the subtle change in the title of the strategy, from a Jobs Strategy to a Jobs and Growth Strategy, reflecting a change in pace in the development of the city. Despite the more favourable economic climate, many people still faced a multitude of barriers to finding employment. Coventry's overall employment rate at 64% remained significantly below its 2007 (pre-recession) rate of 71%. The Strategy highlighted that the unemployment rate (9.1%) also compares unfavourably to the national average (7.7%), and 30% of the Coventry population were economically inactive compared to 23% nationally. Providing sufficient quality jobs for local people and ensuring residents had fair access to those opportunities remained an essential objective for Coventry City Council. Interestingly, neither strategy contains reference to the VS in Coventry.

Young people however continued to be a priority of the Strategy as youth unemployment remains an issue in the city. The Strategy highlighted that it is estimated that the average overall cost (to government) of someone claiming out-of-work benefits in Coventry is £9,500 per person, but in addition to the direct cost of benefits there are a multitude of social impacts of being out-of-work (Coventry City Council 2014:7).

Coventry City Council has also supported the Coventry & Warwickshire Local Enterprise Partnership (LEP) in developing their Strategic Economic Plan 2014-

2025. This sets out the local vision for growth and has helped to set the priorities for the European Structural Investment Funds 2014-2020, potentially securing £53 million for Coventry & Warwickshire area to tackle unemployment, social inclusion and skills. The LEP's Strategic Plan also interestingly contains very little reference to the local voluntary sector. The Youth Service at Support Society views on the lack of representation of VSOs at a strategic level were also sought as part of this research (see 6.4).

Coventry City Council's partners are many and varied and include: local businesses; local universities; the Chamber of Commerce; Coventry Solihull and Warwickshire Partnership (CSWP); the Federation of Small Businesses; the Local Enterprise Partnership; Job Centre Plus and pertinent to this research voluntary and community sector organisations. The findings chapters will examine to what extent these partnerships with funders, impacts and influenced the Youth Service ability to deliver services to unemployed youth.

4.5 Youth unemployment

'The single most important change in the British labour market over the last two decades has been the re-emergence of mass unemployment. However, there has been remarkably little systematic research into the factors that lead people to become unemployed and on how being unemployed affects their lives' (Gallie, et al 2005:15). When considering youth unemployment, 'young people specifically refers to the 16-24 age group' (O' Higgins 2001:10). The youth unemployment rate is the proportion of economically active young people (16-24-year olds) that are out of work as a proportion of the economically active population. A person is unemployed if they have looked for work in the past four weeks and are available to start work in the next two weeks.

Figure 4.1 – Changing age structure as % of the population in England (1981-2000)
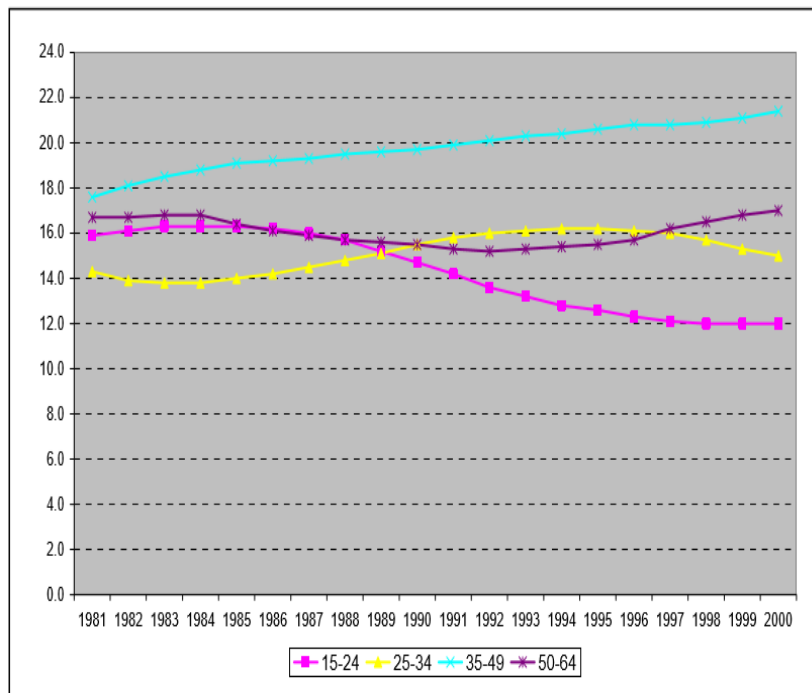
(Source- Mid year estimates of poulation as found in Bimrose and Green et al., 2003 pg 109)

Figure 4.1 portrays the population of four working age groups in England from 1981 to 2000. It shows there was a consistent decline in the younger age group, who are the focus of this research (25 and under), which stabilised towards the end of the period covered.

Figure 4.2- Unemployment Rate in the UK (1971-2017)
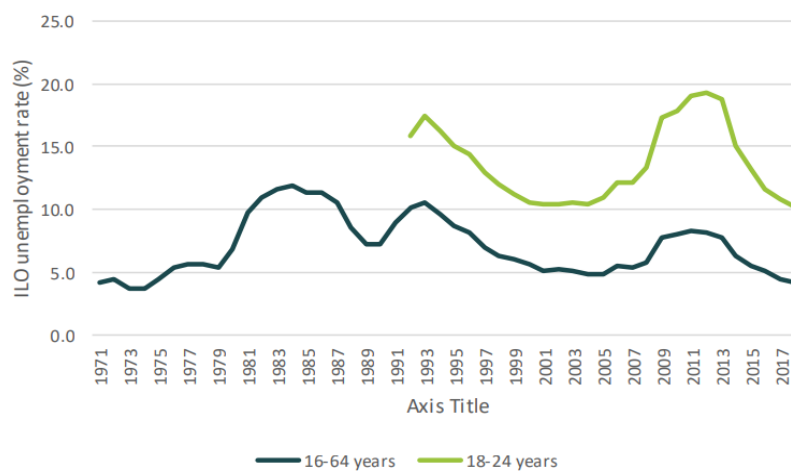
Source: Labour Force Survey (via Nomis)

(Source- Labour Force Survey as found in Damm and Green et al., 2020 pg 5)

Figure 4.2 shows the unemployment rate in the UK from 1971 to 2018. As Support Society was founded in 1977 and the fieldwork for this research was being conducted in 2018, it provides a useful aid in understanding how unemployment has changed over the years. The green line on the graph is of particular relevance as shows the youth unemployment rate from 1992 to 2018. The graph demonstrates how the national unemployment rate for 18-24-year olds remains higher in comparison to 16-64-year olds. It also illustrates how the recession of 2008, in particular, had a greater impact on unemployment for young people than for all adults. This fact helps to evidence the multiple disadvantages experienced by this particular group in society. The youth unemployment rate peaked at 19.3% in 2012 before it started to decline and was at 10.2% in 2018 during the fieldwork of this research. The Prince's Trust are concerned that thousands of young people are in danger of being trapped in a lifetime of unemployment. On their website[4] they warn that, if nothing is done, the UK will continue with its youth jobs crisis (October 2017) and continuously campaign for urgent action from the government to help tackle the problem.

Youth unemployment is of growing concern at both a national and local level, with a lack of work experience and poor educational attainment identified as key factors. Over the years the UK government has attempted to introduce key initiatives to support young people in to employment. Damm et al (2020) highlight how 'over the last 40 years there has been a range of programmes and initiatives from successive Governments, of different political persuasions, aimed at addressing youth unemployment' (2000:6). They outline key features of the main programmes since 1978. Appendix 4.1 is a table based on the information provided in their report, of national programmes. The table provides an interesting historic account of the government's response and strategies, to addressing the issue of youth unemployment.

In direct response to the 2008 recession, in April 2012, the government announced a package of support for unemployed youth. Titled 'The Youth Contract' it was[5] built upon the support already available through Jobcentre Plus and the Work

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[4]https://www.princes-trust.org.uk/ accessed on 5th May 2017

[5] https://www.gov.uk/government/statistics/youth-contract-april-2012-to-may-2015 accessed June 2016

Programme to deliver sustainable employment. This package, worth almost £1 billion, included a number of key elements: wage incentives for employers who recruit an 18 to 24-year-old from the Work Programme; an extra 250,000 work experience or sector-based work academy places over the next three years; extra incentive payments for employers to take on young people as apprentices; extra support through Jobcentre Plus for all 18 to 24-year olds. And yet despite the provisions made available and outlined in Appendix 4.1, youth unemployment remains high with many young people concerned about the suitability and quality of opportunities available to them (Crowley et. al 2013).

Some unemployed young people do not make a claim for benefits and others roll on and off benefits, often not reaching a stage to access the support on offer. As chapter eight will illustrate, the Youth Service team members referred to it as the 'revolving door' syndrome. For many their lack of relevant skills and any work experience is a real barrier (Crisp and Powell 2016). The extent to which the Youth Service was able to help address these barriers, operating in an environment increasingly influenced by corporate ideals, forms the foundations of this thesis.

Youth unemployment remains a major challenge for the West Midlands with 4.4% of 18 to 24-year-olds claiming unemployment benefit across the region compared to 2.6% nationally. The national youth unemployment rate was 11.8% in February 2019, compared with 4% for the whole population. In the West Midlands, 13.1% (14,000) of young people were unemployed.

To help address the issues surrounding youth unemployment, the West Midlands Mayor has a 'Zero Youth Unemployment' pledge[6]. The Mayor established a Taskforce to understand and address the barriers preventing young people from accessing and taking up opportunities. This included local experts with experience of working with young people, including VSOs and supporting them into good employment opportunities; and commissioning new schemes to help more young people access the support and develop the skills they need to enter and progress in work. Since being elected as the first Mayor of West Midlands in May 2017, Andy

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[6] (https://www.wmca.org.uk/who-we-are/meet-the-mayor/mayors-2020-aims/). Accessed on 5th June 2019

Street has made youth unemployment one of his main priority areas. This helps reinforce the prominence still given to this area and the fact that he also acknowledges the contribution VSO can make.

4.5.1 Multiple disadvantage

Damm, Green and Wells (2020) published an evaluation report on 'Talent Match' a fund established by The National Lottery Community Fund in 2012. This recent report is pertinent for two reasons. Firstly, the fund was set up to help agencies such as VSOs, to support young people who were furthest from the labour market through personalised, non-standardised provision. Secondly the Youth Service at Support Society were directly commissioned to deliver under Talent Match, thus making it an appropriate contemporary report to help shed light on areas of discussion.

The report also highlights how 'young people were disproportionately affected by the 2008 recession and those facing the most disadvantage have been most impacted by ongoing labour market changes' (2020: i). Talent Match was designed and conceived during a period of peak unemployment for young people, as illustrated by Figure 4.2. The report identifies how one motivation of the fund was 'looking beyond official administrative and survey statistics, to examine growing concerns about young people who are not counted in the statistics and so who are 'hidden' from the official public gaze'. These were the same individuals who the Youth Service at Support Society were attempting to target and engage.

Gatsby (2019) research based on the Longitudinal Education Outcomes dataset, shows that disadvantaged young people are twice as likely to be NEET. Moreover, this gap has remained consistent over the period from 2010 to 2017. The Youth Service team members reinforced the high number of their clients who were classified as NEET, and the positive association with residence in the most socio-economically deprived areas of Coventry. Damm et al (2020) highlight that 'at a national level, half of the gap between disadvantaged young people and their better off peers can be explained by differences in qualification levels, suggesting that additional support needs – such as mental health support and housing advice – need to be addressed too, as education and training alone cannot bridge the gap' (2020:6).

This need for holistic support was something staff at Support Society's Youth Service were keen to deliver. However, as the analytic chapters will explore changes in the voluntary sector operational environment, meant this endeavour was becoming increasingly difficult. Gallie et al (1995) were part of the ESRC Social Change and Economic Life Initiative. Their pioneering research advocated the need to consider a wide range of variables when addressing unemployment, including the local labour market, the nature of household relations, and people's work and family histories. Focusing on six areas, one being Coventry (which was also the subject of a skills audit in the late 1980s (Elias and Owen 1989), the research investigated the effect of being unemployed on individuals' attitudes to work, their social relationships, and their psychological health. Their research helped reinforce the need for considering a more holistic understanding of the true impacts of unemployment on individuals' health and wellbeing. VSOs who work with unemployed youth often highlight this 'human element' in supporting each individual client in a person-centred manner and prefer to understand personal circumstances using an individualised approach over a generic model of support. The extent to which this is possible in a target driven environment, forms the basis of chapter seven.

4.5.2 Changing labour market and policy

Since the late 1970s, there has been a nationwide shift in the structure of employment from manufacturing to services. This has been evident in Coventry because of its strong manufacturing heritage. The UK Commission for Employment and Skills highlights that the labour market has continued to change over the last decade, including in ways which disadvantage young people (UKCES, 2012).

'Typically, young people are disproportionately concentrated in sales and elementary occupations. These occupations are characterised by low pay and were hard hit in recession. By contrast employment growth has been concentrated in higher level nonmanual managerial, professional and associate professional occupations which are less likely to be filled by young people. Young people employed in such occupations are overwhelmingly graduates. Hence labour market change has resulted in fewer opportunities for disadvantaged young people and so their transitions to work are more difficult' (Damm, Green and Wells 2020:10).

Damm et al (2020) highlight the additional pressures and barriers that disadvantaged young people can experience when entering the labour market. They also identify how periods of recession add further pressures. 'The emphasis placed by employers on experience results in the 'Catch-22' situation for young people: they find it difficult to get a job without experience and without a job they find it difficult to get experience' (Damm et al 2000:10). This is a key barrier for most young people, but especially for those who are most disadvantaged as they often lack in any formal qualifications and experience.

There have also been various UK government policies which have been designed to encourage young people to continue in education or training:

'Raising the Participation Age in 2013, now required young people to continue in education or training until their 18th birthday. Also, from 2014/15 all students starting a new study programme of 150 hours or more, aged 16 to 18 years who did not hold a GCSE grade A* to C qualification in mathematics and/or in English, were required to be studying these subjects as part of their study programme. The Adult Education Budget provided free training for 19-23 year olds to attain their first full qualifications at Level 2 (GCSE or equivalent) or Level 3 (A level or equivalent), free training for those aged 19 and over up to and including Level 2, and free English and Maths training up to Level 2 for anyone who has not achieved that level' (Damm, Green and Wells 2020:9).

This commitment to achieving formal qualifications is a key indicator of policy agenda for the government to have a greater qualified and skilled workforce. However multiple disadvantages can throw up major problems which require more holistic approaches not always accommodated by mainstream youth unemployment provision. One prime example is if the young person is caring for a disabled family member their ability to remain in education or further training becomes problematic and a barrier to participation.

4.6 Coventry – youth unemployment

In the context of this research demographic information helps create a picture of the relationship between labour demand, supply, education/training and other support for young people.

Figure 4.3 – Coventry age structure (2001)
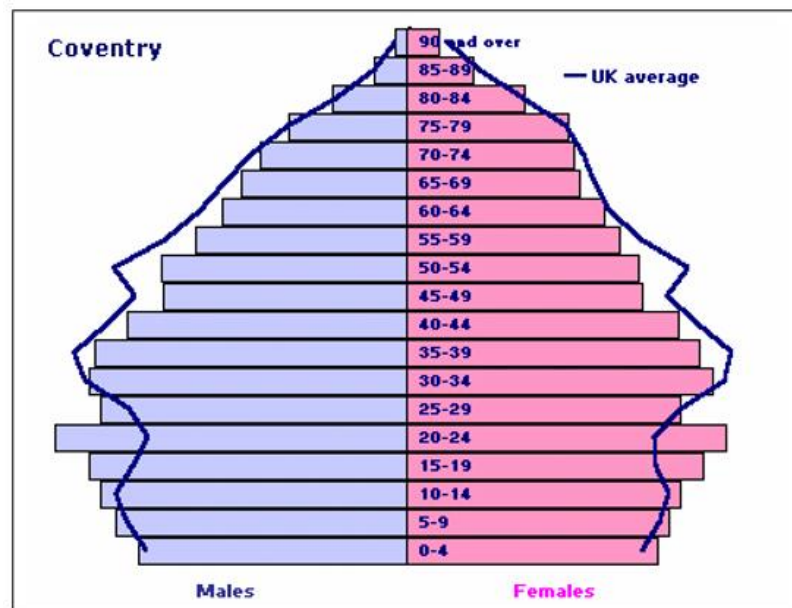
(Source: ONS – Census of Population as listed in Bimrose and Green et al., 2003 pg 110)

Figure 4.3 depicts the age structure of the population in Coventry 2001. The diagram shows how relative to the UK average; Coventry had an over-representation of young adults (15-24). In 2018, 17 years later when the fieldwork for this research was being undertaken, Coventry had a population of 366,219 with 44,262 in the 16-24 age range accounting for 12%, again above the national average. It is therefore important to note, that the population of Coventry has consistently been characterised by a greater than average share of young adults. Figure 4.2 evidences the impact of the 2008 recession on youth unemployment rates, when they rose significantly.

Figure 4.4- Jobseeker's Allowance (JSA) claimant count for 18-24-year olds in the UK (1996 to 2017)

Figure 1.2: JSA claims in the UK, 1996-2017
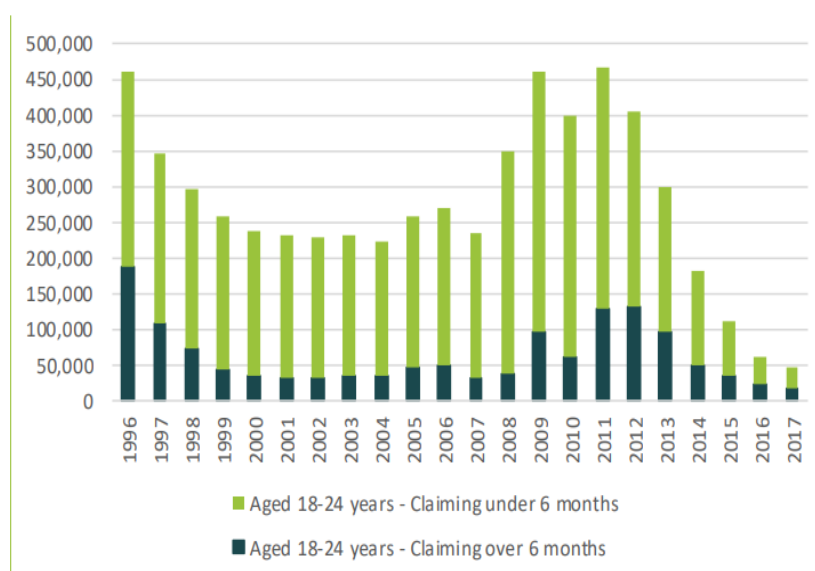
Source: JSA claims (via Nomis)

(Source- JSA claims as found in Damm and Green et al., 2020 pg 5)

Figure 4.4 illustrates trends in the Jobseeker's Allowance (JSA) claimant count for 18-24-year olds in the UK over the period from 1996 to 2017. The bar chart distinguishes between those claiming for more than and less than 6 months. The number of claimants in this age group peaked in 2009 and 2011 at around 460,000, supporting the evidence which argues periods of recession adversely affect young people, more so than other age groups. Between July 2008 and June 2009 figures from the Labour Force Survey showed there were 13,100 working age people in Coventry who identified themselves as being unemployed. However, in July 2019 this figure was down to 8,700 of working age people not in paid employment. Whilst unemployment statistics have fallen in Coventry over the past decade, these statistics alone do not present the complete picture, especially when considering how multiple disadvantages can throw up major problems for young people, in particular those requiring support from an organisation such as Support Society.

In November 2011 youth unemployment in Coventry was at a 19-year high, with one in five categorised as NEETs. Coventry City Council responded by taking what they refer to as a proactive approach to the challenging conditions, by unveiling its Job Shop. This was a new city centre facility, which housed a team of advisors to help get more people back into work. The Job Shop was officially opened in March 2012 in a prime city centre location, as part of Coventry City Council's 2011-2014 Jobs Strategy, as outlined in section 4.4.

A Coventry Youth Zone[7] was established in this city centre Jobs Shop. According to their website over five hundred 16-24-year olds in Coventry had been supported by going into the shop to talk about their options, with a specialist NEETS' advisor or to access placement and apprenticeship opportunities. It was Coventry City Council's aspiration, along with partners, to further develop the concept of the Youth Zone. The Youth Zone provides a central hub for young people to find out information about opportunities and gain the support they need. Personal support, workshops and accredited learning is available on site to engage and help 16-24-year olds move into work or education. The Job Shop works as a strong signposting agency to VSOs, although the difficulties surrounding this from the view of the Youth Service is detailed in 7.6.

It is important to note that young people not known to their local authority are excluded from official figures on NEETs, nor are young people who are taking a gap year or who are in custody. Consequently, in areas where there is a high number of 'unknowns' such estimates are likely to be less accurate. NEETs are no longer developing their skills and thus are more likely to suffer from low pay when they obtain work. Having poor, or no, qualifications has a significant impact on future employability. Being NEET for longer than 6 months is associated with an increased risk of having a criminal record, and of poor health and depression in the future (Crisp and Powell 2016). As noted above, there are higher levels of young people who are NEET in more deprived areas; while other factors that increase the risk include learning disabilities, parenthood and having responsibilities as a carer (as noted above). Support Society was founded in one of the most socio-economically

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[7] (https://cid.coventry.gov.uk/kb5/coventry/directory/service.page?id=Fbyf2wYwHxE) accessed on 13th July 2017

deprived areas of the country back in 1977. 40 years on and the area is still categorised as economically deprived.

In 2012 employment rates in Coventry saw proportionally fewer residents aged 16-24 in employment compared to residents aged 25 and over. In Coventry the unemployment rate amongst residents aged 16-24 was estimated to be 24% of the economically active population in that age group; significantly higher than the Coventry average of 9%[8]. The proportion of 16-18-year olds estimated to be NEET decreased, from 7.4% in 2013 to 6.8% in 2014 and 4.7% in 2015. The rate however was still higher than the West Midlands Region (4.3%) and England (4.2%).

Coventry City Council were found to acknowledge they play an important role in enabling young people to access available provision and in developing innovation in that delivery. The need for voluntary sector innovation is outlined in chapter eight in subsection 8.5.3. The local authority adopts the same view that the key to a successful youth employment policy is a healthy overall economic situation (O'Higgins 2001:105). They argue the recent government cuts and the changes to the welfare system to encourage people into work and 'make work pay' will place further pressure on both the UK and Coventry economy. In 2017 over 27,000 people in Coventry claimed out-of-work benefits and have or will face the prospect of having their benefit entitlement reduced if they fail to secure a job in an already competitive labour market. This is arguably more detrimental for young people who due to their age have less experience especially when competing with older workers.

In April 2014 a study by the Work Foundation showed that more than a quarter of 16 to 24-year-olds in the city were currently without a job, which put Coventry on par with places such as Glasgow, Birmingham and Hull. The study[9] took its data from the Office for National Statistics' Annual Population Survey and found Coventry to be the 5th worst City in the country for youth unemployment.

According to the Department for Work and Pensions, unemployment figures for the region in June 2015 were at their lowest since comparable records began in 1985. There were 4,676 people in Coventry claiming Jobseekers' Allowance (JSA) –

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[8] Source: Annual Population Survey Jan 2012 – Dec 2012, ONS Occupational segregation.
[9] The Geography of Youth Unemployment: A Route Map for Change

down by 37.7% compared to the same period in the previous year. Also, the number of 18 to 24-year-olds claiming JSA in Coventry and Warwickshire was at its lowest since records started. Figures had fallen by 58 per cent in Coventry – with 760 people aged 18 to 24 claiming JSA in 2015.

In August 2016 the huge variations in youth unemployment levels across the UK were revealed in a study commissioned by accountancy firm EY. The study revealed youth unemployment rates ranging from 18.3% in the North East to 11.2% in the East of England. Between March and May 2016, youth unemployment rates were 28.7% for 16 to17-year-olds and 11.6% for 18 to 24-year-olds in the UK. Coventry had one of the lowest youth unemployment rates out of the 48 UK cities reviewed. There is a huge disparity in the numbers of young people being employed across the UK's cities and regions, including in the West Midlands, with Wolverhampton identified as having one of the highest rates of youth unemployment in the country (27%), compared to Coventry which had one of the lowest rates (8.2%).

This brief account of recent youth unemployment figures demonstrates that in Coventry the situation regarding unemployment has improved. The role and position which the Youth Service at Support Society based in Coventry, has had in this endeavour will be explored in the following chapters of this thesis.

4.7 Coventry 2016 Joint Strategic Needs Assessment

The Coventry 2016 Joint Strategic Needs Assessment (JSNA) marked another key development in the Coventry youth unemployment action plan, as it focused on the current and future health and care needs of the local community. It was intended to inform and guide the planning and commissioning of health, wellbeing and social care services within a local area. It considers factors that impact on the health and wellbeing of the local community including economic, education, housing and environmental factors; as well as local assets that can help improve things and reduce inequalities. This links in with literature found in chapter two which highlighted the multiple issues/disadvantages some groups in society face and how often to best support and address those needs VSOs adopt a holistic approach. The

Youth Service ability to still adopt a holistic approach when supporting unemployed youth, will be further explored in chapter six.

In April 2016, Prospects (a careers guidance organisation) was jointly commissioned by Coventry City Council and Warwickshire County Council to monitor and respond to the needs of NEETs. The response was securing European Social Fund (ESF) funding to deliver a consortium-based contract which will be referred to throughout this thesis as VOICE Coventry. At the time of this study, VOICE Coventry was the largest targeted youth employability initiative in Coventry, working with anyone aged between 16 and 29 who lives in Coventry and is NEET. The project works to provide support with: self-development and confidence building; careers advice; 1-2-1 support; training and qualifications; work experience and paid placements; traineeships and apprenticeships; and business start-up support. VOICE Coventry aims to work with over 2,300 young people over three years (2016-2019), who on their website proclaims will receive the tailored support they need during their journey into employment, education or training.

Support Society Youth Service was a partner agency in delivering VOICE Coventry, therefore as one of the major employability programmes across the city this project in particular will be heavily referenced throughout the findings' chapters (see 7.4.4). Senior staff from Coventry City Council who manage VOICE Coventry have been interviewed for the data collection purposes of this thesis. The experience and challenges faced whist working on this youth unemployment service contract, from all practitioners involved at the Youth Service, strongly informs the final discussion and conclusion chapter.

4.8 UK Voluntary Sector

Chapter one has already outlined the definition of the voluntary sector adopted by this thesis and provided justification why Support Society Youth Service in particular was chosen, as it meets the formal criteria of being a VSO and registered charity. Charities are the largest single category within the voluntary sector. The aim of VSOs is to fulfil their mission and specific social purpose towards the greater good, rather than to make a profit for shareholders as in the private sector. This often means the voluntary sector prioritise things differently than a

business would do. Some aspects of the way they work can appear similar to other sectors, but there are a few cultural differences. These cultural differences are of direct interest to this thesis, and how the Youth Service managed to uphold them operating within NPM ideals forms the basis of the finding's chapters.

The voluntary sector is independent from local and national government, and distinct from the private sector. A VSO is run by an independent board who decide on strategy and priorities. The true extent of Support Society Youth Service's independence from local and national government is raised in this thesis and how private sector practices are increasingly influencing the sector, under the NPM agenda, is explored. VSOs often need to balance the competing interests of a wide range of stakeholders and will put a premium on ensuring all stakeholders, including staff and volunteers, are in agreement with its goals and plans. This involves consultation and consideration by people with differing viewpoints and forms the basis of accountability to stakeholder discussions in chapter six.

In 2014/15 there were approximately 165,800 voluntary organisations operating in the UK, according to the NCVO Almanac, 11,525 (8.6%) of which were based in the West Midlands. In 2016 the estimated income of the UK VS was £73.1 billion according to the Charity Commission. Total income rose in real terms between 2001/02 and 2014/15. Charities earning over £5 million accounted for 1.3% of organisations and for 72% of total income. The sector is dominated by a relatively small number of very large charities. Voluntary sector income from government was £13 billion in 2012/13, according to the NCVO. 30% of this income went to organisations performing social services, 14% to health. The NCVO estimated total income of the voluntary sector in 2014/15 as approximately £45.5 billion.

Income from government was around £15.3 billion in 2014/15 for the UK voluntary sector, according to the NCVO. This comprised of £7.3 billion (48%) from central government, £7.1 billion (47%) from local government and £0.9 billion from international government (6%). The balance of government contracts to grants has shifted over the past decade. In 2004/05 43% of government income to the voluntary sector was made through grants and 57% via contracts. In 2014/15 grants comprised 19% of income from government and contracts 81%. This is a significant increase and demonstrates the shift in 'contract culture' as outlined in chapter two.

Interestingly, and of relevance to this research, social service organisations received the largest share (35%) of total voluntary sector income from government in 2014/15.

4.8.1 Coventry Voluntary Sector

According to the Charity Commission in January 2018 there were 117 registered charities in Coventry. Voluntary Action Coventry (VAC) is the local infrastructure organisation which supports the voluntary and community sector in the city. Founded in 1957, it is a registered charity itself and membership of VAC is open to all voluntary and community groups within the City. They offer a range of services & activities that support the vibrant & diverse third sector in Coventry, and currently have over 80 charitable organisations as members. Support Society is a member of VAC and were found to actively participate in networking with Coventry's voluntary sector and attend events that their membership with VAC affords.

Coventry has a long-established voluntary sector presence, which is still thriving and acknowledged by the presence of a voluntary sector network (VSN). This is facilitated by VAC and is a forum in which registered charities meet and can share best practice, discuss sector challenges and facilitate partnership working.

Coventry also has long-standing VSOs such as Citizens Advice Bureau (CAB), which is one of the oldest established VSOs and has been part of the fabric of the city of Coventry for nearly 75 years. It is one of the largest and most accessed VSOs in the city. They offer free, independent, confidential and impartial advice on client's rights and responsibilities. The Youth Service at Support Society shared that they signpost many of their unemployed youth to Citizens Advice, as they are an organisation with a strong reputation of being able to guide vulnerable people with complex needs. CAB's social return on investment in 2019, a concept which will be considered in chapter seven argues for every £1 invested in their VSO they generate £11 benefit to their clients. CAB publicised that they pride themselves on partnerships locally and across regions, and nationally through their Citizens Advice network by influencing how the local authority, government and the private sector do things. This is just one example of how the voluntary sector in Coventry was attempting to inform strategic change. It is interesting to note that CAB are a VSO who seek to inform private sector practices, when the focus of this thesis is the

impact of private sector practices on the voluntary sector. Peter Drucker (1989) wrote an influential article which centred around what businesses can actually learn from not profit organisations. Although his research was based in America, in his view VSOs were actually practicing what most businesses can only preach.

4.9 Conclusion

This chapter has assisted the contextual framework of the thesis by outlining key economic challenges Coventry as a city has faced, both historically and more recently, in relation to labour market change and youth unemployment. It has briefly detailed some of the ways in which national government and the local authority has attempted to respond to these challenges, increasingly brought upon by periods of recession. Of direct relevance to this thesis and the main aim of this chapter, is recognising how the voluntary sector is progressively being called upon, as a support arm to delivering the youth unemployment 'solutions'. The focus of this thesis is to uncover the contribution of the Youth Service at Support Society in actively being able to assist young people with their employability journey. In particular, it focuses on the challenges and any difficulties associated with this contribution from the meso management level viewpoint.

As has been detailed in this chapter, Coventry's transition from a major automotive centre to one more dependent on services, meant it provides a very interesting case study city for this research. The recent youth unemployment figures for Coventry would indicate that the situation had improved by the end of the period covered by this research. However, the issue remains as topical as ever. With new public sector initiatives increasingly factoring the voluntary sector in their delivery plans, the wide-ranging impacts and consequences of this funding source on the Youth Service will in particular be explored. The next chapter will provide a more complete account to the background of the Youth Service, from which all the fieldwork data of this study has derived.

Chapter Five: *Background on Support Society (Youth Service)*

5.1 Introduction

In this chapter, the background to the case study organisation and in particular its Youth Service will be detailed. This chapter will demonstrate that since 2008 onwards, funding for Support Society has largely shifted from local sources, such as Coventry City Council, to the national level, and a mix of charitable and official funding has developed. How this development has affected Support Society's aims and how far these funders' objectives have required a professionalisation of services, forms the basis of exploration in the subsequent findings chapters.

The chapter will start with telling the history of Support Society and how and why it came in to existence. The mission of any VSO is crucial to understanding its motivations, as they originate in attempts to help address specific social aims. Whilst having a choice of which groups to support has developed as a key criticism of the voluntary sector, namely the tendency to support some causes over others, charitable aims remain at the heart of each mission statement. These can be found in the constitution, the governing document of charities that details their purposes and the rules and decision-making structures. It is important to note that Support Society had a long-standing history of delivering education and training opportunities to young people in the local community. For example, reference to training in a wide range of issues including English, maths, IT, personal development, financial literacy and independent living skills can be found in Support Society's March 2000 annual report. It was on the back of this extensive experience that addressing youth unemployment became a formal aim of Support Society in 2010 with the official creation of a Youth Service, which is why it was a particularly useful agency for exploration in this study. This chapter will consider the specific core vision, mission and values Support Society aims to address. Subsequent findings chapters seek to explore the extent to which the Youth Service was still able to honour this vision, mission and values whilst operating in a changing environment.

The chapter will then look at the organisational structure of Support Society, with specific emphasis to the Youth Service. As the concern of this thesis is youth unemployment, the contributions made by the youth team was of primary interest

during the fieldwork. The various funders and projects that Support Society has delivered in the past, in relation to helping address youth unemployment, will then be presented to provide an insight into the evolution of this area of Support Society's work. Network partners and partnership working will then be considered, which in chapter seven will be explored in relation to how this contributes towards the youth team's ability to deliver services. This chapter details how the recent restructuring of Support Society might be understood not merely in terms of the growing role the voluntary sector is expected to play in policy delivery but also in the light of changes in the voluntary sectors operational environment.

Finally, the last section will provide an analysis of Support Society's strategic objectives and the current four priority areas that the organisation had set as its main focus. The chapter will illustrate the reasoning behind Support Society's establishment as a VSO back in the late 1970s and the current challenges it faces in attempting to remain relevant today. This chapter will conclude by demonstrating the particular journey of the Youth Service in its efforts to support unemployed youth, how it has evolved, and the strategic decisions made based on external constraints.

5.2 Support Society background

Support Society is a registered charity and VSO, which works with disadvantaged people and families in and around Coventry. Its services help people struggling with issues such as homelessness, depression and unemployment to get their lives back together. Their aim is for their clients to become independent, and look forward to a brighter future. Since its beginnings in 1977, Support Society has grown from operating from a single house to an entire organisation with an annual income in 2018 of just under two million pounds. Back in the late 1970s, the community in one particular socio-economically deprived area of Coventry saw that some young people from the local area had poor life chances. One member of the Board of Trustees pointed out that 'in 1977 Support Society was located in one of the poorest wards in the country'. A group of volunteers came together and came up with the idea, that with access to emergency housing, these young people could be supported to make a change. They approached Coventry City Council for help and were given one property, from which the organisation was born. Support Society's literature advocates that it was born out of the ideology of self-empowerment and

individuals coming together as a collective to make a difference. The researcher found those involved in Support Society were very proud of its 40-year history and still heavily acknowledged the part volunteers play (7 in 2019) to keep the organisation running.

Support Society is still a Coventry-based charity with its offices based in the same area in which the organisation originated from, but now provides services across both Coventry and Warwickshire. This was also a key reason why the organisation appealed to the researcher, as it was one VSO which has stayed true to its original roots and geographic area. Support Society was set up with just one paid social worker in 1977. Appendix 5.1 illustrates the number of paid full-time equivalent staff, staff costs and total funds of the organisation, each year since 2001 from reports to the Charities Commission. The table indicates the growth of the organisation from 13 employees and an annual budget of £322,128 in 2001. In 2016 when fieldwork commenced Support Society had an annual budget of £1,655,632, team of 77 staff, 9 of whom were directly team members of the Youth Service and 8 volunteers who assisted with administrative functions across the organisation. The table also shows that in 2008 the organisation first hit funds in excess of one million pounds and since had largely continued to increase in funds, until 2018 when there was a significant reduction. The relevance of this decrease in funds during 2018, in relation to the Youth Service will be explored in 5.4. Support Society provided specialist, tailored services to over 1000 service users each year. The aim was still the same as 1977: to support individuals and families to gain the confidence to respond confidently to the challenges of life.

Support Society is a member of a number of local partnerships and has representation on the following: Coventry Children and Young People's Strategic Partnership, Coventry Teenage Pregnancy Partnership Stakeholders Group, Coventry Safeguarding Children's Partnership Board, Coventry Domestic Violence/Abuse Stakeholders Group, Coventry Homeless Strategy Implementation Group, Mental Health Provider Forum and Supporting People Provider Forum.

An example of some of the current services provided by Support Society included supported accommodation to young parents, community support for those with low level mental health needs; community support for young people deemed

'high risk' and supporting young people with educational and employment opportunities. The founding CEO at Support Society expressed that the first three services listed had remained areas of work since 1977. However, the last one in relation to supporting educational and employment opportunities had officially been given its own service since 2010. He indicated that although through the first three services of supporting accommodation and community support the organisation had 'informally' been assisting youth in to employment, it was not until 2010 that Support Society had a dedicated Youth Service for employability initiatives. Chapter eight will discuss the reasoning behind this strategic move.

The Youth Service ethos was promoted as working towards achieving sustainable outcomes which they believe supported positive change. The current CEO described Support Society approach as 'innovative' and in their promotional literature it was listed as:

- Asset-Based: enabling individuals and communities to identify and build on their own and collective strengths to build resilience rather than focusing on problems. The Youth Service ability to continue doing this, in light of increasing restraints imposed by performance management and targets, forms the basis of discussions in chapter seven.
- Holistic: addressing both presenting concerns and immediate practical needs, as well as underlying issues. The short-term nature of contracts characterising NPM, has meant that funding targets need to be met quickly. Staff contracts are therefore shortened to be contract specific and staff are encouraged to hone in on one key priority area. This is arguably in direct contrast with, and detrimental to, the holistic ways of working historically favoured by Support Society.
- Partnership-Based: working collaboratively through established networks to complement and enhance existing services. Partnership working and the challenges this raised for the Youth Service, in an increasingly competitive environment will directly be discussed in 7.6.
- Service-User Led: working with service users to jointly identify and address their needs including involving service users in the design and

monitoring/evaluation of services. This directly feeds in to the literature and advocation of co-production which will be explored in 6.5.1.

The organisations aims were represented by figure 5.1 below:

(Figure 5.1 'Circle of aims' as found in Support Society Strategic Plan)

Sustainable outcomes imply longevity. As chapter four has outlined, unemployed youth are a particularly vulnerable group in society, which is why they continue to be a governmental priority group.

5.2.1 Vision, Mission and Values

As was discussed in chapter two, there is evidence to suggest that VSOs face the concept of 'mission drift', where they part away from their original values, in order to remain relevant and secure future survival. Although Support Society's staff acknowledged that they had added additional workstreams to their delivery, this had seemingly been complementary to the organisation's original mission statement. The analytic chapters will uncover to what extent this was found to be the case. Staff felt that the community need represented in the original vision, mission and values back in 1977 remained as relevant today as they did when the organisation was first created.

Support Society's vision is: 'genuine opportunities for all, where people can respond confidently to the challenges of life' (Support Society website). Every registered charity in the UK has a mission statement, which is declared during its registration with the Charity Commission. Support Society's formal mission statement is:

'offering support and/or accommodation appropriate to individuals' needs within Coventry and surrounding area who are homeless; motivating young people to re-engage with educational/employment opportunities; and providing quality services for children in partnership with parents'.

Support Society was found to pride itself on empowering individuals to pursue their ambitions and create more positive futures. Murray (1997:196) highlights that the voluntary sector comprises of what he refers to as 'value driven organisations'. These are organisations which are driven by set values, which guide and direct all resources. A study by Parry and Kelliher (2009) found that due to their charitable nature, organisations in the voluntary sector are likely to have stronger values.

In their promotional literature Support Society list that their set values are firstly to be respectful: Support Society will seek to understand those we work with and value them. Support Society welcome people of all backgrounds and life experiences. Secondly, is to be focused: those who use Support Society drive what they do. The third and final value is to be innovative: Support Society will continually improve what they do by adopting new ideas and partnerships and by adapting as the world around them changes.

Support Society's mission includes motivating young people to re-engage with educational and employment opportunities, which directly links in with the focus of this study on services delivered to unemployed youth. Partnership working featured very heavily in the ethos of the Youth Service. In the findings chapters the relevance and challenges of this, in an age where the voluntary sector is increasingly being asked to deliver more collaboratively, will be explored further (see 7.6.1). The analytic chapters will unravel to what extent the Youth Service had been able to stay true to their mission and set values in a competitive market driven era, which largely

promotes the use of targets and performance management as indicators of successful service delivery.

5.3 Organisational structure

As categorised by Lock (2007:53), Support Society exists as a matrix organization. This has been the case since 1977, with a line and function structure. The Management Board is made up of a Board of Trustees who are all volunteers, who collectively occupy the top position. During this research, Support Society had seven active members on the board, all professionals or retired professionals from diverse backgrounds ranging from finance to social work. After them is the CEO, who is directly responsible to the board and is tasked to oversee the day to day running of the organisation. Then there is the CEO who manages the senior management team, who then oversee the managers of each service, who in turn manage the frontline staff.

Appendix 5.2- 5.7 show the organograms as found on the Charity Commission website, uploaded from annual accounts of Support Society relating to 2006, 2010, 2015, 2016, 2017 and 2018, demonstrating how the team structure has changed over time. As the focus of this thesis is the Youth Service, the organograms evidence how this service has both significantly expanded since 2010 but also then significantly reduced. The organograms provide a very interesting visual aid to help track the transformation and journey of the Youth Service. The first dates back to 2006 and interestingly refers to the now role of CEO as 'Project Director'. This feeds in to the literature which suggests VSO have become more business-like and professionalised in their operations, as the term CEO itself is associated more widely with the private sector. Moving on to the 2015 organogram the term CEO is now used. As the primary focus of examination for this thesis is the Youth Service, at Support Society in 2015 the Youth Service Manager was responsible for all the youth workers. The Youth Service Manager, was managed by the Director of Operations who reported directly to the CEO. When the Youth Service Manager first started (Appendix 5.3) she was directly managed by the then 'Project Director' who now would be referred to as the CEO. The reasoning behind this shift will be explained in chapter eight (see 8.4) under the time and resource implications for staff.

Cornforth (2003) examined publications from The Commission on the future of the Voluntary Sector. 'The Commission on the future of the Voluntary Sector recommends that VSO should clearly define the respective roles of chair, board members, CEO and staff' (Cornforth 2003:5). As is evidenced by appendix 5.8, Support Society had a strategic plan into which all services are embedded. This helps to govern and direct the work each service delivers, as well as for individual staff and managers to be aware of how their efforts contribute towards the bigger picture. This is very similar to 'business plans' found in most corporate companies and for Support Society was a more recent innovation with the first plan devised in 2010.

The importance of having a stable team structure is crucial for the voluntary sector 'careful planning will go a long way towards helping charities to finance new projects. Lenders look at a charity's management: do they have an able team to complete a new project successfully' (Cooper 2008:22). Funders have certain guidelines and expectations when it comes to accountability and processes which ensure any funds awarded will be effectively managed.

Armstrong (1992) suggests that both paid and unpaid people who choose to work for the voluntary sector may do so because they are committed to its cause and have formed a moral attachment to the work conducted. During the findings sections of this thesis, the researcher was keen to understand the views of voluntary sector practitioners. Support Society has some long-standing members of staff, at least two interview participants had been involved with the organisation since it opened its doors in 1977. The researcher was keen to understand the challenges they have faced in their experience of working for this VSO. The Youth Service Manager was the first paid member of the youth project, appointed in January 2010, and had started with the organisation as a youth coordinator directly delivering services to young people.

5.4 Youth Service at Support Society

The Youth Service at Support Society aimed to support young people to lead independent, fulfilling and happy lives. They worked with young people aged 16 to 29. The circumstances of the young people the Youth Service had worked with in the past were varied and complex, often heightened by the fact they predominately reside in socio-economically deprived areas of the city. Issues the Youth Service had dealt with in the past included poor mental health, isolation, relationship problems, unemployment, housing, money worries and being at risk of exploitation or radicalisation.

Support Society's Youth Service aimed to offer young people a safe space to meet others, acknowledge their potential, and enjoy new opportunities. They did this through a combination of group work and one-to-one support delivered both on site at Support Society facilities and in the community. The activities on offer for young people included social events, sports sessions, creative arts programmes, skills development programmes and employability courses. It was employability courses, and the way this work was secured and funded, which was of direct interest to the thesis. The youth employability programmes within the Youth Service, aimed to increase awareness of opportunities around education and employment with the hope of increasing the longer-term options available to individuals. During the start of research for this study in 2015, Support Society had supported 554 clients who were unemployed youth. This was another reason the Youth Service was chosen as the case study, as had a proven track record of supporting a significant amount of young people.

The first mention of a dedicated youth project, verified from the annual report and appendix 5.2 comes in 2010 with one paid full-time member of staff being appointed. Fast track five years later and in 2015 the youth project is now referred to as the 'youth & community project' with eight paid full-time members of staff. Only one year later, the title is changed to 'youth and community service', now big enough to be divided in to two specific projects, each with their own Deputy Manager and a staff team of nine full time employees. In 2017 the name of the service changes again to 'Youth Service' with the team comprising one full time Manager, one Deputy Manager, seven full time staff and a student placement.

113

However, as appendix 5.9 demonstrates, by June 2018 whilst the Youth Service Manager was still in post but now part time, there were only three youth workers left. Appendix 5.9 outlines the Youth Service funding, staff and amount of young people supported from 2014 to 2019. The period of fieldwork for this study allowed the researcher to witness the Youth Service at its peak in 2016 and also its decline, in terms of both staffing and funding. From 2017 to 2018 the Youth Service halved in both paid staff and total budget. Appendix 5.9 helps illustrate the more recent changing structure of the Youth Service, which at its height supported over 500 young people. The next three analytic chapters will consider the challenges faced by the Youth Service, which have resulted in the disappearance of what was once a vibrant service attracting significant funding. The findings chapters will explore the concept that funds available drive a VSOs strategy (strategic dependency theory). Or is it the case that there is more recently a shift in voluntary sector mentality and strategy, where VSOs instead only seek to work with funders who enable the organisation to meet its mission and meaningful obligation to service users? Strategic choice theory becomes pertinent here and further discussion centred on the motivations surrounding decision making, both at individual and organisational level will take place in chapter nine.

The support that the Youth Service provided was rarely around one single issue. Staff argued that their service helped young people to overcome a number of barriers that may be holding them back in their lives, preventing them to realise their true potential. The Youth Service team members saw this as a unique selling point (USP) of their contribution and history, that they as a VSO sought to provide holistic support. In Support Society's 2016 annual review, under the Youth Service update it states:

'While we succeeded this year in securing core refunding for 'The Whole Shabang', we are concerned that Youth funding generally continues to be cut and what funding there is increasingly concentrated in Youth Employability programmes. Important though these are, they leave unaddressed issues of Vulnerability and Wellbeing without which many of the neediest young people are unable to engage. Additionally, issues such as sexual exploitation, radicalisation and undiagnosed learning difficulties are compounding the risks young people face and blighting their

lives' (Support Society Annual Review, 2016). This quote is a formal expression from the Youth Service that mainstream youth employability programmes prove problematic for the range of service users they support.

The significant reduction in the Youth Service team members in 2018 was attributed to the nature of contract funding, first identified in chapter two and two significant youth employability projects coming to an end, one which was terminated early by the Youth Service themselves. These first-hand experiences provided practical illustrations of short-term contracts and the implications of funder expectations not being aligned with those of the VSO. This decline is pertinent to the entire study as has triggered wider issues. It poses pressing questions about VSO's ability to contribute towards supporting unemployed youth in a meaningful way. This research suggests that the key contributing factor to the lack of Youth Service now at Support Society relates to the fact that operating in a market orientated, target driven environment directly conflicted with the organisations aim. This can in simple terms be described as corporate values compromising social values. This is why there was no longer an opportunity for this work to continue on the scale it once delivered in 2015-2017, or that those contracts were no longer deemed appropriate for the strategic vision of the organisation. The contributing factors towards this strategic decision will all be explored in section B and C.

5.5 Funders

Support Society is funded by a variety of different sources and has a long list of both past and present funders. These include local and national official government funders such as Coventry City Council, Warwickshire County Council, West Midlands Police and Crime Commissioner, National Health Service (NHS) and Department of Work and Pension (DWP). It has also received funding from other external and private agencies such as Coventry Building Society, Coventry University, National Lottery, Orbit Heart of England, Midland Heart and Coventry Transport Museum.

The Youth Service in particular had received funding from Big Lottery, Department of Work and Pension (DWP), European Social Fund (ESF) and Comic Relief for significant youth employability programmes (Table 5.1). During the

interviews, the feelings and thoughts of staff in regards to different funding bodies were sought. In addition to the larger amounts of funding awarded, smaller pots of funding over the years had also been secured by Support Society from Salvation Army Housing Association (SAHA), Baran Davenport Charitable Trust, Evesham Charity, 29th May 1961 Trust and Cadburys Trust. Each funder has had their own set of monitoring expectations, which will be explored in the proceeding chapters of the thesis.

Prior to the 1990s, any funding from the local authority at Support Society was on a grant basis, but as referenced in chapter two the dominance of market competition has seen VSOs enter the 'contract culture'. Senior staff at Support Society noted that prior to 2008 they were very much operating in a grants culture, where they were confident that the local authority would renew all their grants usually on a three-year basis and where they reported outcomes on a yearly basis to commissioners. However, after 2008, the Director of Finance and Resource confirmed that grants were a thing of the past and they entered competitive contracting for funds which historically were always allocated to Support Society. Chapter seven will explore the context of contract culture in greater depth. All the work streams which were now delivered by Support Society were in the form of fixed term contracts. 2018 was a particularly interesting year for the organisation, which they referred to as 'tender year' as most contracts were up for renewal. The impact and challenges of this style of funding arrangement on the voluntary sector, in their ability to be long sighted and secure any sustainability will be explored in the next chapter.

5.6 Contracts relevant to youth unemployment (2010-2019)

The following table (5.1) identifies youth unemployment contracts delivered by Support Society since the start of the formal Youth Service in 2010. It details the funder, duration, amount secured and number of staff required to deliver the project:

Funder and Name of project	Duration of funding	Amount awarded	No. of staff deliver project
Big Lottery Youth fund 2 Time4U – changed later to The Whole Shabang	January 2010-2013	£297,755	Two
Comic Relief – Young People with Mental Health Problems. Project name: Unwind	August 2011-July 2014	£76,347	Three
Big Lottery Supporting Impact & Change The Whole Shabang Coventry	2013-2014	£128,811	Two
DWP – YIPPEE BootCamp	April 2015- July 2015	£20,000	Two
Big Lottery – Reaching Communities	June 2015- May 2018	£295,233	Five
ESF – Youth Employment Initiative – VOICE Coventry Formal partners: Coventry City Council - Employment Team; Shared Apprenticeship Scheme; Adult Education Service; Intensive Families Support Team; City College; Coventry and Warwickshire Chamber of Commerce Training, Coventry and Warwickshire NHS Partnership Trust Coventry and Rugby IAPT; CSW Sport; Dame Kelly Homes Trust; Henley College Coventry; Highlife Centre; Orbit Heart of England; Positive Youth Foundation; Princes Trust; Prospects; Radio Plus; SCCU Ltd; Warwickshire Community and Voluntary Action and WM Housing	January 2016-June 2019 Exited early in December 2018	ESF: £197,200 Match combined with Whitefriars Housing and Orbit: £115,999	Four
ESF – Building Better Opportunities – Progress Formal partners: Coventry City Council, Groundwork West Midlands, Heart of England, Mencap, Innovating Minds CIC, Motorvate UK, Positive Youth Foundation, Prospects, SpringBoard, The Learn2 Group, Values Education For Life and Voluntary Action Coventry	October 2016-December 2018	£67,500	Two

Big Lottery – Talent Match Working it Out	June 2015- January 2016 Oct 2016- Sept 2017 - Lot2: Positive Mental Health Sept 2017- Feb 2019 - Group Provision	June 2015- January 2016 £12,000 Oct 2016- Sept 2017 £18,405 Sept 2017- Feb 2019 £59,970	Two

(Table 5.1 – Funders and projects delivered at Support Society Youth Service 2010-2019: source annual reports)

Prior to 2010, although many services were delivered to the young people in supported accommodation, there was no dedicated Youth Service to formally assist young people with education and employment opportunities. In January 2010 this all changed, as Support Society secured funding from the Big Lottery, Youth People's Fund Two. When asked why was it that employment rose as a priority for Support Society, the former CEO at the time explained that they had already been doing the work with their clients but now acknowledged they needed to 'formalise it'. The desire to formalise this work will be picked up in chapter six.

Support Society titled this Big Lottery funded project, 'Time4U', as the focus was on supporting youth with activities which fostered peer support. The Youth People's Fund was a national fund of up to £38 million, which was available to support projects across England where young people lead from start to finish. This links in with literature surrounding the origins of public choice theory and more recently co-production which will be discussed in chapter six (6.5.1). The Big Lottery sought to fund projects where young people were fully involved and improvements were made to young people's services. This tied in directly with Support Society's mission to have clients at the heart of all their operations. VSO were invited to apply for anything ranging from £10,000 to £500,000 with Support Society securing £297,755. Successfully securing this three-year funding in 2010, for the first time gave Support Society the opportunity to hire a full time Youth Project Leader, who was promoted in 2016 to the Youth Service Manager and continued with the organisation till December 2018.

The Time4U programme was focused on changing the lives of young people up to the age of 25, if they were finding the change to independent living difficult. This complemented the work and needs of service users who were already accessing Support Society, many of whom needed career advice and guidance. The fund also gave Support Society an advocacy role, as sought to support work which increased the understanding of young people's needs and which created further opportunities for involvement in things that affected young people's lives. As will be detailed in chapter eight (see 8.3.3) the sentiment around this funding was positive and Support Society appreciated the platform it gave their Youth Service.

In 2011 Support Society also successfully secured £77,000 for 3-year funding from Comic Relief (see Appendix 7.1), to support young people with low level mental health needs. £26,000 per year of this was for a full-time support worker, with the target of supporting 51 individuals per year. On the back of the Time4Us funding, the Youth Service sought to develop an innovative support service for vulnerably housed young people aged 16-25 residing in Coventry who had poor mental health. This was largely due to; social isolation, depression and abuse. The project delivered one-to-one and group support, peer mentoring, web support and was able to assist young people with a career plan.

The need for this Comic Relief project was identified through Support Society's existing work with vulnerable young people. Many of the young people they supported had complex needs that went beyond the remit of statutory obligations. As was detailed in chapter two, this is often seen as a virtue of the voluntary sector over statutory organisations, as they are able to offer more holistic support. Over 90% of the young people the Youth Service worked with in 2011 had relationship problems ranging from emotional abuse to violence and 50% had mental health support needs. Through consultation with 23 service users at the time and reviewing individual case files, the Youth Service argued that this project was needed as there was limited support for such young people to overcome their mental health problems.

At the time in 2011, 8.6% of 16-18-year olds in Coventry were NEET. Support Society's former CEO said that they were aware that reducing the proportion of 16-to 18-year-olds NEETS was a priority for the Government. The fact that the

organisation already had access to many vulnerable young people who fell in to this category, gave them an advantage and resulted in the funding being awarded. At the Youth Service this project successfully benefited 280 service users in seeking and securing employment. This Comic Relief funding was also paramount for the journey of the Youth Service, as it reinforced the unique selling point of Support Society. By addressing issues such as mental health and almost going back to basics, the Youth Service was able to make real impact and changes for individuals, especially when it came to securing them employment. In the first four years (from 2010-2014) the Youth Service successfully supported over 400 local youth in to employment.

In 2013, the Youth Service secured further funding from the Big Lottery Supporting Change and Impact Fund. This fund was additional funding available in England for existing Big Lottery grant holders, designed by the Big Lottery as a timely response to support grant-holders to better plan for their future. Especially in times of austerity and the economy recovering from recession, the aim was to help sustain the operations of their grant-holders. Supporting Change offered grants of up to £10,000 to help organisations understand how they needed to adapt in order to respond to changing economic conditions, for example through better evaluation, organisational reviews and planning for sustainability. These are precisely key areas which this thesis is examining, so it is very interesting that this funder has acknowledged the support VSO require.

The Youth Service noted that this funding was an invaluable resource at the time to develop their sustainability plans and ensure that young people who had already benefitted were not left without any support. At the same time, grant holders that were able to show they had achieved an outstanding impact could also apply for an additional year of funding through Supporting Impact. This funding was to help them improve or extend their impact further and start to carry out plans to make their project sustainable. Support Society Youth Service was one of the services able to secure this additional year and thus was able to continue to deliver Time4Us until 2014, and secure an effective project closedown which mitigated the impact on beneficiaries. Securing this funding was important as being able to show impact requires efficient record keeping and is a requisite for additional funding. The time

and resource the Youth Service had to allocate in order to be able to meet such requisites will be further discussed in chapter eight.

One-thousand and five grant-holders secured Supporting Change funding of which 392 also received Supporting Impact, which demonstrates how competitive it was. Support Society's management felt that funding such as Supporting Change had given them much needed breathing space and legitimised the spending of time and resources on planning for sustainability for their projects. This directly influenced strategic focus in the Youth Service.

The Big Lottery has been a major funder for the Youth Service. In 2015 the Youth Service applied to the Big Lottery again, this time to the Reaching Communities Fund and was successful in securing three-year funding. This project was called 'The Whole Shabang' and supported 16-25-year olds in achieving greater independence, with the aim for many to secure employment. This funding ended in May 2018, but in 2015 resulted in the Youth Service needing a Youth Service Manager. During the year 2014/15 the Youth Service worked with just over 250 young people, the majority of whom were NEETs.

The Youth Service had also received funding from the Department of Work and Pensions (DWP) to deliver one-off training programmes such as Coventry BootCamp (see appendix 7.4). This was a development programme for 16-25-year olds who were NEETS. The DWP also commissioned the Youth Service to deliver their skills and employability short course, named Jump Start. Jump Start offered practical and emotional support, with opportunities for young people aged 16-29 across Coventry who again were NEETS. This included one-to-one support, group support and activities. The Youth Service ran Jump Start three times for the DWP during 2017.

As well as securing funding bids as the lead organisation, the Youth Service has also delivered employability programmes in collaboration with other providers. This is where Support Society acted as a subcontractor and up until 2018 there had been three contracts where this had been the case. Firstly, Talent Match which was a £106 million programme funded by the Big Lottery to support young people aged 18 to 24, who need extra support to help them along their path to employment.

Talent Match targets young people who are considered furthest away from the labour market. This includes long-term unemployed youth and those who have complex lives and face multiple barriers to employment. The fund encouraged successful organisations to carry out outreach work to identify, engage and support so-called 'hidden youth' who are young people neither receiving benefits nor engaged in employment, education or training. Talent Match builds on a youth-centred approach, which places the wishes and aspirations of young people first, before those of the services that are there to support them. This was very much in line with the official vision, mission and values of Support Society.

Coventry was one of the areas experiencing high levels of youth unemployment and thus in Coventry and Warwickshire, a Warwickshire based VSO be (anonymised as 'Meeting Needs') secured the bid to be lead partner and oversee the funding. Meeting Needs has worked in partnership with the Youth Service to deliver the programme. Both the Project Worker and Project Manager of Talent Match, at Meeting Needs were interviewed during the field work stage of this research. Through Talent Match, the Youth Service supported 200 young people with interview techniques, confidence building, CV writing, supported job searches, volunteering opportunities, careers coaching, supported work placements and computer skills. Those who attended the course also gained from business start-up advice, sports development, media/music and multi-skills construction.

The second employability programme where the Youth Service acted as a subcontractor was Building Better Opportunities (BBO). This was another partnership contract that the Youth Service delivered with the lead partner: anonymised as 'Work Foundation'. Similar to Talent Match, BBO is targeted at those who are the furthest away from getting work, training or back into education. The programme provides up to 12 months of personalised, one-to-one support to young people who are most in need of a helping hand to get them on the path to a successful future. BBO is funded by the European Social Fund, to tackle poverty and social exclusion faced by the most disadvantaged people in England.

The final contract that the Youth Service delivered as a subcontractor in relation to youth unemployment, was VOICE Coventry. VOICE Coventry was funded by the European Social Fund and supported under the Youth Employment Initiative.

Coventry City Council were the lead partner in this ESF funded programme, directly accountable to the DWP who then reported to the ESF and were accountable for their delivery partners. For Support Society this contract was expected to run from January 2016 to June 2019, however the decision was made by the Youth Service to exit in December 2018, 6 months early (Appendix 6.6). The Youth Service team members directly involved in the contract said that the main reason for this was unrealistic expectations, bureaucracy associated with the paperwork and methods of working which were not aligned with the values and mission of Support Society as a VSO. For them this contract was directly hindering their ability to support the young person and was not a productive way of working. The reasons behind this directly feed in to the challenges faced by the voluntary sector and will be further evidenced in the finding's chapters.

VOICE Coventry was a particularly interesting programme for examination, as it was seen that the partnerships involved provided a unique opportunity to draw together skills and expertise from specialist organisations across the city so that young people could easily access them. Coventry City Council stressed they make it simple for young people to move across partners, to make sure that they get the tailored support they need during their journey into employment, education or training.

5.7 Partnership working

Support Society emphasised partnership working and as part of its strategic vision, as will be detailed in the next section, was actively working to position itself strongly amongst network partners. Since 1977, Support Society has worked in partnership with a number of local public, private and third sector organisations. For example, for the contract VOICE alone the Youth Service were required to work in partnership with over twenty other providers. Each provider has their own mission, specialism and targets. The way in which the Youth Service worked in conjunction with so many different partners and managed this process, when supporting the same individual on the same contract will be explored in section B. As identified in chapter two, partnership work has increasingly become key for VSOs. The dynamics of subcontracting between lead partners and delivery partners, has already been raised in the literature review. There is the view that often dominant VSOs get to

dictate the terms. How the Youth Service responded and reacted to being subcontracted, is considered in chapter seven.

5.8 Strategic Plan

Support Society has a strategic plan in place for 2018-2021 (Appendix 5.8). This strategic plan informs the organisation's operational plan, which in turn has given each service their service plan. The current CEO who commenced employment in September 2016 was very keen to implement a new strategic plan. The strategic plan acknowledges the strengths, weaknesses, opportunities and threats that Support Society faces as a VSO and how it intends to respond. It is a very pertinent document for understanding the future direction of the organisation. As will be explored in the finding's chapters, this presented a different way of working than in the past which ties in with the literature surrounding the professionalisation of the voluntary sector.

Support Society identified four Strategic Objectives that it believes sets out a clear direction of travel for the next three years. Support Society's Strategic Objectives were underpinned by its Vision, Mission and Values. The four strategic objectives are:

1) Service users experience relevant, innovative services

2) Support Society enables service users to develop insight, skills and confidence to explore and find solutions to the issues they face

3) Support Society will have the right systems, skills, governance and funding model to forge a sustainable future

4) Support Society will endeavour to develop a reputation as a leading provider of services

It is apparent from the strategic objectives that service users are at the heart of the organisation's future plans. The experience and empowerment of their clients has been given key priority, as well as the organisation's governance and funding to secure sustainable outcomes. Reputation, which was outlined in chapter two as the new currency for VSO in attracting and securing funding, is specifically mentioned in

the last objective. It can be argued that from these objectives, in the coming years, Support Society is going 'back to basics' to re-establish their roots and proceed in a manner which puts the service users at the heart of all plans. In the strategic plan document under the funding model, it states 'where Support Society has been successful or unsuccessful in funding applications, they will request feedback as to why in order to establish their standing within the sector'. This highlights how the organisation attempts to learn lessons from their experiences and move forward in a more informed manner.

The next three chapters will ascertain the lessons the Youth Service at Support Society has learned, through the opinion and experiences of the practitioners directly involved in the running of the Youth Service and their delivery of services to unemployed youth.

5.9 Conclusion

This chapter has provided a background to Support Society, in particular the Youth Service and its journey in securing and delivering funding related to unemployed youth especially since 2010. Understanding the set vision, mission and values of any VSO is imperative to understanding the nature and culture of that organisation (Gann 1996). This chapter has raised many questions which will form the basis of exploration in the next three chapters. The main contribution this chapter makes is to highlight that the Youth Service had a proven track record in securing and delivering significant youth unemployment initiatives over the past decade. At its height in 2016 when the researcher set out to find an appropriate case study organisation, it was arguably one of the biggest VSO based in Coventry delivering services to unemployed youth. However, at the time of concluding this study, this had now largely come to an end. The contributory factors and challenges associated with making this decision form the basis of section B, as the thesis seeks to examine the external and internal environmental influences on the Youth Service. In particular, how they have affected the performance of the Youth Service in their efforts and core mission to deliver services to unemployed youth.

The next section (section B) will now present the analytic chapters, starting with chapter six which explores issues of accountability.

Chapter Six: *Accountability*

6.1 Introduction

The first research question this thesis aimed to address is: how has accountability of the voluntary sector changed? To answer this question, the chapter is focused on different forms of accountability found within the Youth Service and how the significance of each has changed.

Regulation and accountability of the voluntary sector are contentious issues. 'Relatively little is known about management in this sector, since it has been subject to relatively little empirical investigation' (Parry et al 2005:588). As a sector serving public interests, voluntary sector agencies are held accountable for their activities in a number of different ways. They answer to multiple stakeholders, where complex relationships and varying demands of accountability may have significant and often unforeseen impacts (Billis and Harris 1992; Lewis 1994). Emphasis on increased accountability can result in VSOs adopting a mechanistic view of performance management (Flynn 2002), where measurements are used not to improve results but as an end in themselves. In this instance, organisational adaptation (Miles and Snow 1978), a term referring to how organisations respond to environmental changes, imposed by dominant stakeholders result in behaviours being rewarded with resource. Deakin (1995) refers to this process in relation to 'contract compliance' which will be further explored in chapter seven. This chapter will focus on how various stakeholders rendered the Youth Service accountable and how an expansion of accountability shifted the balance of power between external stakeholders and the Youth Service.

It is widely acknowledged that the term accountability is used in many different ways by a variety of individuals and organisations. According to the Oxford English Dictionary, 'to be accountable is to be required or expected to justify actions or decisions and to give a satisfactory record or explanation'. It also implies a relationship: that there is one party that is owed an explanation or justification and one that has a duty to give it. Processes of consultation, openness and responsiveness are frequently characterised as accountability. Accountability in the context of this thesis is when a VSO is required to justify or provide explanations to

the various stakeholders invested in the organisation. The parity of accountability between stakeholders will be discussed, with a view that, since 2010, the Youth Service funders have increasingly been given priority, rather than other stakeholders. This brings into question the need for a fuller appreciation of the subtleties of accountability towards users of the service, something which, even before the era of NPM, has not always been a priority for some VSOs (Flynn 2002).

There is general consensus that highly accountable VSOs are more likely to act with integrity and learn from their mistakes. Especially as VSOs require a reputation for being transparent and trustworthy to secure funding and contracts. The quote below demonstrates how Support Society claimed accountability was built in to the structure of the organisation:

'Individual professionals, individual teams or individual organisations that don't build accountability into their structures tend to become corrupt. It encourages bad practice, it encourages cutting corners, it encourages self-interest. Accountability whether it be through monitoring with funders, whether it be through supervision and appraisal whether it be through answering to boards of trustees, if you don't have that you're setting something up to go wrong or to lose its way or to become less rigorous and less safe I suppose. Support Society very much wants to be accountable and it wants to be accountable at every level' (Former CEO, May 2016).

This quote was found to be typical amongst the interviewees, who were all extremely keen to convey their commitment to being accountable. The former CEO's view was clear: Support Society wanted to be accountable at every level of its operations. The extent to which this was the case, especially accountability towards the service users of the Youth Service in 2016/2019 forms the basis of critical analysis. This chapter will focus on the layers of accountability for the Youth Service, how this has changed over the years, why the voluntary sector is required to be accountable and who the Youth Service was actually accountable to. This chapter will explore how this accountability impacted staff's work to support unemployed youth by providing examples and illustrations.

The chapter will start by differentiating three different types of accountability. It will then compare accountability across sectors before considering the notion that

the Youth Service is more than just a service provider, but seeks to make fundamental changes in addressing multiple disadvantages. Therefore, it will explore the notion that, due to the nature of the individuals the Youth Service targeted i.e. the most vulnerable and furthest away from the labour market, the additional accountabilities which come hand in hand with operating in such an environment, heightens accountability demands. It will then move on to the range of stakeholders within the Youth Service, including before the era of NPM and how staff saw these as increasing over the years. The chapter explores the challenges associated with accountability, especially in relation to conflicting demands, where the service users' interests may not necessarily coincide with the expectations of other stakeholders.

This chapter will conclude by illustrating the diverse and complex layers of accountability the Youth Service was required to manage on a daily basis. Accountability increased, especially in the era of NPM, due to changes in various elements of the Youth Service's environment i.e. focus on performance management targets.

6.2 Types of accountability

Support Society, from the Board of Trustees down, felt it was accountable to staff and staff were accountable to the organisation. This mutual accountability developed as an interesting dimension from the fieldwork. Back in 1988, Leat first provided an analysis of multiple accountability in local VSOs by unpacking the complex concept of accountability and distinguishing between its variety of meanings and applications. Leat (1988) went on to describe three types of accountability which arguably are still relevant today:

'Firstly, there is explanatory accountability, in which being accountable means being required to given an account, to describe and explain. Those demanding accountability in this sense have the right to require an account but not to impose sanctions. Secondly, there is accountability with sanctions, which to many is full accountability and involves not only the right to require an account but also the right to impose sanctions if the account or the actions accounted for and inadequate. The third and final type of accountability, is responsive accountability which means only that those who are accountable take into account or respond to the views or

demands of those to whom they are accountable' (1988:24). According to Leat, this final type is the weakest sense of accountability, in that 'it depends rather less upon any clearly defined right of those who are accounted to and rather more on the willingness of those who are accountable. There are no formal sanctions involved in this form of accountability. Although failure to be accountable in this sense, or to be responsive, may lead to loss of support from those who expect to have their views taken into account' (1988:25).

All three types of accountability were found to be present at the Youth Service. Explanatory accountability was evident through the relationship between staff and the senior management team and Board of Trustees. This is where paid and unpaid staff were all accountable to their line manager (one nominated person), for their work and future targets. The way this process was managed was through monthly scheduled meetings.

Staff 'support and supervision' sessions, as they were referred to from 2010-2017, had always been monthly at the Youth Service. However, the pro forma for this changed in 2017 as did the title to 'Performance Development Review'. When asked why this change had occurred, the current CEO explained how it was to streamline the process and ensure consistency across all services delivered by Support Society. She reflected that managers across the organisation were conducting these meetings in different ways, so the aim was to ensure uniformity. As the pro forma illustrates (appendix 6.1) there was accountability in the sense that staff were specifically requested to feedback and justify their time. The supervisor title was also renamed in 2017 to 'line manager'. These changes presented a distinct shift in managerial practices within the Youth Service, as the PDR form demonstrates evidence of targets against individual work plans and goal setting as a way to monitor performance. The streamlined staff assessments are designed to increase managerial discipline by making staff justify how time is spent in terms of fulfilling contractual obligations (Ricketts 2008). This evidenced a formalisation of previously largely informal arrangements at the Youth Service.

The second type of accountability, accountability with sanctions, was apparent through monitoring reports which were required by all funders periodically, as often as monthly for some funding bodies. The Director of Finance noted that some

funders, imposed sanctions by not releasing funds or by requesting funds back if they were not satisfied with the progress of contracts.

Finally, responsive accountability was reported to be embedded in the fabric of the Youth Service, where they actively promoted and publicised their responsibility to clients. Examples of this were found throughout the Youth Service promotional literature. This sense of responsibility was also evident from the organisation's inception, as found in the Support Society mission statement. This directly feeds into issues of co-production and service user involvement which have been mentioned previously. Having a 'compliments and complaints' policy for all stakeholders was seen as another example of the Youth Service responsive accountability. Whilst the Youth Service team members said they had a duty of care towards meeting stakeholder's needs, in particular by responding to these needs by continually examining and, if necessary, revising practices in the hope of enhancing performance, as Leat 1988 identified, this is a very subjective process. Responsive accountability is entirely dependent on the willingness of those who are held accountable and as there are no formal sanctions. It is not regulated in any manner. This serves as a criticism of the voluntary sector as a whole.

6.3 Public, Private and Voluntary Sector accountability

Richard Mulgan's (2003) *'Holding Power to Account'* includes a general overview of accountability, by drawing on examples from both the US and the UK. His work provides a useful contrast between accountability across the three main sectors; public, commercial and non-profit, the limitations of accountability and in particular the effects of NPM on accountability. Mulgan highlighted how the processes by which governments are held accountable, such as legislation, policy dialogue and freedom of information, differ to the private sector. However, other aspects such as elections, audit and media scrutiny have close parallels across all sectors. 'The general rationale underlying accountability, the need to hold the powerful to account, is common across all sectors. So too are some of the problems to which accountability gives rise, for example the difficulty of allocating responsibility' (Mulgan 2003:115).

Mulgan identified how the commercial sector shareholders are primarily concerned with 'bottom line' and generating as much profit as possible. Monetary gain is the fundamental driving force of this sector, where customer satisfaction is on par with the need to grow profit margins. In contrast whilst the public and non-profit sectors require funds to operate, they are not required to focus on profit in the same manner. The focus for the public sector on both a national and local level, especially since the 1980s, has been cost efficiency and cost saving measures. The outsourcing of services to the voluntary sector has been a part of this agenda. Mulgan also identified the difficulties in making comparisons across sectors due to the vast variations within each sector:

'The non-profit sector is even more heterogeneous. In practice, the term 'non-profit' is mainly associated with the 'community' sector consisting of other directed, charitable organisations whose purpose is to protect or improve some aspect of public welfare. These organisations themselves vary greatly in historical origins, size, legal status, internal organisation, dependence on government, relationship to organised religion and so on' (Mulgan 2003:116).

The sense of being accountable is embedded in the voluntary sector and VSOs constantly have to respond to this pressure. Writers have often attributed this to the distinctive nature of the sector which exists to help others. Because of this altruistic endeavour, demands for accountability pose more difficult and complex issues and problems for voluntary sector agencies than their counterparts in the private and statutory sectors. (Rochester 1995).

In chapter five of Mulgan's publication, titled 'Public Sector Accountability and New Public Management Reforms', the author reinforces how the overarching theme of NPM was to reform the public sector along modern, private sector lines. This shift and adoption of corporate values has meant 'earlier assumption that management of the public sector (usually described as "public administration") is fundamentally different from business management has been discredited' (Mulgan 2003:152). This strategic shift formally changed the anatomy across all three sectors, as what were once distinguished features of each sector no longer remain as relevant. This view is supported by research literature which has questioned the distinctiveness of each sector, promoting a new identity of hybrid organisations (Billis 2010).

It is clear that whilst each of the three sectors have had their own systems of accountability, strategic changes in the operational environment have 'blurred the lines'. In relation to the Youth Service, this research found that the focus on securing funding, similar to profit for the private sector and cost efficiency for the public sector increasingly gained dominance. This resulted in shifting the balance of power and did not always result in service users being at the heart.

6.4 More than service providers

The way in which the sector is perceived can often be a complex issue for a VSO. The Youth Service team members expressed that they were often viewed by funders as merely service providers, when in reality they felt that the function they served in the community was far greater than this, especially when meeting the complex needs of clients facing multiple disadvantages. The example below illustrates how the Youth Service was seen as going above and beyond their conventional duties. By volunteering their own time and vehicles, staff were able to address the barriers to this particular young person accessing services. This was provided as a practical example about how the Youth Service went above and beyond in meeting the needs of clients:

'We worked with a young person who did not leave her house. She'd lost her mum, she'd lost a child, she physically could not leave the house. She really struggled, but was desperate to come on (something)… boot camp. She had very low confidence. What we did as a team is, we agreed for a couple of sessions we'll just pick her up and see how she goes. Even though we had zero transport budget in this particular funding, staff volunteered their time and vehicles to make it happen. We picked her up and dropped her off. The first session we picked her up, literally her (lift) was two minutes (late), and she was ready to puke because she thought I can't do this, because he didn't arrive on time just (cos) of traffic and parking. The staff arrived picked her up, (brought) her to boot camp, she met people, connected immediately with them. She got dropped off, next day (picked) up and then after a few sessions she started getting the bus home, and then came everyday herself and went home every day herself. She then (progressed) through boot camp and has got a job, and is working full time now. These are the types of outcomes we want for our

young people, if going that extra mile makes it happen, we will do it' (SS Youth Worker, November 2017).

The perception from stakeholders, namely international funders and statutory partners, that the Youth Service was merely a service provider often resulted in them being excluded from discussions about service design. The reason given was a perceived conflict of interest. The Youth Service team members felt this was contradictory as, in their opinion, they were best placed to advise on issues surrounding the clients that they worked with on a daily basis. This represented a key change from past practice and before the official era of NPM. The former CEO explained how Support Society in the past had often been called upon as advisors. For example, Support Society played a role in informing local community strategies throughout the 1980s and 1990s, in conjunction with the local authority.

The Coventry Voluntary Sector Director of Policy and Partnership, who was employed by Voluntary Action Coventry (VAC), and whose full-time role was to support all VSO registered with the umbrella organisation he worked for, identified the holistic support those furthest from the labour market require:

'Employment programmes can be very process driven like a conveyer belt. By contrast the Voluntary Sector adds value by adopting the complete opposite approach. It is all about understanding the individual needs and adopting a holistic approach. The individual is dealt with on a case by case basis, which in turn adds enormous value' (Director of Policy and Partnership, May 2018).

Support Society Director of Operations also reinforced this view, stating the Youth Service attempted to bring the 'human element' to unemployed youth:

'I think Support Society and I'm sure other voluntary organisations do, they go the extra mile with young people, you know to find out who the person is rather than (you know) the revolving door syndrome. Figures, targets, gotta get people into work, gotta get people into training. These pressures are real, but at SS we are keen not to miss the human element of it all' (Director of Operations, December 2017).

The 'revolving door syndrome' was a very interesting concept and directly relevant to the context of NPM managerialism. The term was used to refer to young people being signposted from agency to agency as soon as their target with that individual was met. In this respect the client was just a means to an end, something, as the Director of Operations highlighted, the Youth Service were actively keen to avoid in trying to offer sustainable support. The concept of young people being commodities to signpost on, helped evidence the downside of private sector practices and target setting, creating tensions in supporting young people in a meaningful way.

One of the front-line Youth Workers spoke about the pressures associated with 'prescriptive funding' (Ebrahim 2005). He explained how some young people felt that they had been failed by other agencies, similar to the revolving door syndrome mentioned in the above quote, where youth were just signposted from one agency to the next. Therefore, he shared when the young person arrived at the Youth Service it was almost like it was their last hope. This results in additional pressure on the Youth Service to 'get it right'. His personal belief was quality over quantity. He felt that Support Society mission and aim was not to churn people through, just to get numbers or 'bums in seats' as he said. In his opinion this was where the Youth Service sought a unique offering, as in his words 'it still cares about the young people as they are not just a number'. He was very vocal that attempting to fulfil this responsibility, doing the young people justice, was not an easy endeavour. This directly fed in to the appreciation of accountability towards clients, not always being a priority for the voluntary sector. It presented many challenges, particularly with funding awarding bodies. Terminating the VOICE youth employability contract early, which was one of the most significant funding streams for youth unemployment at Support Society provided a practical illustration of the types of opposition found at the Youth Service to accountability structures.

6.5 Range of stakeholders

When considering how the Youth Service was accountable, it is necessary to consider its stakeholders. The stakeholders in an organisation are those people or groups who have a 'stake' in it, that is a continuing interest in its activities and the capacity to influence it. Although this provides a basic definition, it is a complex

134

notion as distributions of power are intertwined within stakeholder groups which are not necessarily equally shared. This research found that at the Youth Service this distribution of power has shifted over time. Every organisation has a number of stakeholders – members, staff, clients, customers, etc. – and each will arguably interpret the mission of the organisation in a somewhat different way. It is this difference which can create conflicting demands. Figure 6.1 below helps illustrates the variety of stakeholders to whom a VSO is accountable:
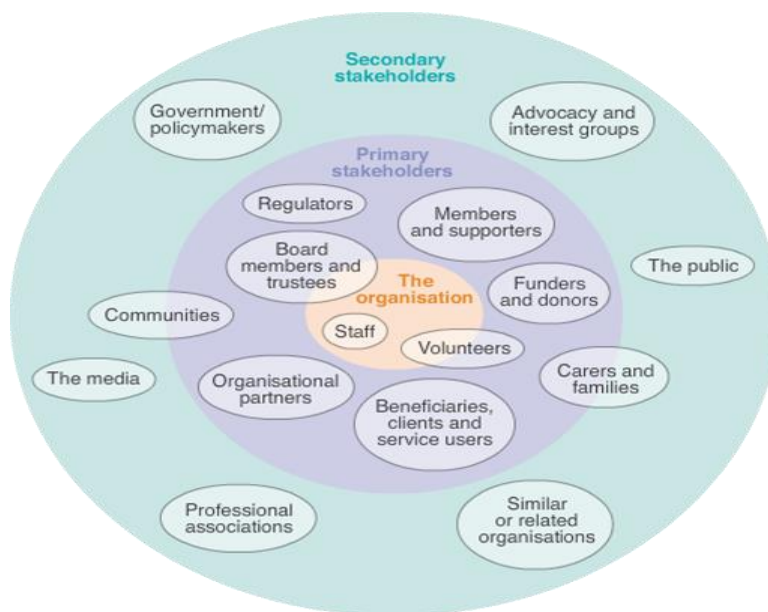
Figure 6.1: Illustration of a voluntary sector organisation's stakeholders (Source: Freeman et al 2007: 7)**.**

The inner circle of the diagram directly circling 'the organisation', depicts the primary stakeholders. These are individuals and groups that have a direct, specific interest in how the organisation is run, its mission, its effectiveness and other day-to-day issues. The outer tier depicts the secondary stakeholders, who may also have an interest in the organisation but perhaps not as directly or as specifically as those in the inner tier.

When Support Society was first established back in 1977, the range of stakeholders from charity registration documentation are illustrated by figure 6.2:

SS Stakeholders in 1977
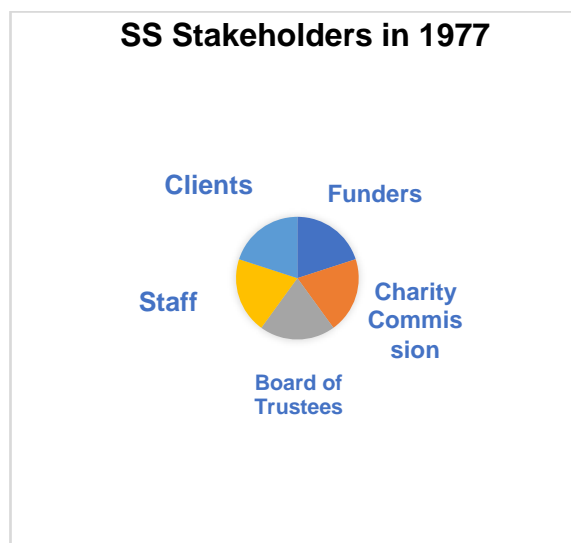
(Figure 6.2- Support Society Stakeholders in 1977)

However, as depicted by figure 6.3, the year in which fieldwork for this research commenced, the range of stakeholders had significantly increased. The source to identify the range of stakeholders came directly from Support Society annual accounts submitted to the Charity Commission. It is important to note that the pie charts provide a useful insight in to the number of types of stakeholders, but not their relative importance which is discussed in 6.8.

SS STAKEHOLDERS IN 2016

■ Clients ■ Board of Trustees ■ Staff
■ Charity Commission ■ Funders ■ Partner organisations
■ International bodies i.e EU ■ National bodies i.e DWP ■ Local public authorities
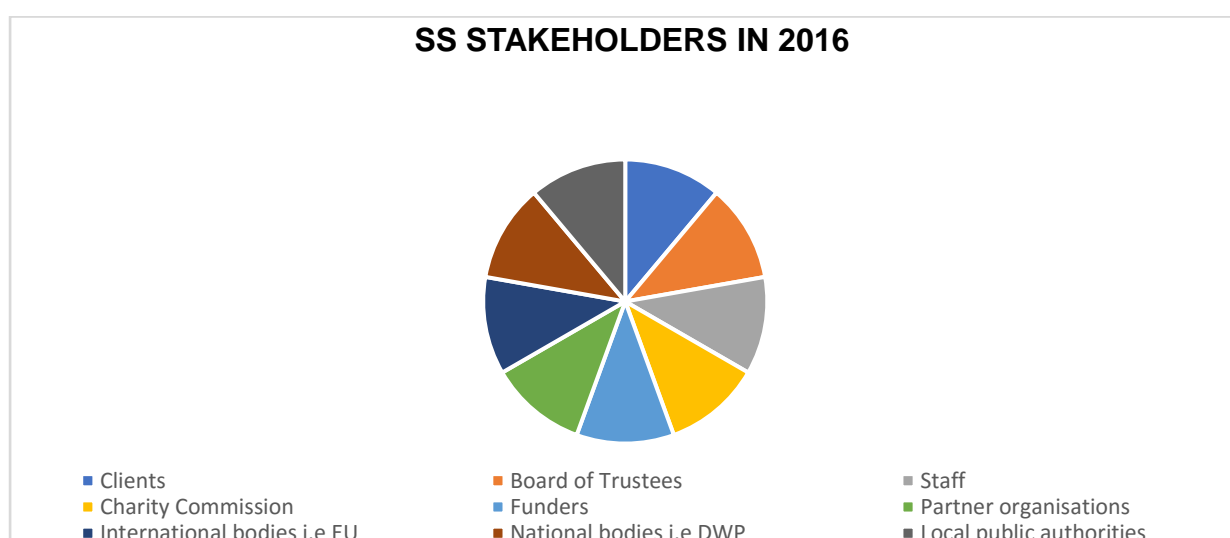
(Figure 6.3- Support Society Stakeholders in 2016)

This increase in the number of stakeholders, has inevitably also increased the accountability expectations placed on the Youth Service, in particular an increase in

the time required to fulfil these expectations. The two interview participants who had been with Support Society since 1977 were shown the above pie charts and asked about percentage holdings in relation to accountability, i.e. who dominated the biggest slice of the pie back in 1977, before the era of NPM, and in 2016. Interestingly they both agreed that back in 1977 it was much more equal amongst all stakeholders, as illustrated by the chart format.

However, in 2016, they felt that this had changed and the various funders and partner organisations now dominated, taking at least 60% of the total. When asked who they felt currently had the most power over the Youth Service from the range of stakeholders, the general consensus amongst staff was also funders. An overwhelming 16 out of the 20 interview participants commented that in 2010, it had been the clients themselves. However due to resource acquisition priorities, the power dynamics within the past 6/7 years had changed. Flynn and Pickards (1996) support this finding by highlighting how market-based values focus on meeting the expectations of funders and not necessarily the users themselves.

6.5.1   Service users/clients

When asked how the Youth Service is accountable for the work they do with unemployed youth, the Youth Service Manager responded services users themselves were 'a biggie', as the Youth Service main priority was to assist them. The Youth Service Manager identified how the Youth Service referral form directly asked if the young person had been in the NEET category for 12 months or more (appendix 6.2). This was important as it helped the Youth Service team prioritise referrals, as their aim was to more quickly process those who had been NEET. In her opinion, it did not matter how much funding was secured, the service on offer had to be appropriate and desirable to the young people to 'get numbers through the door'. When asked how Support Service is a service user led organisation, the current CEO responded:

'It massively varies across the services unfortunately. It's a main theme of our new strategic plan, where we explore what does service user involvement mean, how we currently do it, what's good practice and what could we do better. The Youth

Service here at SS is probably the best service around service user involvement, in terms of design of what interventions should look like' (Current CEO, January 2018)**.**

The Youth Service was seen as the most effective example throughout the organisation of proactive service user involvement. Staff, who led on bid writing to secure new contracts in relation to youth unemployment, all noted that the voices of young people were consulted to ensure any new service design being proposed were both relevant and appropriate (appendix 6.3). Arguably this helped evidence accountability to service users/clients from the outset. Appendix 6.4 reinforces this as the first strategic object, in the strategic plan the CEO referred to in her quote above is in direct relation to service user experience. However, the Deputy Youth Manager had a differing opinion. She commented on service user involvement by sharing:

'I think it needs to be more service user led, at the minute I feel that we're a collection of projects that are led by funding. Where we get pots of money and then staff are assigned to do that piece of work. We need funding but equally we need to consult with our demographic better and make sure projects truly address their needs' (Deputy Youth Manager, January 2017)

This reinforced how service user interests may not always coincide in VSOs. She felt the Youth Service could do better and in fact there needed to be greater service user involvement. In her opinion, the Youth Service needed a core purpose overall which she described as 'increasing the life chances for young people' and then the Youth Service were accountable to clients through involving them at every stage of attempting to fulfil this purpose. Unemployed youth are one of the most vulnerable groups of young people and often are far removed from mainstream provision. It was clear that the background of the Youth Service clients and multiple disadvantages they faced, heightened the levels of accountability required by the Youth Service.

This research also found that service user involvement efforts at the Youth Service and involving young people in service design had not always gone to plan. In 2013, the Youth Service were awarded one-year funding from the Big Lottery-Sustaining Change and Impact Fund. This was to create a website under the

Support Society umbrella named 'building Coventry society', to help unemployed youth network with potential employers. The employers would post any employment opportunities and the young people would upload their curriculum vitiates (CV), with a profile of what types of employment they were interested in. However, in the end, this project failed to execute. In their feedback to the funder, the Youth Service explained this was because the young people had informed the project what they wanted but not necessarily what they actually needed at the time. It was concluded that they did not have the skills to be able to create a CV or even confidence to network with employers. Therefore, the Youth Service at the time concluded the need to revert back to their specialism of the soft skills support they were providing to the young people and help them to eventually get to the stage of accomplishing the rest. This need for soft skills when supporting young people facing multiple disadvantages and furthest from the labour market, has also been reinforced by a recent report by Damm and Green et. al (2020) evaluating Talent Match (a fund which the Youth Service also secured funding from).

6.5.2 Paid and Unpaid Staff

Both CEOs and senior managers who had direct line management responsibility felt that staff were their biggest asset. Having started out in 1977 with only one paid member of staff, the staff team at Support Society had significantly increased. The former CEO, who started out as a social worker and was the first and only paid member of staff back in 1977, described the organisation as:

'the classic third sector registered charity, it's registered with the Charity Commission, it has a Board of Trustees, the CEO answers to the Board of Trustees, the senior managers answer to the CEO, the senior workers answer to the senior managers, the teams answer to the managers' (Former CEO, May 2016)

In this sense the Youth Service operates as a hierarchical organisational structure, where all staff have a direct line manager to whom they are accountable to. Staff spoke about how they all had monthly if not quarterly support and supervision sessions and an annual appraisal, which reviewed their performance over the past year against set targets which were agreed at the start of the year.

Butler and Wilson (1990) identified that voluntary sector employees expect a great deal of personal say in how the organisation is run and over what should be its strategic goals. It was clear from fieldwork that Support Society senior management team, were heavily involved in the running of the Youth Service. The Director of Finance, who had a background of 17 years in charity finance, shared how relevant staff were always consulted in preparing funding bids for new contracts. This crucially involved the front-line delivery staff, as the organisation acknowledged their expertise. This was one rare area where organisational values had not changed, before and after the era of NPM.

Another example of staff involvement in strategic operations was funders requesting case studies of individuals who had directly benefitted from their funding and how this was often left to the Youth Workers to arrange (appendix 6.5). The Youth Service were required to provide this to showcase the impact their involvement had made in an unemployed youth's life. The research found staff actually preferred this more qualitative form of monitoring, as felt it often was a better reflection and accurately gauged the contribution and performance of work undertaken with young people.

When directly questioned about accountability of paid and unpaid staff, management team members shared how it was a two-way process. Management were accountable to ensure staff were safe, had secure employment and a sense of stability. Whilst staff were accountable to management to ensure they met their contractual obligations and carried out their duties in an efficient manner. The Director of Operations spoke of this process and how it has become more 'professionalised' over the years:

'We used to have touch base meetings with staff but this became formalised and business-like, with the introduction of scheduled meetings in staff diaries for set supervision sessions. The nature of working with vulnerable young people, means as management we also have a sense of responsibility to ensure staff are safeguarded emotionally. We are not robots and there are times in this job where you are affected. The management here have always had a huge sense of responsibility towards staff and volunteers, but certainly in the last ten years or so we have formalised what this looks like. This has been down to us reviewing internally our

policies and the huge emphasis now placed on safeguarding, which is not just for clients but for staff too' (Director of Operations, December 2017)

This quote demonstrates how changing accountability creates new managerial obligations. It was apparent that interactions between management and staff within the Youth Service had become more formalised, or more 'business like'. The former CEO said this has largely happened since 2010 due to the emphasis on safeguarding and how funding bids required VSOs to evidence their safeguarding policies and their commitment towards them. In this context safeguarding refers to protecting clients from harm with appropriate measures. Formalising this process had become an externally imposed requirement for the Youth Service, which was a distinct change from previous ways of working. Although he understood why this was the case, he referenced how:

'Back in the day it was just a given that as a VSO we were doing it all, but now we have to evidence it by providing hard copies of policies, which need to be reviewed and updated annually etc. This is why we now have safeguarding leads, to help stay on top of it all' (Former CEO, May 2016).

This supports the argument of increased accountability, providing another key example of how administrative requirements especially for evidencing purposes, directly impacted the resources at the Youth Service.

6.5.3 Charity Commission

Support Society is a legally constituted VSO and also a Company Limited by Guarantee since 1998. Although Support Society receives funding from external bodies to deliver what they are funded to do, this has to honour the obligations made to the Charity Commission in 1977 when it was set up. The Charity Commission is the independent regulator for charities, responsible for registering and regulating charities across England and Wales. It keeps a register of charities, which can now be viewed online to check that a charity is registered and to see its annual report and accounts. This is arguably the main resource for transparency, which any member of the public can widely access. The Charity Commission sets guidance on how charities must act, for example, on following certain accounting standards or not

being party political, and has the legal power to intervene if a charity breaches its guidance. It plays an important role in helping to make sure that when you see that an organisation is a registered charity, it must be accountable by meeting certain standards.

The main piece of legislation affecting charities is the Charities Act 2011, which came into effect on 14 March 2012. The timing of this Act is pertinent to the research as the Youth Service started in 2010. When the former CEO was asked about the Act he confirmed how after it came into effect, he had formally requested the Finance Officer (her title at the time, in 2017 she became the Director of Finance and Resource) to make it one of her key responsibilities to ensure the legislation and regulations were being met. He said part of her performance development review thereafter discussed this as an agenda item. The Act sets out to verify how all charities in England and Wales are registered and regulated, and replaces the Charities Act 2006, as well as most of the Charities Acts 1992 and 1993. The key aim of the Charities Act was to simplify and clarify the law by: reducing bureaucracy, especially for smaller charities; providing a definition of charity; and modernising the Charity Commission's functions and powers. The Director of Finance reported how she kept track of any changes implemented by the Charity Commission, and also how the Board of Trustees and senior management team all accessed training which helped keep them stay on top of their legal responsibilities. The people ultimately responsible for ensuring Support Society followed the Charity Commission's rules were the organisations Board of Trustees.

6.5.4 Board of Trustees

Trustees are required to oversee the activities of charities and are volunteers who lead the VSO and decide how it is run. Trustees use their skills and experience to support the organisation, helping them achieve their aims. According to Charity Commission guidance, Trustees have six key responsibilities[10] :

1. ensure your organisation is carrying out its purposes for the public benefit;

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[10] Charity Commission for England and Wales: GUIDANCE The essential trustee: what you need to know, what you need to do

2. comply with your organisation's governing document and the law;

3. act in your organisation's best interests;

4. manage your organisations resources responsibly;

5. act with reasonable care and skill;

6. ensure your organisation is accountable.

Under this sixth requirement regarding accountability, which is the focus of this chapter; trustees must comply with statutory accounting and reporting requirements. They should:

1. be able to demonstrate that the VSO is complying with the law, well run and effective;
2. ensure appropriate accountability to members, if your charity has a membership separate from the trustees; and
3. ensure accountability within the organisation.

In the case of Support Society, the Board of Trustees usually met four times a year to discuss a fixed agenda with the CEO. The former CEO noted that Board members were largely focused on financial risk, safeguarding risk, strategic thinking and business planning to help move the organisation forward. One Trustee interviewee spoke about the recruitment process for a new CEO. The Trustee had been heavily involved in the recruitment activity and knew that for Support Society to survive as a VSO, they needed a certain type of individual who she believed the organisation had found. She shared how the Board were looking for a 'hard business brain; that could help Support Society prosper in the current competitive environment'. This is supported by researchers Butler and Wilson (1990) and Leat (1993) who write about the shift in VSOs recruiting more 'professional' managers. The recruitment of the current CEO itself, during fieldwork of this research presented an interesting dimension to the findings, the impacts of which will be summarised in chapter nine.

6.6 Accountability to funders

As the pie charts (figures 6.2 and 6.3) help establish, accountability to funders was seen to have increased at the Youth Service since 2010. Funders' 'changing of

goal posts' was one reoccurring frustration vocalised by the interview participants, especially in relation to the contract VOICE which was terminated early by the Youth Service (see appendix 6.6 and 7.3.4). In relation to the clients the Youth Service worked with, staff were firstly keen to highlight how difficult it was to get the unemployed youth they supported to engage. Constant changes in expectations from funders were seen as being counterproductive and created unnecessary barriers for the young people. The Deputy Youth Manger spoke in depth about VOICE, which she managed on behalf of the Youth Service. VOICE Coventry, which started for the Youth Service in January 2016, was a contract which presented a radical change and transformation of funder requirements.

ESF funding promoted payment by results (PbR), where funding was released only once outcomes were met. This was a distinct change in the previous ways of working at the Youth Service whilst supporting unemployed youth, where funding was secured prior to delivery. PbR was a key concern shared by staff, in terms of increased accountability. Advocates of NPM would argue that such forms of accountability are required to improve efficiency. However, VOICE was one prime example of a contract where requirements of funders had changed over time and how there has been a transformation in the way funders force specific forms of accountability on VSO. There was general consensus that the introduction of this form of payment placed increasing pressures on the Youth Service staff:

'For some of the EU funding you don't get paid till you have actually put your claim in. You have to have done the work, spend the money before they will even consider reimbursing you. So, if you put in a claim that is not complete, the evidence is not complete, it will be kicked out and you run the risk of not being paid. So, the most efficient and effective way for us is to do it right. There have also been times when money has not come through when you expect it to, but payday is still payday for our staff' (Director of Finance & Resource, November 2017)

The Youth Service Manager spoke about the impact of payment by results in relation to the service users. How, often because unemployed youth are one of the hardest to reach and engage with groups, it was not a method of payment which worked effectively. Also, the fact that this form of payment could be detrimental to the Youth Service, who may work to support a young person but are not able to

evidence this work. Primarily due to the young person already engaging with an alternative agency who shared the same funder as the Youth Service, so had therefore already 'claimed the young person' towards their own targets where the double counting of the same young person was not allowed. This area of competition for the same young people will help form the basis of chapter seven. She highlighted:

'The young person could be on a voluntary sector programme on a voluntary basis, they voluntarily engage. Then suddenly statutory services say they have to go on this other programme. So, they're pulled off your programme to go there. It doesn't matter how many conversations that you have or work you have undertaken; they still have to leave. It's a dilemma for the young person because obviously (it's related) to their benefit, so they have to agree in order to get paid. If we were working with that particular young person on a payment by results programme, that has an impact on our budgets. PbR works if you have numbers coming through the door on a regular basis and you're a training provider (of) large numbers. PbR isn't great if you're working with young people who have multiple complex issues' (Youth Service Manager, June 2018)

The Youth Service Manager felt that PbR was not appropriate for working with a vulnerable client group, claiming that it imposed unfair and unrealistic expectations. Such pressures have already been identified by authors who examine how employment-related support is shifting towards more market-based logic (Wiggan 2012, Carter and Whitworth 2015, Greer 2016). Also, multiple stakeholder accountability and competing pressures from other agencies, who also have targets to work with the same young people, provided real challenges. Whilst staff could see the benefits of PbR for some organisations and sectors, they were very keen to highlight the real challenges this presented for them in their ability to deliver services to vulnerable clients. This resonates with the literature in section 2.6, that the 'one size fits all' ideology is not necessarily compatible for a VSO working with young people with complex needs. This is a crucial critique of distinctiveness, which is often overlooked by NPM reform and will be reinforced in chapter nine.

6.6.1 Social value and outcomes

This section will demonstrate how funders increasingly render voluntary sector agencies accountable, by promoting the use of evidence-based tools. These tools ultimately extend accountability and for the Youth Service posed significant resource implications. Employment programmes are performance driven and centre around achieving outcomes. The Youth Service staff considered that there was a huge requirement to evidence processes. Funders wanted hard evidence of the distance travelled and in order to provide this evidence-based tool were used. Although evidence-based tools could be time consuming to work with, the Youth Workers said that they could be useful in being able to define what the young people hoped to achieve at the start as initiated these dialogues and agreed expectations.

An increasingly important aspect of demonstrating accountability in contracts is that they require organisations to specify their 'social value' (Mongkol 2011). Social value is the additional value created in the delivery of a service contract, which has a wider community or public benefit. This extends beyond the social value delivered as part of the primary contract activity. For example, Support Society offers specialist accommodation for individuals and families who are experiencing domestic violence. Where there are young people involved in fleeing domestic violence, Support Society is sometimes able to create additional value by referring them to the Youth Service and providing routes into employment and training. The promotion of social value is a move away from awarding contracts based on lowest cost, and is of particular significance given the increasing pressure on public spending.

The Youth Service staff noted that the pressure of demonstrating social value meant being requested by funders to increasingly offer 'more for less' and continually show 'value for money'. As suggested in 2.5 by NPM advocates, this move might enable VSO to win more contracts as having a long history of additional value, helps give them a competitive edge. However, this needs to be weighed against the increased accountability, restrictions, and the additional workload and effort of contracts, as well as concerns about reducing autonomy for the VSO.

Aside from the regulatory reporting requirements with the Charity Commission, funders are increasingly looking for evidence of the impacts achieved

by the voluntary sector. VSOs themselves are also interested in effectively assessing their own outcomes and impacts. One way of doing this is through a reporting method known as social return on investment (SROI). At its core, SROI is a branch of recent social theory. There is a whole emerging literature in social policy, provoked by neoliberal doctrines that justifies social expenditure as investment with returns by other means. This has stimulated a changed orientation in project evaluation, which attempts to put a value on the work an organisation is doing, relative to a given amount of investment. The actual process involves analysis of inputs, outputs, outcomes and impacts leading to the calculation of a monetary value for those impacts. In line with NPM developing by looking to the private sector for guidance, SROI developed from return on investment calculations carried out by businesses to justify their activities to shareholders.

As chapter two identified, measuring outcomes and illustrating social impact for the voluntary sector has always been an onerous task, since both outcomes and social impact are difficult to measure. The Youth Service staff felt that if outcomes and a broader notion of 'value' were put at the heart of the commissioning process, there would be a real onus on commissioners to face up to this difficulty. The below quote demonstrates the frustration of evidencing SROI:

'Everything's about social return on investment is difficult, how do you evidence it, how do you calculate social return on investment (for) somebody? Well actually I can't. But I can introduce you to a young person who's happy to have a conversation with you, who left our service five years ago but (is now) living in Bristol and is a Youth Worker themselves. That is real and I can evidence that through the young person's journey and their own voice. Why write the report with just quantitative statistics, when we could say right come and meet this young person and get the qualitative data that is surely equally as important' (Youth Service Manager, May 2016).

Although it was challenging, staff were very aware that they needed to evidence the positive movement in a young person's economic situation:

'With our funding from ESF they want to know the change in someone's economic status. Were they long-term unemployed when you started with them and

where are they now? There's no evidence of any softer outcomes required for monitoring; they just want change of employment status. Which to me is a huge indicator that they just want to be able to say they've (spent this money) to get x number of disengaged people into work' (Deputy Manager, January 2017)

The Deputy Manager expressed the popular view amongst the Youth Service team members, that evidence-based tools were often being promoted to meet the agenda of funders, not necessarily to understand the needs of the young people. Staff understood how using statistical measurement permits comparative assessments to be made by the funder of differing performance by providers, but felt this negated their unique contributions. This evidencing culture extended accountability for the Youth Service, as increasingly required the adoption and undertaking of funder approved tools. Tools which are often very paperwork intensive and thus have a direct implication on staff time. During interviews it was concluded that due to the restricted way the Youth Service was funded, there was often an unbalanced focus on process rather than outcomes.

6.7 Communication and accountability

The increase in the number of stakeholders at Support Society inevitably resulted in an increase in the communication required. Some common ways in which it was found the Youth Service communicated with stakeholders were: annual reports and other publications provided to the public; reports to funders, each funder having their own monitoring requirements and templates; periodic meetings with stakeholder groups; regular meetings, training of staff, and annual meetings with members.

Some of these communication methods were participatory and engaged with stakeholders in a way that gave them a voice. Other strategies adopted were a means of communicating the main values and activities of the organisation. However, all of these activities were ways in which the Youth Service communicated with its stakeholders, and managed its stakeholder relationships and the expectations of its stakeholder groups.

One of the key challenges' staff expressed in achieving effective communication with stakeholders was the time required to undertake all these activities. Each of the communication methods listed above addressed a different set of stakeholders. This illustrates how managing stakeholders can be a very time-consuming process, particularly for relatively smaller organisations such as Support Society, with arguably less resources and staff time to spare than national voluntary sector agencies.

In an age of social media, the current CEO expressed how she was very mindful of the power of this medium. She noted it was something that she wished to explore further, with the introduction of a 20 hours per week Communications Officer role. This was a new role recruited for in December 2017. Despite the cost implication of an additional post on the staff budget, it was deemed necessary and justified to assist communication with the multiple stakeholders. The job description for this role (Appendix 6.7), demonstrates the desire to raise the profile of the organisation and the importance of branding. In 2017, the logo of Support Society was also changed from the original which made use of only two colours, blue and green, which had been used since 1990. It now included five different colours, totally different font and the strapline 'promoting positive change since 1977' which had not been included directly below the logo before. In 2017 the organisation also underwent a rebranding of their 'shopfront' style head offices, with the changing of all signage from the old logo to new.

The Youth Service staff felt they were not always well versed in 'blowing their own trumpet' and promoting their services. Branding and marketing were seen as key to help secure the future of the service, with one of the Youth Workers describing this process as 'corporate youth work', where you invest in a 'slicker image' to be able to compete and attract the attention of funders. The example he provided was the way that the Youth Service promotional literature had developed and evolved, to help feed in to this attempt to be more 'current' and attractive (appendix 6.8). In his opinion, this fed into the Youth Service accountability to clients, to 'have their finger on the pulse' and understand the needs of young people today and address them in an age appropriate and desirable manner. This is another

example of how a shift between 'social values' to 'corporate values' was being experienced by the Youth Service.

6.8 Challenges associated with accountability

'The cost of accountability can be very high indeed. Lack of clarity about the often-conflicting internal pressures for accountability, exacerbated by a range of demands from external bodies can reveal conflicts and tensions over values and purpose that can paralyse or disrupt a VSO' (Rochester 1995:205). This publication was written a quarter of a century ago and this study has found that the same challenges and pressures still exist and apply. The distinction Rochester made between internal and external pressures is an interesting one, and influences of both were found to be the case at the Youth Service.

During their time working on VOICE, the Youth Service experience was that working in conjunction and being accountable to so many stakeholders proved problematic. The example given was that for this particular ESF funded programme, whichever partner recruited the young person got to have that individual towards their organisations target. Partners such as the JobShop referred to in chapter four, a Coventry City Council funded centre, based in Coventry City Centre and having a daily open drop in, had access to many more young people. They would interact and take details of interested young people. Even though they would not necessarily complete any support with that young person, by the time the young person came to the Youth Service for support because they were already 'logged on the system' as an interested party, they would not be factored as one of the Youth Service's targets.

VOICE was a key example of the practical struggles faced by the Youth Service. The monitoring requirements for ESF funding were such that staff expressed their ratio to paperwork and face to face with young people as 70% paperwork and 30% client work on this project. Accountability back when the youth service first officially started, according to the youth manager was 70% to the client and 30% to everyone else. The sentiment was that youth work was now being diluted and by the end of this research the Youth Service has diminished.

The different dimensions of accountability at the Youth Service made it a very complex issue to understand. However, the key theme of increased accountability namely due to increased stakeholders, was hard to deny. The more people/organisations involved the more any organisation is held to account. The Youth Service had notably seen growth over the years and increased accountability came hand in hand with expansion presenting a cost implication.

One of the main reasons the Youth Service exited VOICE Coventry early (appendix 6.6) was due to this target driven/competitive environment, which had been created between them and their partners. This example helps illustrate working in partnership with one another on the same youth employment initiative but still being in competition with one another for the same young people. The Youth Service accepting any ESF funding was seen by many interviewees to be the organisation mission drifting, as this funding did not fit in with the ethos of the organisation and the demands from this contract were too compromising. This was because they required working practices which were not complimentary to the way the Youth Service sought to deliver support and threatened their specialisms.

Staff shared how they would carry out work with young people for VOICE targets, but by the time they had put their claim in to be paid, the goal post had changed from ESF. The Youth Service Manager commented saying 'it was just impossible; it was like they were setting us up to fail'. The Youth Service never got to engage with any representatives from either the DWP or ESF who funded this programme. Their main point of contact was the fund management team at Coventry City Council who represented on behalf of the Youth Service and all other partners. Layers of accountability developed as a key theme throughout this research, as reinforced the need for the Youth Service to juggle not only multiple stakeholders but also the layers and dynamics between each stakeholder too.

One cost of multiple accountability common to all VSOs is time (Osborne 1996). Staff were required to produce different reports and different figures at different times for different groups. This research found that the time associated with evidencing stakeholder requirements was seen as disproportionate and often hindered the Youth Service's ability to as one Youth Worker described it 'just get on with the job'.

'Sometimes we feel pinch points around how much of x we can do, we'd rather do a lot more x and a little less y, but the contract requires us to do an awful lot of y and not that much x' (Director of Operations, December 2017)

This view of prescribed youth work, where contractual obligations were put first, often also raised conflicting demands i.e. what may be right for funder accountability, was not necessarily right for the service users. The Contracts Support Officer, who was hired to help secure funding spoke, about this contradiction:

'We've had opportunities to get involved in things but taken the decision that we don't think that's the most efficient and effective way of supporting young people into work. You know those (kind of) one size fits all kind of programmes, so it's those kinds of trade-offs that we (almost) put our accountability to young people above our accountability to funders and commissioners. Because we've decided that you know to be efficient and effective, we need to do something different' (Support Society Contracts Supports Officer, June 2016)

This was a direct example of when the Youth Service had taken the decision not to pursue or accept funding, as the accountability expected from ESF and DWP during VOICE was not worth 'the trade-off'. One of the Youth Workers shared that, from the young people's point of view, they did not even necessarily need to know when they came in to the Youth Service who was funding the support they received. In her view, it should be the young person comes in and meets the youth team, discusses the support on offer and operate a group approach as to which service would then be most appropriate. Otherwise, she felt, young people can get overwhelmed and this can lead to them disengaging.

The Director of Finance highlighted that the majority of the Youth Service staff also reside in the community they serve. In her opinion, this provides an additional layer of accountability, as staff were directly approachable face to face. The example she gave was in retail when the head office of larger companies is usually at a location different to local stores. Therefore, if a customer has an issue, they are directed to the head office, where they can write, email or phone in to discuss their issue or complaint. However, as the majority of staff reside in the local community, she spoke of how she can bump in to service users whilst in the city centre or

shopping and how this, in her opinion, increased accountability, especially because staff were the face of the Youth Service and the service clients had received. This could be a challenge if any young people did not feel they had been supported adequately and were to meet staff outside of work. When the Youth Service Manager was asked about this, she explained it was something staff were trained on during their induction, i.e. how to deal with clients outside of work. This point of staff also residing in the local community was prominent, as it highlighted that they cannot escape accountability.

Terminating the lucrative youth unemployment contract VOICE Coventry provided practical evidence of the challenges associated with accountability, where the Youth Service displayed strategic choice and concluded to no longer participate. Pressures from operating in a market-based model resulted in the Youth Service attempting to juggle increased stakeholder demands:

'I suppose the (theory) would be, that accountability should be pushing you to be more efficient and effective, in other words you've got the internal mechanisms with the board, your service users, your funders, your commissioners, all basically challenging questioning what you are doing. That pressure should basically drive you to be more efficient and effective in how you run things. However, in my experience, in practice that isn't always the case. Sometimes you will get situations where there are conflicts, so the obvious one is with commissioners and the way they commission services' (Contracts Support Officer, June 2016)

This quote alludes to how relationships with commissioners can break down and in fact did in the case of VOCIE Coventry (appendix 6.6). For the Youth Service, there was a breakdown in communication. It started off as a consortium approach to offer unemployed youth a wide selection of opportunities. However, in reality, this was a heavily target driven contract and became competitive with the other partners. The feeling at the Youth Service was that for this particular contract the goal posts kept changing and as their commissioner was Coventry City Council who was accountable to the DWP who then reported to ESP, the layers of accountability resulted in staff not having a voice. This was a distinct change in the way the Youth service had delivered services in the past and compromised their organisational values to the point where they had to withdraw.

Rochester (1995) responds to the demands of accountability by distinguishing three responses VSO can chose to make. 'Firstly, they can give precedence to accountability to the funders over all other demands' (1995:42). Effectively becoming 'instruments for the implementation of government policy' (Billis 1993). Secondly, they can make a brave decision 'not to take the money on those terms and thirdly they can learn to manage the tension between the competing demands of accountability' – this Rochester argues is only available to agencies with clear sighted and effective leaders as well as deep roots (1995:42).

This research found evidence that the Youth Service had adopted all three strategies. Staff had expressed the first of Rochester's responses, where, since 2016, funder accountability was given precedence. However, evidence was also found of the second, where, certainly under the current CEO, funding would only be considered which was aligned to the organisation's strategic objectives. The third response was arguably the most dominant, where the Youth Service was conscious of the competing demands of accountability and were attempting to manage and respond to influences accordingly. This had resulted in the organisations new strategic plan (2018-2020, see Appendix 5.7). The researcher completed her fieldwork during an interesting time, whilst the organisation was carrying out an internal audit to determine future priorities.

6.9 Conclusion

This chapter has shown that the Youth Service was regarded as accountable for different reasons and for different things to a variety of different groups. Managing these different accountability relationships and their interactions often created tensions and difficulties. Accountability was found to be a controversial topic amongst the interviewees, especially because of the diverse stakeholders concerned. Whilst the Youth Service was found to want to be accountable, each stakeholder had their own agenda, which was not necessarily always complementary to the Youth Service social values. The experience of delivering VOICE Coventry demonstrates these contradictions. One thing that had not changed over the years, including before and after the era of NPM, was the fact that staff were continuously mindful of their accountability towards stakeholders. As the stakeholders increased, so did the levels and layers of accountability.

For the future, one of the organisational priorities of the current CEO who was appointed in September 2016, was to be able to lead on larger funding that was more in keeping with Support Society's mission and directly commission other VSOs to work on projects with Support Society as the lead partner. The partner organisations would then directly report in to Support Society. This endeavour, if achieved, would inevitably add a new dimension of accountability at Support Society. There were no signs of the levels of accountability decreasing any time soon. Support Society as an organisation acknowledged the increasing need for a strong governance framework, as listed in the 2018-2020 strategic plan, which allowed the organisation as a whole to meet their accountability obligations. However, as this chapter has demonstrated having a strategic plan is fine in theory, but in practice priorities do not necessarily always coincide for VSOs.

The Youth Service early termination of VOICE could either be seen as failure or innovation. The Youth Service had withdrawn from a significant youth unemployment contract, as the external influences directly challenged and compromised their contribution. The strategic choice narrative would argue this evidenced a conscious move, which can be viewed in two key ways. Either the Youth Service chose to prioritise its service users and not compromise their social values or the contract had such unrealistic expectations on resources that it was no longer viable in financial terms to continue delivering the contract. An alternative justification could be a combination of both. Either way, the early termination of this contract presented an example of conflicting accountability demands within the Youth Service.

Some observers of NPM believe that it is best to perceive NPM as a menu from which choices can be made (Manning 2001, Turner 2002). This research found that operating in an increasingly accountable operating environment, directly impacted and limited the choices of the Youth Service to be autonomous. The view that NPM is a menu from which choices can be made was certainly problematic for the Youth Service, which had experienced a shift in the balance of power between external stakeholders. Especially when operating in a competitive environment where funder expectations held monopoly, which forms the basis of the next chapter.

Chapter Seven: Competition

7.1 Introduction

The second research question focused on how has the competitive context of contracting/commissioning changed the relationship between stakeholders. As chapter six concluded, the Youth Service was accountable to a variety of stakeholders, each with varying expectations and demands. The focus of this chapter is on how the Youth service was practically impacted by market-based operating environments and tendering in an increasingly competitive contract culture. The main theme of this chapter is how competition between service providers disrupts co-ordination and co-operation between providers, thereby undermining continuity and service efficiency. The chapter will discuss how the Youth Service addressed short-termism and mission drifting. The strength of being 'more than service providers', identified in 6.4, is compromised by a competitive environment that is oriented towards payment by results (PbR). Direct evidence which supports this claim was found within the Youth Service. This research found practical illustrations of the limitations which are created by short term contracts.

Chapter two described how the UK has experienced a change in policy delivery mechanism in favour of an NPM market-based strategy to form a 'mixed economy of welfare' (Finlayson 1990). This allows an expanded role for external agencies and emphasises the advantages of utilising the specialist knowledge of alternative providers. The voluntary sector is now central to public policy delivery, becoming one of the fastest growing segments of the UK economy as grants and contracts form a significant proportion of the sector's income. Contracts from UK government sources to the voluntary sector are significant and totaled £14.2 billion in 2010/11, with 50% of statutory income from local authorities and 45% from central government and the NHS (NCVO, Contracts from UK government: 2012)

The chapter will start by demonstrating how the voluntary sector is attributed with being able to provide specialised services. However, the way in which the Youth Service applied for funding to deliver these specialised services had drastically changed especially over the past two decades, introducing new processes as a result. The notion of market and non-market structures in relation to the activities of

the Youth Service and analogous situations in more commercial settings regarding supply chains and innovation will be considered.

The impact of commissioning will then be explored, as will the concept of 'mission drift'. The relationship between the Youth Service and partnership working with other external agencies will be analysed, considering both the challenges and benefits of partnership working in the context of increased competition. It has been argued that market competition goes against the whole premise of voluntary sector co-operation, as it presents an internal contradiction (Buckingham 2009). This contradiction will be explored, based on the experience of the Youth Service.

The chapter will conclude by identifying how, although contract culture and competition has assisted the growth of some VSOs, the experience of the Youth Service reveals diverse challenges associated with operating in such an environment. This research revealed how a competitive contract culture can actually disrupt co-ordination and co-operation between service providers, thereby undermining continuity and any social value.

The findings in this chapter directly support the criticisms associated with NPM ideals (2.8.2) and help support the research of Kiwanuka (2011) whose findings also challenged NPM assumptions. Clients of the Youth Service required continuity of service which can be affected by changes in service provision. The historically acknowledged 'specialised services' identified as a chief strength of the voluntary sector is compromised in a competitive environment oriented towards payment by results (6.6). Contracting and commissioning has brought with it both opportunities and threats for the Youth Service in their relationships with stakeholders. Insights from general organisational theory (2.7) and evidence from this research suggests that such relations are not always as straightforward and complementary as assumed by NPM.

7.2 Specialist Services

Rees (2008) found 56% of UK VSOs were already involved in service delivery under contract. There appears to be a strong appetite for involvement in public service delivery from VSO, particularly from bigger organisations. 'Much of this

confidence stems from the strong perception and identity within the voluntary sector that they are well equipped to provide specialised services and have strong connections to client groups and communities' (Rees 2008: 32). This identification of 'specialised services' and added value, is reinforced by Wynne's (2008) survey of 21 frontline VSOs. His research indicates that 'several factors are in play when a voluntary sector agency considers involvement in public service delivery. On the one hand, reference is made to issues of financial sustainability and survival. But on the other hand, the delivery of such services is an integral part of the purpose of the voluntary sector since they believe they are in a better position to deliver services than other agencies' (2008:4).

One of the interview participants for this thesis had been a Youth Worker in Coventry for over 25 years and had been at the Youth Service for two years. He spoke very passionately about the benefit of specialist services and addressing gaps in services. He thought that the Youth Service was a unique provider of services to unemployed youth because:

'Support Society is much freer to explore gaps in existing services and implement new work to meet the needs of people left by the gaps identified. There's also a role for us in trying to add value to the provision that's already there. Generally, my experience is that Support Society Youth Service is much closer to what the service users' need and aspirations are' (Youth Worker, November 2017)

Evidence of the Youth Service aiming to address the needs and aspirations of clients was found across paperwork associated with working with unemployed youth. As appendix 6.2 highlights, even at point of entry in to the Youth Service, clients or referring agencies were asked during the referral process about the specific support the young person felt they required. As the organograms (appendices 5.2-5.7) demonstrate, the Youth Service grew significantly from 2010-2017 and it could be argued that an important driver of this expansion had been financial support, which recognised the value of these specialist services. The next section will briefly explore the market structures which have driven the outsourcing agenda and afforded this financial support.

7.3 Market and non-market structures

It is useful to create an understanding of notions of market and non-market structures to analyse the influences and trends experienced by the Youth Service in facing competition and collaboration with partners. Whilst there are variations in market structures which characterise an economy, Figure 7.1 identifies four basic types of market structures. Insights provided by organisation theory reinforce how each structure will affect the decision making of an organisation and, in turn, help explain this decision-making process.

Figure 7.1 – The Four Types of Market Structure
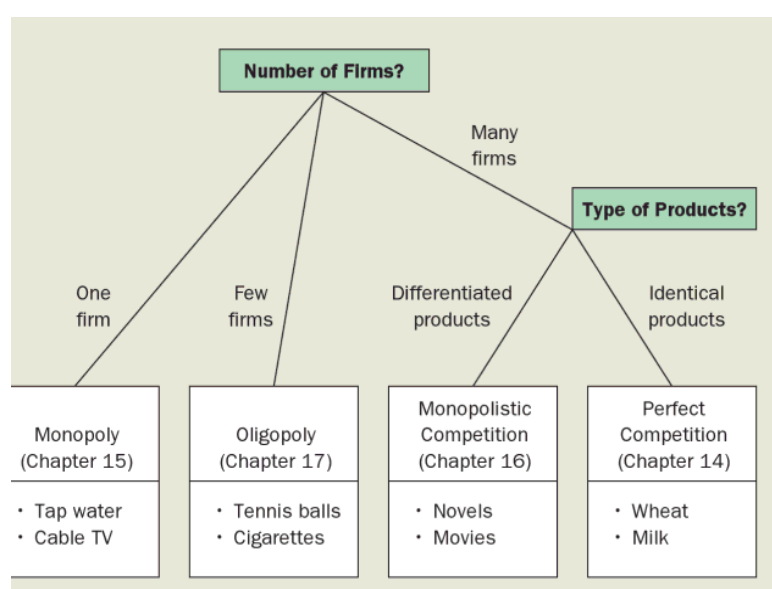
Source: Mankiw, G (2008) Principles of Economics (p. 347)

The first type of market structure is monopoly, where a single organisation controls the entire market. Mankiw (2008) highlights how monopoly is usually not desirable and requires regulation from the government. The second type is oligopoly where a small number of organisations compete against each other. This results in limited competition, where the organisations can either compete or collaborate. Thirdly is monopolistic competition, where a large number of organisations compete with each other with distinguished products. Having distinguished products tends to give each organisation more power within the market. Finally, the fourth market structure is perfect competition, this is when a large number of organisations compete with each other with similar products. Mankiw (2008) gives the stock market as a prime example of perfect competition. Oligopoly is perhaps best aligned with the

Youth Service, where other agencies could be collaborators or competitors. As NPM is the adoption of private sector practices, it is pertinent to understand the influence of this market framework upon the Youth Service's operating environment. This provides a relevant theory through which to see the descriptive material presented throughout the chapter.

Political, social and cultural organisations, or those associated with government, are largely associated as 'nonmarket' structures. Baron (1995) provides a definition of nonmarket structures:

'The nonmarket environment includes the social, political, and legal arrangements that structure interactions outside of, but in conjunction with, markets and private agreements. Public institutions differ from markets because of characteristics such as majority rule, due process, broad enfranchisement, collective action, and publicness. Activities in the nonmarket environment may be voluntary, as when the firm cooperates with government officials, or involuntary, such as when government regulates an activity or an activist group organizes a boycott of a firm's product' (1995:47).

Baron's views coincides with macro organisation theory, as it reinforces how an organisations environment is not neutral and its performance is conditioned by external factors such as social, political and legal arrangements. Lohmann (1989) related nonmarket to societal institutions of civil society and more directly to the not-for-profit sector. Whilst supply chains in market structures had a physical 'product' and innovation surrounded maximizing the profits around that product, the not-for-profit sector largely deals in people not products. Supply chains and innovation in this respect are largely centred upon providing a service (usually at no cost to the end user) and innovation in terms of making this service as effective as possible. However, the introduction of payment by results in the voluntary sector, has provided a very interesting analogous situation where performance is now driven by payment, similar to that of a commercial setting. Whilst the Youth Service fell under the not-for-profit sector, as the chapter will unfold, interchange and interdependent relations with market-based structures under NPM reform created its own challenges. The next section will focus on the changes in the way financial support (payment) was administered and commissioned, from grants to a contract culture.

7.4 Shift from grants to contract culture

The question of contracting and commissioning is paramount for the voluntary sector, particularly for organisations like Support Society, which had been principally funded by government grants. There is a clear distinction between awarding a grant and awarding a contract. It is important to define this difference. A contract is a legally enforceable agreement between two or more parties. In some cases, the contract between the voluntary sector and a public sector organisation may be referred to as a Service Level Agreement (SLA). The official definition is that contracts exist when both parties have accepted something, i.e. one person makes an offer and another person accepts it by performing the offer's terms or communicating approval; there is an exchange of consideration (anything of material value) and finally that there is an intention to create a legally binding relationship.

In contrast, grants are non-repayable funds or products disbursed or given by one party (grant makers) - often a government department, corporation, foundation or trust - to the voluntary sector for an area of its work. Contracts purchase specific services from an organisation. A grant agreement does not necessarily impose an obligation to provide services, but can require the grantee to use the money towards a particular project or service. A grant is a payment to help the recipient and in return the grant funder gets nothing back. A grant is usually provided subject to conditions that state how the grant must be used (for example, it must be spent on children's services in Coventry). Under a contract, payment is made in return for specified goods or services. The agreement is defined by terms set out in the contract and it is the negotiations of these terms which is of direct interest in this research.

The development of quasi-markets in health and social care (Le Grand and Bartlett 1993) embraced the idea of competition between providers, to generate both efficiency and greater choice. It also reconfigured funding relationships from grants to services, the latter provided under legally binding contracts. Whilst this clearly opened up new areas of work for VSO as demonstrated in Chapter six, it also involved new implications around the notion of operating within a 'contract culture'. In several sources, commissioning is acknowledged to be complex, so it is hardly surprising to find reports of how difficult, confusing and uncertain the voluntary sector

finds the new service delivery landscape (Alcock et al. 2004, Packwood 2007, Buckingham 2009).

There are generally accepted advantages in contracting/commissioning the voluntary sector to deliver public services, whether it be through grants or contracts. These include reducing and controlling operating costs (recruitment, training, infrastructure, etc); increased efficiency by choosing agencies that specialise in the services required and increased reach as outsourcing can provide access to capabilities and facilities otherwise not accessible or affordable (NCVO 2012). In 2018, The King's Fund was commissioned to conduct research that would explore how and why local authorities chose to engage with the voluntary sector. The study found that the primary drivers for choosing a commissioning approach were local, not national (Department of Health and Social Care 2018). Relationships with the voluntary sector were deemed important to creating a partnership-based approach. Commissioners who were interviewed during this research reported that they faced intense pressure to deliver improved value for money.

The UK government has historically endorsed criteria to promote best practice when commissioning public services. Whilst the following quote was found in a government publication, dated before the official existence of a Youth Service at Support Society, it indicates the government stance that:

'all commissioners of services should develop an understanding of the needs of users and communities, engage with VSO as advocates to access their specialist knowledge; work with them to set priority outcomes for that service; put outcomes for users at the heart of the strategic planning process; map the fullest practicable range of providers; consider investing in the capacity of the provider base, particularly those working with hard to-reach groups; ensure contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including considering subcontracting and consortia-building where appropriate; seek to ensure long-term contracts and risk-sharing wherever appropriate as ways of achieving efficiency and effectiveness' (Office of the Third Sector 2006: 58).

This list of government priorities raises the impression that the voluntary sector is 'very much a partner in the commissioning process and rapidly became

service agents for the delivery of government policy' (Osborne and McLaughlin 2004: 575). Local authorities are required to follow formal public procurement rules when commissioning goods or services because they must contract on an objective, fair and transparent basis. Established in 2007, the Commission for the Compact was an independent public body responsible for overseeing and promoting use of the 'Compact'. The Commission closed in April 2010.[11] The 'Compact' was a statement of principles that provided a framework for partnership working, between central and local government and the voluntary sector. These included transparency and accountability, empathy, simplicity and proportionality. The Compact also emphasised key issues: for instance, recommending that contracts should not be too short term. Some VSO found the compact was helpful in promoting sound contracting principles, but had no binding effect which in practice meant that it could be ignored (Porter and Krammer 2011).

Historically, financial data from Support Society annual accounts evidence it as a VSO recipient of grants which either directly or indirectly helped to support unemployed young people. For example, for their supported accommodation, another work stream the organisation delivers, the annual accounts illustrate grant funding, especially from Coventry City Council, all throughout the 1990s. However, since 2010 this largely ceased to be the case and all funding awarded was now secured on a contract basis. This made an interesting point for the research on timing, as chapter five confirmed the Youth Service also formally came into existence in January 2010. Whether Support Society was strategic in the decision to formally support unemployed youth or opportunist, will be discussed in chapter eight. The shift in contracts was confirmed by the Director of Finance:

'We have a mix of funding and that has changed over the years. A lot of it used to be grants, obviously restricted funds. Reporting wise you reported as you go, were paid upfront. That has all changed now. The work we do is contract funded and requires partnership working. What we deliver is very much specified by the funder, there is not much room for autonomy. Some of the contracts that we have they go

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[11] https://www.gov.uk/government/organisations/commission-for-the-compact accessed on 10th August 2019

out to tender; the tender specification has changed from one 3-year period to the next' (Director of Finance, November 2017)

This quote helps illustrate many of the issues that will be raised in this chapter. Firstly, the fact that funding has largely converted from grant to contract funding. Secondly, the lack of flexibility and control which has been imposed. Thirdly, how tendering has become the norm. And finally, how partnership working has become so embedded in the fabric of the voluntary sector in order to partake in contracts and remain financially viable.

When asked about his experience with changes in commissioning, the voluntary sector Director of Policy and Partnership in Coventry, tasked to represent all VSOs on a strategic level, responded:

'There is definitely more competition. Since joining the local VS 24 years ago the situation is very challenging. The world has turned on its head. The speed of change over the last 4/5 years has been huge. The grants culture of the 1990s is a thing of the past and everything is quite political with a small 'p'. Things can get very messy and chaotic at times. Core funding is very rare now. Most organisations have to tender for funding. This process has become the survival of the fittest. There is a constant tension between price and quality. The tendering method has pushed price down but commissioners know that they still need quality and try to strike the balance between the two' (Director of Policy and Partnership, May 2018)

This quote alludes to political influences and how grant funding is now scarce in the City. This view was reinforced by the local authority commissioner who also said that, in the current climate, it is very important for the voluntary sector to re-evaluate how they operate particularly as there are fewer if any opportunities for grant funding. The Director of Policy was very clear about the 'messy and chaotic' environment some VSOs can find themselves in, because in his opinion the changes have been so fast. He raised a very pertinent point about the balance between price and quality and how the contract culture has really brought this dilemma to the forefront.

An assessment in 2007 by the Audit Commission (National Audit Office, 2007), based on interviews with commissioners and VSO (including local infrastructure organisations) in 14 localities, called for a more coherent and clearer approach to commissioning by identifying a model of what it called 'intelligent commissioning' which will be explored in chapter eight.

7.4.1 Tendering

Appendix 7.1 is an extract from the Youth Service successful three-year funding from Comic Relief in August 2011 and which ended in July 2014. As one of the earlier contracts delivered by the Youth Service, it directly illustrates the context and priorities of the Youth Service at the time when tendering for this funding. Question one from the extract is 'please outline the national or local context in which you are working'. The Youth Service response to this highlights the local context and confirms that in 2011, the Youth Service identified that 90% of their clients were NEETs. The second and forth questions directly demonstrate the funders requirement, for partnership working with external organisations. This is a trend which has developed amongst commissioners of services and the answer to both questions demonstrated the Youth Service commitment to working with other agencies. Question three asks the Youth Service about its proven track record of delivering projects successfully. This links in directly with literature found in chapter two, where a VSO's reputation is often its currency: a proven track record helps attract additional funding. The response to question three references the first Big Lottery funded project in 2010, which kickstarted the official Youth Service at Support Society. This helps demonstrate the importance of previous contracts and being able to evidence their success. In this Comic Relief funding application form, the Youth Service stress that 'the organisation has excellent engagement and retention strategies to ensure the hardest-to-reach individuals are able to access the services/activities they need and will use these to ensure the project reaches out to those in greatest need'. This is in direct correlation to 5.2.1 where Support Society's vision, mission and values were outlined.

Tendering processes have placed a considerable burden on the voluntary sector, particularly smaller, local organisations. Onerous bidding processes, frequently with tight timescales, diverted time and resources away from frontline

services and were found to place enormous pressures on the staff at the Youth Service. It was concluded that Support Society required a new 40-hour post 'Monitoring & Evaluations Officer', which the organisation was recruiting for at the end of fieldwork just to help manage this process.

Contract management processes were often seen as disproportionate to the amount of funds awarded, which will be discussed in chapter eight more closely, with burdensome monitoring requirements. Again, this diverts valuable resources away from the frontline. There is a counterargument about the need for evaluation and monitoring, regardless of whether there is a contract culture. If voluntary sector programmes were not evaluated, would there be an understanding about how effective they are, what changes might need to happen, or what kind of information would be required to understand how those programmes operate? For such reasons VSOs still require some form of evaluation and monitoring. What this process could and should look like will be discussed more extensively in chapter nine.

'The Statutory sector is keen to tender out services more and more, but the added value for money is one of the things that makes the VS so attractive for this. With greater demand for these funds smaller organisations are most likely to suffer or be swallowed up into larger ones; whilst this enables sharing of resources and brings efficiencies, it can also diminish specialisms, objectives and purpose. It has become survival of the fittest' (Partner VSO Manager, January 2018)

This notion of survival of the fittest reinforces the existing literature on the voluntary sector (see section 2.2). The challenge of being ousted by larger, national VSO was a real concern for the Youth Service staff. In one of the interviews, a member of the board of trustees was very clear that when recruiting the current CEO, all the trustees were adamant that the successful candidate needed a strong background in tendering from a variety of funding sources. The contracts support officer spoke about the challenges the organisation faced, in initially deciding which tendering process to partake in:

'I think one of our challenges is around the difficult choices we have to make where funders and commissioners' needs get matched with the needs and aspirations of our young people. I suppose the other challenge we've got and I

wouldn't want this to seem in any way negative is obviously the young people that we work with, if you look at it in a very sort of cold way, they're not efficient and effective people. You know they are very chaotic; they've got complex needs and that inevitably sort of impacts on our services. If you're at the sort of cold numbers of how many young people are you getting into a job, like how many pounds do I give you, we don't look very good. Part of the reason for that is the kinds of young people we're working with struggle to engage, struggle to sustain engagement' (Contracts Support Officer, June 2016)

Being aware of proving value for money from the offset of any tendering process was clearly a key consideration for the management at the Youth Service. However, value for money in this competitive contracting culture, is identified in relation to specific outcomes, in this instance labour market activation. This is an overall economic objective which pushed the Youth Service into relationships with clients to achieve outcomes, i.e. secure employment at a supposedly accelerated pace. But as the contracts support officer quote demonstrates, this approach is very problematic when supporting disengaged youth.

The interviews for this research took place at a pivotal time for the Youth Service, due to the extent of funding uncertainties. The Director of Finance explained this when sharing her experiences about future challenges:

'From my side the main challenge now in 2017 is tendering, firstly what is on offer and also if we can jump through the hoops to qualify for it. Not to mention who else is competing. A lot of the contracts we are in are due up for review in the next year, so a lot of the other funding is coming to an end certainly the European funding will be gone by the end of next year. Although it is a complete pain it is another tendering process that is now no longer available to us' (Director of Finance, November 2017)

Support Society faced a period in 2018 when many tenders were up for renewal and the uncertainty surrounding this was a clear concern. The Director of Finance reinforced how this was heightened by operating in an increased competitive environment. Table 5.1 lists all the major youth employability contracts. The most significant Youth Service contract in monetary terms was the 3-year Big

Lottery Reaching Communities Fund totaling £295,233. The experiences of delivering Big Lottery funding, as a major contributor to the Youth Service, will be discussed in chapter eight. This Big Lottery funding came to an end in May 2018 and had afforded the employment of 5 full time staff within the Youth Service. Table 5.1 also helps evidence the fact that any ESF funding always required the Youth Service to undertake partnership working with external agencies.

7.4.2 Professionalism

Handy (1988) argued that it is not immoral for a VSOs to become professionalised or more business-like and that it made just as much sense to ask a VSO what their strategy was as it did to ask a business. However, Drucker (1990) found that 'management' was deemed a very negative word amongst VSOs as it directly equated to business to them. He found that amongst the VSOs he researched, most of them did not feel like they required management.

Lyons (1996) identified four main types of objections to the strategic management of VSOs. Firstly, strategic management is a business idea aimed to improve profitability. This undermines the non-profit values of VSO. Secondly, strategic management is an aid for competition, which is an orientation hostile to a sector which promotes collaboration and partnership. Thirdly, strategic management is a method of control which contradicts the commitment of the VSO to give a voice to those most disadvantaged. Finally, the fourth objection according to Lyons, is that strategic management is too elaborate and too time consuming for VSO who operate in a survival mode from one year to the next. Although Lyons personally felt strategic management was necessary, the list does provide an insight in to the concerns VSO consider when embracing private sector practices. The extent to which the Youth Service shared these concerns was practically explored throughout the fieldwork of the thesis.

The non-profit nature of the organisation and the Youth Service came out strongly in interviews. Staff shared their opinions with one Youth Worker saying 'we are not a bank; it is not our job to sit on money but to do social good with it'. In relation to strategic management aiding competition the main sentiment found during interviews was that competition had forced the Youth Service to operate in a different

way. For example, another Youth Worker shared how other youth agencies had smart phones to contact clients. As a direct result of this and the young people sharing with the Youth Service staff the facilities which were on offer from alternative providers, such as 'group chats' the Youth Service decided to also provide all their staff with smart phones in 2017. With regards to strategic management contradicting the commitment of VSOs to give their clients a voice, again this view was also expressed by staff. The Youth Service Manager and Deputy Manager both desired more time to be able to strategically engage with the young people, but admitted this became less frequent as 'funder demands' took priority in the organisational design. Finally, strategic management being too time consuming was definitely reinforced by the experiences of the Youth Service and will specifically be explored further in chapter eight.

The voluntary sector has sought to appear more business-like over recent years (Wilson 1992, Gann 1996), adopting lessons from the corporate sector, primarily in a bid to be able to tender for services more competitively. This notion that the voluntary sector is now more 'Business-like', refers to the process of organisational changes where private sector practices have been adopted, in an attempt to mimic the business environment. For example, Chapter five demonstrated how the organisations organograms evidence that up until 2015, the title of CEO had previously been referred to as Project Director. Support and supervision sessions, where individual staff met with their line manager also became known as Performance Development Reviews in 2016.

The year 2016 marked a significant change at Support Society as shown by the recruitment of a new CEO and notable changes in staff management. For example, the annual appraisal process was formalised using standard pro-forma across the entire organisation (Appendix 7.2). The form clearly refers to progress against work plan targets, job description and objectives where individual targets were directly established for the coming year. All 20 interview participants were directly asked if the Youth Service had become more business-like and there was consensus that it had. The researcher outlined the definition of 'more business like' to them all so that they understood what the term meant in the exact same way. Whilst they all had different levels of experience, none of the interviewees denied

that the Youth Service had witnessed this shift. The current CEO had a very strong stance on the matter and absolutely agreed this shift to business ideals had occurred. In her opinion it was entirely necessary to survive and hold your own, as a VSO operating in a contract culture:

'Business tactics are around undercutting people and unit costs. I think we are in a very competitive world; we increasingly have organisations who have been moving into bidding for what has traditionally been voluntary sector areas of work. So, you need to be able to take on board the good about being a business, as in making sure you know exactly what it is that you're doing. Why you're doing what you're doing, how to properly monitor what you're doing, how to evidence what you're doing, you know paying decent salaries to your staff, making sure that you have a training process in place for your staff, creating volunteer opportunities, apprenticeship opportunities, all of those things are about being more business-like for me' (Current CEO, January 2018)

The current CEO viewed the organisation being 'business like' as having positive as opposed to negative connotations. She felt that contracts once almost guaranteed to the voluntary sector, were now under threat by alternative providers. Therefore, taking on board what the business world had to offer, to help increase the organisations standing in a competitive market place was advantageous. However, it is the bearing of this shift, on the social values produced by the Youth Service that develops as the key critique. The impacts of commissioning on the Youth Service will now be considered.

7.4.3 Impact of commissioning

The 'contract culture' has received mixed reactions from both the voluntary sector and public agencies (Benjamin 2010). On the one hand, contracts afford VSO a greater degree of certainty and financial security. On the other hand, the voluntary sector has to cope with the complexities of contractual relationships as well as often increased service provision. The Youth Service evidenced this opposition first hand, in their withdrawal of VOICE Coventry. This was set out to be a collaborative contract, where the Youth Service would support 350 unemployed youth over 3 years. However as will be concluded in chapter nine for a variety of reasons, it was

deemed by the Youth Service that they could no longer continue delivery. Chapter two identified how there is a risk that entering into contracts may result in VSOs losing their independence and autonomy, as funding bodies have an increasing influence over policies and service provision. The Youth Service staff experienced these pressures first hand when delivering VOICE Coventry as will be detailed in the next section.

The findings presented in this study, illustrate the contradictory practices which manifest within the realms of the 'contract culture'. While contracts were now fundamental for the funding of the Youth Service, the level of autonomy and control in the relationship between the Youth Service and funders was repeatedly identified as a key challenge and was often seen as prescribed and rigid. The next chapter will identify how some funders were understood to impose fewer restrictions than others and participate in 'intelligent commissioning' as mentioned above.

The dynamics between the voluntary sector and its funders has long been identified: 'voluntary organisations cope with their need for public money often by walking a precarious tightrope between becoming puppets of government and thus losing their identity and independence and setting themselves as adversaries and critics so stridently as to disqualify themselves from funding' (Brenton 1985:111).

This loss of identity and independence at the Youth Service was clear in the interviews with the current CEO, who as a direct response came in and initiated what she referred to as a 'theory of change'. When discussing the control by funders, it was most apparent in the area of reporting systems. The Director of Finance shared all the different systems Support Society was required to deploy, to provide reporting evidence as controlled by the funder:

'The systems are specified by the funder really, so for some things we have to send paper evidence, it has to be delivered by hand because you are sending sensitive information. Some things we reply to a secure email and upload information that way. Other things there is an intranet site where you have to log in and upload information securely on that. So, we have had to tie in with everybody else's expectations we could not decide how we wanted to report. We are very much guided by the funders or lead partner' (Director of Finance, November 2017)

The level of funder control, often excessive in the view of all interview participants, was seen as hindering the relationships between stakeholders and negatively impacting the social value in supporting unemployed youth. The Deputy Youth Manager said that whilst she was well aware of the targets the Youth Service needed to fulfil to meet their contractual obligations, she encouraged her staff to exert autonomy and creativity whenever possible. However, as she was the lead on VOICE Coventry, dialogues about needing to withdraw and then ultimately withdrawing were in her view largely down to the prescriptive methods of working required under this contract.

7.4.4 VOICE Coventry

Throughout the fieldwork for this study, there was one particular youth unemployment contract at the Youth Service (referred to throughout as VOICE Coventry), that embodied practical challenges associated with supporting unemployed youth. This project was mentioned in chapter five and six and became a pertinent example in illustrating dilemmas faced by the Youth Service. VOICE started off as a consortium approach to offer unemployed young people across Coventry a wide selection of opportunities. These opportunities were deemed possible, due to a wide network of partners (approximately 25, listed in Table 5.1) working together, complementing each other's unique offering. The funding awarded to Coventry was a substantial £8,767,188. The project official start date was January 2016, however the Commissioner for Coventry City Council explained this was delayed by 6 months due to drawing down the funding from ESF. Interestingly the management team at the local authority tasked with being the lead contractor were only appointed and set up after the project had officially started. This was referred to by one manager as a very 'back to front' way of operating. The Youth Service made the decision to terminate the VOICE contract early.

Partnership working is actively encouraged by commissioners for the voluntary sector, as they request more for less and this collaborative approach, is seen as one way to cut costs and provide a more holistic offering for the young people. However, the Youth Service experience of VOICE was that being accountable to so many partners and stakeholders hindered their ability to fulfil their role. The Youth Service agreed a target at the start, with the partners of supporting

350 young people over three-year funding. This was deemed realistic by all the senior management team and staff consulted prior to any agreements. However, when the Youth Service initially agreed to partake in the project, they were given a set criterion of what would be required to register the young person with the project. This changed significantly over the course of the project.

Appendix 7.3 is an extract of correspondence received by the Youth Service, from the lead Fund Manager of VOICE from Coventry City Council. The nature of the communication was to disseminate the revised eligibility criteria and check list for young people wanting to access the programme. It references 'an updated eligibility checklist is attached which should be used from today and kept in the participant files. This is subject to ongoing change by DWP and we will of course keep you updated on any further amendments. DWP have stated on several occasions that we have to be 'assured ourselves' that evidence used for eligibility is robust and can stand up to scrutiny' (Appendix 7.3). This extract directly helps evidence what the Deputy Youth Manager referred to as 'changing the goal posts' which in her view made it impossible to keep track of expectations. She shared how appendix 7.3 was the fourth change in eligibility criteria over the past year. Also, how it would require her to update the staff working on the programme of these further changes. Such frustrations associated with funders expectations will be discussed more widely in chapter eight.

7.5 Mission drift

As Chapter two described, mission drift has become a recurrent issue for the voluntary sector. Mission drift occurs when an organisation recasts itself and changes its goals, as a consequence of funding requirements and the results dilute the organisations own specific mission (Engwall 1986, Cairns et al. 2006, Alcock et al. 2004, Packwood 2007). Engwall is acknowledged as one of the foremost scholars on the occurrence of mission drift as external stakeholder expectations and demands shift. Engwall's pioneering research was based on a longitudinal study of a Swedish newspaper and the examination of its organisational drift over time in response to changing patterns of resource dependency. Chapter eight will explore the implications of resource dependency on the Youth Service in greater detail.

Support Society's formal mission statement was to 'work alongside people to take control of their lives and create their own futures'. To understand this mission, it is important to note that the organisation originated over 40 years ago, out of one of the poorest wards in the country, still being based in one of the most socio-economically deprived areas of Coventry. The organisation's mission evidenced a desire to assist life chances and a culture of empowerment, where the client has overarching say over their own future. The interview participants who were employed by the Youth Service and were with the organisation since 2010, were all asked about their views on being able to achieve the organisations mission over the years. All seven agreed that it had been easier to fulfil this mission during the start of the Youth Service, but six agreed that along the way the service had been guilty of distorting this mission to some degree due to resource dependencies.

Interestingly the former CEO of Support Society, who had been one of the original members when the organisation was formed, actually felt that mission drift had not been such a concern:

'Support Society has been prepared to adapt and change and move with the times and rethink its ways of working, without materially comprising its core values and core mission. So, in that sense I don't think mission drift has occurred. However, I think the ways we do things have changed in tune with the times and so that the mission has been nuanced or updated or revisited with a differing eye, depending on the realities that we work within' (Former CEO, May 2016)

He thought that although the organisation had responded to changes by being versatile and adaptable, this had not been at the cost of core values but had required the organisation to revisit these values to ensure they were still relevant. This view is backed by Bennett, (2008) who states that a flexible mission might actually be desirable, in that 'mission rigidity' may be harmful to sustainability.

One of the interviewees was from another VSO and partnering agency with the Youth Service on delivering VOICE Coventry. She was a Development Manager within her organisation where she had been for the past 15 years. She said that she has known many VSOs which have gone through 'mission drift' to 'chase the money' as she explained, but this was the direct result of operating in a market based

174

competitive environment. In her opinion this was not a positive move, as it often removed the organisation in question from their key specialism in favour of other organisations better placed to deliver the specific work stream. The example she provided was of the national VSO, Age UK, who have historically always worked in supporting the elderly, now moving in to working with family carers too. She highlighted that in Coventry there was already a smaller VSO with a 20-year proven track record of supporting family carers, but they were now in competition with Age UK for contracts. Contracts which they once had worked on together with Age UK, with them supporting the elderly cared for, and the other VSO specialising in supporting carers.

Support Society current CEO's view was that prior to her joining in 2016, she was well aware that the Youth Service had a history of 'chasing funding':

'You don't keep an organisation for the sake of your staff, you have an organisation to fulfil the needs of the service users. If that funding isn't there and you can't get it anywhere then your organisation won't exist anymore. That's terribly sad but if you can't find the funding from somewhere, then it's not there. Our strategic plan has thrown up lots around having potentially a history of chasing funding, rather than staying true to what is the vision and mission of Support Society and what are we trying to achieve. I think the youth unemployment work that we do is a prime example of chasing funding like VOICE Coventry, rather than what it is as an organisation we are trying to achieve. I think unfortunately in some situations voluntary sector organisations can chase money, will bend their vision and mission in order to sustain the organisation for the sake of the organisation rather than sustaining the organisation for the sake of its service users. Support Society should not go into something because it's a marriage of convenience because we just want to win the contract. This may mean that Support Society might get smaller and we may lose services. However, what we're doing is refocusing on the most vulnerable and how are we going to get funding to work with the most vulnerable which works for them' (Current CEO, January 2018).

It became apparent that the current CEO, had very strong views about mission drift and social values being clearly defined. She referred to some organisations as 'bending their vision and mission' in order to survive, but how this

was not always in the client's best interest. She reinforced funding opportunities would only be explored which were aligned with the mission of the organisation, even if this resulted in it scaling back and reducing in size. This view demonstrated strategic choice. There would no longer be any 'marriage of convenience' as she called it and she directly referenced VOICE Coventry as being an example where the Youth Service had sought funding which was not aligned to its organisational values and preferred methods of working.

7.6 Partnership working

Support Society's annual reports demonstrate a long-standing history of partnership working, which has become increasingly important as funders wish to see greater collaborative working with the aim of proving value for money. The former CEO felt that partnership working was required to provide a holistic service, which he referred to as a '360 kind of service' where a wide range of professionals and resources were utilised to support clients. He was clear that partnership working required role clarity and that the landscape was changing largely due to the 'contract culture'. In his opinion:

'I think some national (organisation) will probably hoover up the contract and then we'll probably quite knowingly find within the service user population, sub-sets who require more specialist interventions. While the majority of the contract can be more generic, we're looking to be one of the providers of the more specialist niche provision' (Former CEO, May 2016).

The former CEO reverted back to specialised services, stating this is where the organisation needed to continue to position itself. The interviewees all backed the general consensus, that partnership working was required by the Youth Service to help best meet the needs of the clients in a professional manner:

'Partnership work has certainly increased. It is critical now to combine services to offer clients a complete sweep of services in their journey. No organisation has it all alone to offer everything the client needs in their journey. There are three elements to partnership working. Firstly, the role of the accountable body/lead contractor. They are the ones holding the ring on everything. This needs

to be an experienced organisation who can ensure that they dot all the I's and cross all the T's also down to what coloured pen to use. The second part of partnership work is the organisation that has the generic key workers or life coaches to do the delivery. They can work across the clients' journey and need to be flexible in supporting clients. Then finally you have the specific specialist skills workers'
(Director of Policy and Partnership, May 2018)

This quote embodies many of the key themes surrounding partnership working. For example, it touched upon how partnership working has increased in the voluntary sector over the years, in light of that fact that rarely is any organisation a 'one stop shop' meeting all the needs of any one client. The quote also distinguishes that in any partnership relationship there are different roles. There is the 'lead contractor' who is directly accountable to the funding body and then the 'delivery organisation' (who may be the same as the lead). However, depending on which VSO, you are in this relationship, involves different dynamics.

The Youth Services Manager felt that partnership working in the voluntary sector was essential to ensure a lack of duplication. In her opinion, this was easier in fairly well-defined areas such as Coventry. The Deputy Youth Manager was keen to highlight that her line manager, the Youth Service Manager, had operated in the local voluntary sector for a significant number of years which had created a valuable network and contacts. She said that her manager encouraged team members to tap in to those contacts and maintain those connections. When asked about partnership work the manager of another VSO but one which was national, working in conjunction with the Youth Service to deliver Talent Match responded:

'Partnership work is in our DNA. We are a partnership organisation by design, so every project we do is a partnership, (you won't) see any of our project delivered in isolation. We're partnership focused. Local projects are delivered with others so we (grew) out of partnerships with local authorities that's where we started. I suppose the change might be that we've sort of formalised some of our approaches to partnership working, making them more professional by implementing some industry standards. I think third sector are generally better at working in partnership because obviously we're not after the bottom line, that's not what it's about, it's about

making sure that we deliver the most impact really' (Partner VSO Manager, January 2018)

This manager referred to the professionalisation of partnership working and the implementation of industry standards to help ensure partnership working was effective. Talent Match is a five-year, £108 million National Lottery Funded programme which started in 2014 and aims to support young people along the road to employment.[12] When asked about these industry standards he asserted it was something Talent Match, was currently working on and hoped that this work would help inform future practices for VSO in the coming years. Also, his note about 'bottom line' referred to VSO being non-profit making. However, as the analysis of market and non-markets in 7.3 indicated, the focus on payment by results is increasingly making this endeavour more difficult.

Appendix 7.4 is a funding application from which evidences a bid to DWP, via Job Centre Plus, for the Youth Service to run a specialised boot camp employability programme for young parents called YIPPEE (Young Independent Parents Progress into Employment Education). Under the minimum requirements from the Youth Service for partnership working it clearly states: 'make effective links with public, private and voluntary sector services (including health, housing, transport, employment and skills, etc.) to provide appropriate support'. This evidences the formal requirement from this funder, the DWP, to work in partnership with agencies from all three sectors. Further down in the document, under the required outcomes, targets and indicators of successful delivery of the partnership, is the statement: 'the number of participants moving into employment or self-employment of a minimum of 16 hours per week within 13 weeks of completing provision and remaining in work for at least 13 weeks.' This is the formal target this funder had set and clearly evidences the contractual obligation on the Youth Service to support clients in securing a minimum of 16 hours of employment a week and for 13 weeks. This document helps illustrates first-hand the target driven nature of youth employability contracts.

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[12] https://www.tnlcommunityfund.org.uk/funding/strategic-investments/talent-match accessed 18th June 2018

7.6.1 Associated challenges

Whilst the call for partnership working from funders and associated benefits were clear, many staff felt that the process was not without its challenges. As alluded to above by the Age UK example, for some VSOs, previous partnering agencies actually became competitors. In relation to delivering youth unemployment programmes, at the Youth Service, this manifested as competing for the same young people. In a commercial setting, the comparable would be competing for the same customers. This created tensions around competing objectives and duplication to meet increasing pressures surrounding achieving targets, but from the same pool of young people. The research found evidence that the challenges of competition and securing funding, resulted in coherence and continuity for the young people being undermined. The Youth Service Manager shared her concerns:

'I think the city's saturated in programmes targeted at young people so actually young people are just bored of (hearing) it. So, trying to engage young people around developing them personally and professionally is difficult. They are like well I've done this and I've done this and I've done this, what that (tells us) is you've done three different programmes but you're still unemployed' (Youth Service Manager, May 2016)

Her view was that there were too many providers of youth unemployment programmes in 'the market'. This view was supported by the Director of Operations who stated:

'I think it ebbs and flows, cos again even though we work in partnership we're still competitors, and in some ways these local authority contracts have made us compete with our very close allies and partners. VSO are much more guarded about what they share and you know so relationships aren't as you know (joined) and as open as they might have been you know ten, fifteen years ago, because you know you have to look after number one don't you, every agency wants some funding. When to collaborate and when to compete is the touch decision' (Director of Operations, December 2017)

This quote demonstrates how the Youth Service was practically much more guarded than previously in its approach to partnership working and assessing when to enter a partnership with other provider agencies. One Youth Worker provided a pertinent case study, in what he referred to as 'the recycling of young people', to illustrate the main challenges of competing with alternative providers whilst supporting unemployed youth:

'In Coventry there are many organisations. Within all these organisations, some are VSO, some are private and others local government. There is a job coach for example employed by Coventry City Council, whose target is to work with *x* amount of young people. In particular to get them to a point where they've done some sort of voluntary work. So, for instance, young person B goes to the job coach because he's been sent by the Job Centre. However previously he's already done voluntary work. He's done four weeks because if he didn't, he'd get sanctions. So, he did four weeks at British Heart Foundation volunteering. He comes out of there because it's not a paid job, it's just voluntary. He gets moved on by the job coach, because by this point his (weed taking) is beyond normal and he's suffering episodes of psychotic fulfilment if you like. So, he's too paranoid to go to work now. Now he's with a special coach who's trying to get him on Employment Support Allowance not Job Seekers Allowance. Difference being ESA is health assessed, so less meetings or pressure than JSA. So, he's on a different benefit, then he'll come under a different category, so (then) he (can) go down another route this time with a VSO and be sent to another organisation to do work in the same British Heart Foundation shop again, under this different VSO. He'll come out of that again no job obviously as its voluntary work. He now has more issues than previously he had, because he's just been spoon-fed and sent through a different system. He goes back to the Job Centre who then say you now need to do 38 hours a week looking for a job, so we're gonna put you back on JSA. The first thing he does, panics goes to the doctor, the doctor says you're not well enough to go on JSA take these tablets, I'll sign you off, go back to your job coach you'll go on ESA. So, you see how it just forms a cycle, and that's the recycle. You're just recycling young people (Youth Worker- November 2017)

His example was that of 'client churn', where the individual is sent from one programme to another depending on which target and criteria they meet at the time, as opposed to addressing the fundamental issues. The Youth Worker suggested that most of these organisations:

'Don't care because they're getting their numbers through, they're getting their targets, they're fighting over the same recycled people. So that young person is then at the point of frustration of where somebody just goes, we've given you all this promise and by the way we're not gonna help you now, you're somebody else's problem. We've done our six months with you, you no longer fall into our remit' (Youth Worker, November 2017)

Although young person B was a fictional character, the journey of this young person was one that the Youth Worker expressed as very real. He explained how many of the unemployed youth he supported identified as 'just a number' on the alternative employment programmes, whose agencies worked with them just to fulfil their targets. The experience of this Youth Worker would indicate that operating in a competitive contract culture, has forced agencies who support unemployed youth to be so target driven that the quality of service is being compromised over the need for quantity.

In relation to partnership working, there was also one interesting example of an internal case study where there had been a conflict from within two teams within Support Society, over the same young person. This young person was accessing the domestic violence support service, however due to their age also qualified for the Youth Service. She was very keen to develop her confidence and eventually find a job. There was a media project with the Youth Service at the time, which she very much wanted to participate in. However, the manager of the domestic violence team at the time denied her taking part, saying it was too risky and her location could be found putting her personal safety at risk. The Youth Service Manager had an opposing view, that active participation would really help this particular individual. As long as they could put safety measures in place she should benefit. Eventually the young person did take part and was able to influence the project but from behind the scenes. Although the outcome for the young person was positive, the Youth Service Manager shared how it had created tension amongst the staff of both projects. This

could also be used as another instance of the hidden argument surrounding how clients should 'count 'in terms of hitting project specific targets. This example was shared as a way to demonstrate again the complexities of partnership working, but not just with external agencies as we would immediately expect but also internally within the same VSO.

7.7 Conclusion

The evidence presented in this chapter shows the contradictory practices which manifest within the realms of the 'contract culture'. While contracts were fundamental for the funding of the Youth Service, there had been many difficulties in trying to negotiate the Youth Service's position amongst funders, partnering agencies and competitors. Since 2010, the Youth Service had clearly experienced many changes whilst supporting young people. Competition has arguably been the biggest game changer, which has impacted on their role and involvement. It has changed the way the Youth Service sourced funding as well as their role with all stakeholders in particular partners and ultimately service users. The Youth Service had increasingly needed to be more cost conscious and competitive in securing resources. As the chapter has demonstrated, the organisation was attempting to respond to the challenges of competitive contracting by reverting back to their organisational values and aims.

Writers such as Eisler (1995) and Korten (2006) focus on why people still interpret the meaning of competition in the voluntary sector to be negative and the meaning of collaboration to be positive. This study has found both competition and collaboration to have challenging effects on the Youth Service, in their efforts to support unemployed youth. This chapter has demonstrated that the context of contracting and commissioning has significantly changed the relationships between stakeholders, not necessarily always to clients' advantage. Support Society's Director of Finance argued 'we can't just be a lovely VSO that does really nice things for people, we need to be competitive and business like to survive'. The descriptive material presented from fieldwork evidenced the need for the Youth Service to be business-like, especially in order to attract and secure funding. Funding at the Youth Service will be the focus of chapter eight.

8.1 Introduction

The final research question this thesis sought to explore was: how have funding changes influenced the performance of the voluntary sector? As shown in 4.6, youth unemployment is an ongoing concern in the Midlands and, in particular, for Coventry. Although recent statistics suggest that Coventry does not have higher youth unemployment than other West Midlands local areas, it remains a key priority area for the Mayor of the West Midlands.[13] This chapter will focus on the financial changes experienced by the Youth Service. From its origins, it has been necessary for the voluntary sector to constantly raise funds in order to survive. The impacts of multiple recessions on the voluntary sector has been widely noted, mainly due to the fact that financial uncertainty directly affects available funding. During 2008 and 2009, the UK experienced the longest post-war recession on record with six consecutive quarters of contraction. Reductions in public spending amidst a period of low growth have significantly influenced the work of the voluntary sector. At the beginning of 2010, 59% of VSO reported that they were affected by the recession by both the rise in the number of clients and the loss of income.[14] The following quote illustrates how youth unemployment is a key priority area, especially during periods of recession:

'I've been around long enough to have been through multiple recessions and even when the economy's been growing, there's always been an issue with youth unemployment no matter how the figures are presented. However, I think it's also worth being honest that at the moment with funding constraints youth unemployment is one of the few areas that government is still putting significant funding into. Whilst nervous about, you know, being led by the opportunity rather than the need, I think it's right to be honest that that's going to be a driver for Support Society and it's something we will prioritise' (Support Society contracts support officer, June 2016).

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[13] https://www.wmca.org.uk/who-we-are/meet-the-mayor/mayors-2020-aims/ accessed 15th August 2019

[14] (Charity Commission 2010: Charities and the economic downturn: 4th economic survey)

During fieldwork, the researcher was keen to explore whether the Youth Service supporting unemployed youth because it wanted more funding or did it search for money to enable it to support unemployed youth. The views expressed by staff included in this chapter will illustrate evidence that both reasons were important. As chapter seven concluded, there was increasing pressures at the Youth Service, associated with competitive contracting for funding. The orientation of some funders had pushed the Youth Service to being more target driven and needing to meet specific employability outcomes for young people in order to be paid.

This chapter will start by describing the changing environment for the voluntary sector. It will then assess the rationale for different funding instruments, moving on to the three main forms of funding the Youth Service had received, especially since 2010, to deliver services to unemployed youth. It will then examine the Youth Service running costs in greater detail, providing an outline of the key funding challenges as described by staff. A brief financial risk assessment of the Youth Service will show how resource dependency theory provides an insight into the subsequent closure of the Youth Service, which forms the basis of chapter nine.

The chapter will conclude by demonstrating that the consequences of changing funding practices have posed significant difficulties for the Youth Service. Such research findings show distinct problems arising between 'NPM in theory' and 'NPM in practice'. Funding changes had, in many instances, resulted in associated rising costs for the Youth Service, directly questioning the cost effectiveness claimed by NPM advocates. Crucially this forced a degree of 'mission drift' (explored in chapter seven) and a reorientation of accountability (detailed in chapter 6) in order for the Youth Service to meet the diverse demands outlined throughout this chapter.

8.2 Changing environment

As outlined in 2.1, the voluntary sector has become a key provider in the delivery of services on behalf of local authorities. This strategic shift has developed as the key rationale behind government funding for VSOs. The influence of NPM and the changing role of local authorities, has meant that the market-based orientation identified in chapter seven has now become the norm for operating in the voluntary sector. 2.2 described the UK government's shift towards promoting a

decentralisation of the government's agenda, advocating local services managed by local people. By decentralising control, critics have argued government distanced itself from the cuts in the social services' budgets that followed. Although there was greater freedom to allocate resources in accordance with local preferences, government allocation itself was cut (Clark, McHugh and McKay 2011). The Decentralisation and Localism Act 2010 set out six objectives that central government aimed to achieve. These were to: lift the burden of bureaucracy; empower communities; increase local control of public finances; diversify the supply of public services; open up government to public scrutiny and strengthen accountability to local people.

Although the diversification of supply for public services resulted in opportunities for the voluntary sector, this research found that the Youth Service felt bureaucracy was embedded in the commissioning of these funds. The voluntary sector, which once defined its own terms, finds itself having to fit a model with far less autonomy and flexibility (Hedley 1995). As will be demonstrated by the views of staff, the extent to which the Youth Service could be empowered was seen as being directly hindered by this integrated bureaucracy.

8.3 Rationale for different funding instruments

The voluntary sector has long been advised to diversify their income streams to secure future finances (Hedley 1995). The benefits of diversification go far beyond simply achieving an income surplus, to give organisations the security needed to focus on long-term strategies and ultimately for the voluntary sector to deliver greater impact for their beneficiaries.

'We consciously try and have quite a diverse set of funding arrangements, that's part of how we keep going. Our funding sources are hugely varied which is what we need to survive. We cannot have all our eggs in one basket' (Staff member from partner organisation, January 2018)

Staff across the board appeared to appreciate the benefits of this funding approach and understood the long-term implications. There are however reputational risks linked to income diversification, which can affect how people perceive and

engage with an organisation. For example, when the Youth Service delivered government programmes and became closely aligned with the welfare state, traditional donors, such as Coventry Building Society, could potentially stop their support because they assumed funding was coming from elsewhere. Both CEOs were well aware of this and specified the need for their youth provision to fill gaps in services not duplicate them.

An additional risk associated with the process of income diversification, is that it could dilute and undermine the core values and mission of the organisation (as in chapter seven's discussion of mission drift). Another challenge VSO face, when diversifying income streams is finding the funding and skills to implement their plans. Organisations can look for opportunities to address these gaps by seeking external help (as the Youth Service had done by enlisting the support of external consultants). However, this process presents additional costs, which also need to be factored in deploying this approach.

Romo (1993:30) highlights 'resource dependency theory to argue that organisations are not capable of internally generating all the resources and services they require to survive'. Consequently, they engage in transactions with parties in the external environment which bring about a wide range of challenges. The following quote from Support Society Director of Operations, demonstrates this. She detailed the three forms of youth unemployment funding at the Youth Service and the key advantages and disadvantages associated with each:

'There's three areas of funding that we look at for youth unemployment at Support Society. There's obviously funding from government. I think our thought is that those kinds of programmes don't really work for the kinds of young people we work with. They are very much one size fits all, they don't really provide the flexibility that our young people need. You've then got European Commission funding, our thoughts on that are, you know, the positives a bit like the government, are potentially this is two three years of secure funding. Obviously, the negative is they are very bureaucratic and that's not only an issue for Support Society it's also an issue for service users as well. The constant form-filling and collecting data, it's actually a barrier to engagement. The other area we've looked at is philanthropic trusts, like Comic Relief, Big Lottery, Children in Need which tend to have much

more flexibility. We seem to have had more success where employment and training needs are sort of blended into a wider funding bid, so it's one of several things that we're trying to address with young people' (Support Society Director of Operations, December 2017)

The three main avenues of funding identified in the quote and views surrounding each, are addressed in the next three sub sections.

8.3.1 Contracting with government/local authority

Contracting in this context refers to the provision of goods and services by a VSO under contract to central government or a local authority. In a bid to achieve cost effectiveness, the UK government has increasingly outsourced its statutory responsibilities to the voluntary sector via grants and contracts (see 2.5). Income from government in 2010/11 to the voluntary sector accounted for £14.3 billion[15]

During fieldwork, one of the interview participants was a commissioner of voluntary sector Youth Services from Coventry City Council. She had been with the local authority for 12 years and had personally managed various youth employment programmes. As a commissioner, she was very sympathetic towards the unique contribution the Youth Service was able to make in supporting the most vulnerable young people with intense one-to-one support.

'Support Society is based in the heart of the community and work with people that statutory agencies may not be able to reach' (Coventry City Council Commissioner of Young People Services, January 2018)

This commissioner's quote demonstrates the fundamental benefit of outsourcing to the Youth Service, namely that it had the ability to reach unemployed youth as it was located within the community where the youth reside. This had been the case since the organisation originated in 1977, as Support Society had not moved. She shared how in her opinion the Youth Service were best placed to support unemployed youth, as it was more accessible and seen as more desirable

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[15] (NCVO - UK Civil Society Almanac 2013. The Voluntary Sector /Finance: the big picture. Published: 25-04-2013)

by the young people themselves. These facts increased the Youth Service ability in reaching out and supporting youth, who, as the commissioner said, would otherwise 'fall through the net'.

Whilst there were clear advantages for the local authority in funding the Youth Service (see 7.2), they experienced problems in delivering funding closely aligned with the welfare state. Such challenges can be broken down into the three main concerns. The first, identified by staff, resulted from austerity and local government cuts. Government funding changes created huge uncertainty. The Youth Service's ability to plan ahead whilst supporting unemployed youth was badly affected. In 2016 Coventry City Council commissioned a consultation to review the £9m it contracted annually to approximately 40 external organisations. Following the consultation, money available to the voluntary sector was cut by £1.2million. This meant substantial reductions in annual support payments, ranging from 10 to 100 per cent. These cuts led to the disappearance of some VSO and/or many of the services they provided.[16]

The value of this funding cut to Support Society was £186k p.a. which was approximately 10% of their annual income as published in their annual accounts. This funding reduction directly resulted in the closure of Support Society Children's Centre at the end of May 2017 and directly forced a significant reduction in the Youth Service from 2015-2018 (Appendix 5.7). This illustrated first-hand how cuts in local authority funding, have had a significant impact on the performance and services the Youth Service was able to offer. The present situation for the local authority was also bleak. Coventry City Council faced a £23.5million funding gap by 2022. Coventry City Council's 'medium term financial strategy 2019-22' indicated how the gap would rise to £20.8m in 2020/21 and £23.5m the following year. The overall financial resources available to the council had reduced significantly by around £120m between 2010 and 2020.[17]

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[16] (https://www.coventrytelegraph.net/news/coventry-news/warning-voluntary-organisations-coventry-could-10230677) accessed 10th July 2017

[17] https://www.coventrytelegraph.net/news/coventry-news/coventry-news-council-cuts-15242948

The second main challenge associated with this funding was its resource implication for administrative costs (NCVO 2015).[18] The unequal distribution of the amount awarded and administrative time spent accounting for it was confirmed by staff across the board from senior managers to front line workers. The administrative expectations of the local authority - acknowledged by the commissioner and current CEO below - actually raised the risk of the Youth Service being seen by clients as statutory agencies.

'The administrative burden can at times hinder the effectiveness of the Programme as more time may need to be spent on systems/processes etc. than originally anticipated. This then also has a knock-on effect on budgets and staff time' (Coventry City Council Commissioner, January 2018)

'We are trying to walk this tightrope of being forced by local authority funding to collect huge amounts of data. We have to be contract compliant and that requires a disproportionate amount of staff time, which we are not necessarily being paid for and affects our budgets' (Current CEO, January 2018)

These quotes illustrate how funding structures and funder expectations directly raised costs at the Youth Service, as they required staff hours to respond to the increasing monitoring demands. The third challenge concerned staffing at the local authority. Constant staff turnover could be attributed to short term contracts, creating changing interpretations of national policy as a result. 'Decision makers' at government and local level, were not in harmony, nor were they seen to be aware of the realities facing the Youth Service users. The current CEO quote illustrates these concerns:

'How Coventry local authority interprets national policy and how that translates into the direction that they're going on, completely confused me. I can't see the connect on the ground. I think, they've got lots of restructuring going on and that seems to be an ongoing process. You try to find a named person who is leading

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[18] NCVO (2015). A financial sustainability review of the voluntary sector: change and adaptation in the voluntary sector as the economy recovers. London: NCVO. Available at: www.ncvo.org.uk/images/documents/policy_and_research/funding/fina ncial-sustainability-review-of-the-voluntary-sector-july-2015.pdf (accessed on 19 January 2019)

on a certain area. You find that person and they go well you know I've only just started; this isn't really my area of expertise' (Current CEO, January 2018)

The core sentiment at the Youth Service, when it came to government funding, was that it is unpredictable and ever changing. This made it extremely difficult for the Youth Service to plan ahead or be long sighted in their approach to delivering services for unemployed youth. This goes some way in explaining the subsequent closure of the service. The next section will look at the experience of the Youth Service whilst delivering ESF funded employability contracts.

8.3.2 European Social Fund (ESF)

The ESF is the European Union's main financial instrument for investing in people living in poorer communities. It supports employment and helps people enhance their education and skills, to improve their job prospects.[19] The ESF was part of the original Treaty establishing the European Economic Community in 1957. The aim then was to promote economic development and increase opportunities for workers in under-developed regions. Fifty years later, employment is still a top priority but the focus has shifted from stimulating local economies and creating employment, to a focus on the individual unemployed (Benjamin 2010). The ESF spends over €10 billion a year across all Member States. This represents more than 10% of the total budget of the European Union. Over the period 2007-2013, the ESF spent over €75 billion on creating more and better jobs in Europe.[20]

There was an overwhelming sentiment that ESF funding was particularly difficult for VSOs to deliver and was apparent at the Youth Service in them exiting VOICE Coventry early (appendix 6.6). This was the first time Support Society had ever abandoned a contract or grant early in their entire existence as a VSO since 1977. One of the interview participants had operated in the Coventry voluntary sector for the past 24 years. When asked whether monitoring expectations from funders are reasonable, he simply answered: 'No, they can often be very bureaucratic for

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[19] https://ec.europa.eu/regional_policy/en/funding/social-fund/
[20] http://ec.europa.eu/employment_social/esf/docs/esf_leaflet_en.pdf

bureaucracy sake and the leader in that is EU funding' (Director of Policy and Partnership- May 2018)

Although the introduction of ESF undeniably offered substantial amounts of funding for the voluntary sector, there was a consensus amongst interviewees that ESF money was very difficult funding to deliver. The expectations associated with this funding were understood to be hugely disproportionate, to the point staff clearly expressed they would rather not partake in projects funded by this means, as conveyed by the following quote:

'We have our ESF Youth contract which is probably the most unlike a youth employability programme I've ever seen in my life. Going forward I'd been quite clear with my directors and with my staff that, Brexit or no Brexit, for me ESF funding is not for Support Society. Because it is so difficult to be able to evidence what they want you to evidence when you're working with the most vulnerable service user group, so it doesn't work as a pot of funding for us' (Current CEO, January 2018)

There were three main concerns surrounding European funding. First, the bureaucracy involved: Support Society Director of Finance and Resource summed up her frustrations, by highlighting ESF's changing goal posts, frequency of financial monitoring, reporting, and the number of forms to be completed. These frustrations were also felt by Support Society Director of Operations.

'On paper ESF funding looks very accessible but the reality is something different. It is ridiculously paperwork heavy. So, there is the money there for example to buy a young person a coffee when you're out having a support session. But the amount of work when a staff member gets back for a 99p cup of coffee. It's very difficult to actually then draw on that funding. The Youth Service experience of ESF funding has not been good in terms of the hoops you have to jump through' (Director of Operations, December 2017)

The second key concern was how restrictive ESF was in its design, in particular the fact that it was not young person friendly. The researcher found many incidences of staff member's negative experience and practical examples of the daily challenges they faced. One of the youth workers interviewed, was delivering an ESF

programme aimed at investing in local projects which drive local jobs and growth. Although she worked for the Youth Service for 40 hours, 26 hours were paid for by ESF funds. The conversation below shows her personal experience in relation to EU funding expectations:

'There is a lot of evidence-based requirements through ESF. It's probably seventy percent paperwork and thirty working directly with young people. That's why I'm only contracted to work 26 hours because (then) the rest of the hours, I can work doing group delivery and actual work with more young people. The ESF paperwork is not young person friendly at all.

Researcher: *So, because the paperwork's not young person friendly, does that make your job difficult?*

Yeah definitely, so sometimes I will have to do say four to five different sessions just to complete the paperwork, because there's that much. ESF is quite complicated because they ask for a lot of employment evidence-based information. For example, if someone's been to college, I need a statement from their last college etc' (Youth Worker, November 2017)

This Youth Worker was very explicit about the requirements to register an unemployed young person being disproportionate to being able to support that young person. The ESF imposed very different administrative requirements when compared to other funding bodies. The same Youth Worker continued:

'I know for example the Big Lottery paperwork's quite easy, to register a young person it's just two pages whereas ESF is like at least 30 pages' (Youth Worker, November 2017)

This stark difference in monitoring expectations amongst funders was identified by staff across the board. The main concern for senior management was how this raised costs as a result and the pressures associated with being able to ensure staff hours required to meet all the obligations were paid.

The third challenge associated with ESF was in relation to the financial risk of not meeting full cost recovery or the possibility of funds being recalled. ESF

promotes a payment by results (PbR) model of funding. As stated in the ESF Funding and Performance Management Rules guide 2014 to 2020[21]:

'We will pay you on the basis of your actual delivery each month. We will work out the value of your actual delivery using the latest validated ESF supplementary data you provide. We will not pay for any delivery above the value of the individual deliverable line shown in your funding agreement' (Version 4: 35). [22]

As the youth worker's experience showed, a substantial amount of programme delivery took place to support an unemployed youth even before they were registered with the ESF project. Under ESF rules none of this time is considered when it comes to payment. This make it very hard for the Youth Service to operate at full cost recovery, as the funding did not cover the staff time required in order to get the young person to registration stage. This raised budgetary pressures for the Youth Service, as staff salaries for all working hours still had to be paid.

One of the fieldwork participants worked for a partner VSO that were the lead organisation in ESF funding. He had been with this same VSO for 13 years and had worked his way through the ranks to a managerial position. As the lead organisation, and thus directly accountable to the funder, he was aware of the issues around funds being retrieved if ESF expectations were not fully met.

'Unfortunately, with a project like ESF there's a risk that if the conditions are not followed religiously, payments are affected. Which obviously means the project can't happen or the organisation is out of pocket. We wouldn't choose to manage this programme this way, if we kind of started from scratch. If you don't get it right, you're at risk of having money called back. We have a responsibility to make sure that money keeps flowing down to them [partner agencies] and they're not putting themselves at financial risk' (Partner Organisation Manager, January 2018)

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[21] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/804978/ESF_2014-20_Funding_Rules_v1_May_2019.pdf accessed on 5th May 2017

[22] (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705254/ESF_2014-20_Funding_Rules_V4.pdf) accessed on 8th May 2017

This manager understood the Youth Service's frustrations, but equally stressed the importance of 'getting it right'. The alternative was having to pay back funds which for any VSO was a huge risk, in particular when services to clients had already been delivered. (For changes in payment methods, see also chapter seven).

Although in securing ESF funding totalling £264,700 (Table 5.1), the Youth Service had been able to expand its support for unemployed youth, the conditions attached to this money had in reality hindered the social value which the Youth Service sought to achieve. It was hindered to the point that this source of funding was declined and would not be considered for the future of the organisation, even if it were still available.

8.3.3 Philanthropic agencies

As Table 5.1 of Youth Service funders illustrates, from 2010 to 2019, the Youth Service had received funding from a variety of philanthropic agencies. The most significant of which has been the Big Lottery, totalling £812,174. Staff all agreed that the Big Lottery was a very accommodating funder. Staff and partnering organisations felt that philanthropic funding bodies were much more accessible and understanding in terms of appreciating the challenges experienced by the voluntary sector.

There were four key advantages revealed during fieldwork, associated with this form of funding. The first was funder flexibility. From the offset, the application process to receive philanthropic funding generally involved the VSO deciding on the outcomes it wished to achieve. Although these outcomes need to be within the guidelines of the nature of the funding, the precise delivery methods were left to the VSO. This is in direct contrast to ESF/Government funding where the organisation is more prescriptive and requires the VSO to meet set outcomes already defined by the funder.

The Youth Service Manager, appointed in 2010, shared her views on what philanthropic funding had meant for the Youth Service:

'Big Lottery Youth Fund 2 enabled us to have a young person focused project. It was health and wellbeing, positive and supportive networks, basically (happy) and healthy relationship, having a voice and being part of the community. It allowed us to work with young people in such a flexible way that only the Big Lottery really allows. We were able to work out what the themes were and it wasn't again about what young people always wanted it was also about what they needed' (Youth Service Manager, May 2016)

This quote encapsulates the flexibility afforded by philanthropic funding. The ability to respond to changes which occur and tailor services to continually meet the needs of unemployed youth, promoted relevant and more sustainable outcomes. The second advantage associated with this funding was that it was perceived as being more consultative. Philanthropic agencies appeared interested in the voice and opinion of the Youth Service as a support service they funded. Staff felt these agencies appreciated the specialisms found in the voluntary sector and were keen to tap in to their experience and expertise.

'I think something like Big Lottery Fund are generally very reasonable in their approach. So, I was at a meeting last week actually. A forum of lead partners, about 15 of us were invited to a meeting with the Big Lottery Fund to (feedback), which was really useful as they consulted our views. They were keen to understand and learn from our experiences as front-line delivery agencies. With a fund like European Social Fund, which is obviously managed out of Brussels we don't have any opportunity to interact with them' (Partnering VSO Organisation Manager, January 2018)

The Youth Service staff were very proud of the expertise and experience amongst the team, being clear that, in their opinion, they were best placed to advise on the needs of the young people they supported as they were directly involved in their clients' lives. The fact that philanthropic agencies were seen to appreciate and value this, was very welcomed.

The third positive observation surrounding this funding, in direct contrast to ESF/Government funding, was that it involved proportionate administrative expectations. Because philanthropic funding was deemed more accessible, there

was general consensus that the resources dedicated to the Youth Service administration was proportionate to meet these funder requirements. Children in Need was also mentioned frequently as another example of an accessible and considerate funder.

'Philanthropic funders have realistic expectations and understand that the VSO in question is best placed to advise on what they can realistically achieve. Being realistic on what the voluntary sector can deliver, is the key to an empathetic funder' (Partner VSO Service Development Manager- December 2018)

This Service Development Manager, who work closely with the Youth Service had worked in the local voluntary sector for the past 20 years. She referred to philanthropic agencies as 'empathetic funders', reflecting the views of other staff interviewed.

The fourth advantage was the fact that this funding supported soft outcomes. In relation to youth unemployment, soft outcomes are outcomes from training and support or guidance interventions, which unlike hard outcomes, such as qualifications and jobs, cannot be measured directly or tangibly. Soft outcomes may include achievements relating to: interpersonal skills, for example social skills and coping with authority; organisational skills, such as personal organisation, and the ability to order and prioritise; analytical skills, such as the ability to exercise judgement, managing time or problem solving, and personal skills, for example insight, motivation, confidence, reliability and health awareness.

Appendix 8.1 presents extracts from the 2015 contractual agreement between the Youth Service and Talent Match, for the Youth Service to deliver a course funded by the Big Lottery. The course outcomes (listed under section 4 of the document) require evidence of soft outcomes, as they refer to how the participants feel. Staff argued that only philanthropic funding facilitated these soft outcomes, providing the foundations for working towards hard outcomes and thus deemed soft outcomes worthwhile.

'I think probably the closest that you'll have had at Support Society to an effective funder is Big Lottery. I think Children in Need, once you can get the funding

from them can be flexible. I think in my previous roles Esme Fairburn is really good and really flexible as is Henry Smith' (Current CEO, January 2018)

Philanthropic funding was seen by staff as highly competitive. However, when successful, it was by far the most desirable source of funding and much more in tune with the way the Youth Service sought to perform. However, as Appendix 8.1 demonstrates, philanthropic funding was still very professional and target-orientated when it came to payments. The shift to market orthodoxies had clearly integrated targets into performance management (as identified in chapter seven). Appendix 8.1 shows (Section 1) how payments for course delivery by the Youth Service were made in two instalments and entirely based on participants' attendance. This raises questions. If participants fail to attend, staff costs still need to be covered.

8.4 Running Costs

Running costs at Support Society covered regular budget headings such as salaries, heating, lighting, rent, transportation, etc. Under the agency's financial report for 2015/2016, Support Society income was £2.2m but expenditure was £2.27m. For the financial year 2016/2017, the total income was £1.97m with an expenditure of £2.03m. The organisation's fund balance on the 31st March 2018 was £1,731,698. Appendix 8.2 evidences bar charts from Support Society records on the Charity Commission website and illustrates its financial history from March 2014-March 2018 in terms of income and spending. As the bar charts show, in 2014 the spending against income was lower. However, in 2016 and 2017, the spending increased to above the generated income. This reinforces the view that growth and expansion have direct costs, which will be considered further in 8.4.1.

In 2000, Support Society registered as a corporate entity, a trend which many VSO have followed (Porter and Krammer 2011). One member from the board of trustees explained how this was a strategic move. It meant that the organisation could own property, which was directly relevant to its supported accommodation work stream which helped young parents with assisted living. It also meant that as a limited company, only the organisation was liable for its debts and that the board members were protected by limited liability. As a charitable company, Support Society was required to submit accounts on an annual basis to both Companies

House and the Charity Commission, and must also comply with
both charity and company law. The board member was mindful that the implications
of this development also added to pressures on staff time. Companies House online
holds financial records for Support Society dating back to 2001. Appendix 5.1
illustrates that on the 31st March 2001, Support Society had funds of £322,128 with
staff costs of £245,151. These figures include salary, social security and pension
cost. Although it is important to note that these figures do not account for any
inflation or the declining value of the pound sterling following the financial crisis.

However more recently in March 2018 the staff salaries cost for Support
Society were £1,289,191 and £1,512,280 in 2017. Appendix 5.1 demonstrates that
the changes Support Society has experienced over the past two decades, has
clearly escalated their running cost, in particular, staff costs which are often any
organisation's biggest expenditure. There was constant pressure for the organisation
to secure funding for running costs. The Manager of a partnering VSO was
interviewed for the fieldwork. He had been working with unemployed youth for the
past 14 years and was a qualified youth worker. His thoughts on running costs were:

*'The biggest challenge for the voluntary sector is funding, covering the funds
required to maintain a minimal service. The core offering of any VSO has become
harder to fund, as the focus has now become on specific project work. For example,
if we secure money for outreach work that is great, but we then need to still secure
funding for the drop-in sessions we have provided for years on site. There are
operational costs such as management which are required to meet governance, but
funders do not necessarily want to pay for this'* (Youth Service Manager, Partner
organisation, January 2018)

This quote demonstrates the identity of a 'minimal service' or core services,
which became a key theme when staff were questioned about running costs. The
ability to meet basis costs to survive, i.e. core services, was deemed one area of
running costs, then securing additional funding to be able to develop on these
services another. Grants traditionally automatically funded core services (see
Chapter seven), however the introduction of contract culture put an end to this
entitlement. It was noted that resources were now required in order to help secure
funding for both core services and new services.

8.4.1 Costs of expansion

Alexander (2000) wrote that VSO needed to be concerned about the pitfalls of unplanned expansion, as much as worrying about not being able to survive. During the start of fieldwork, the organisation had a CEO who had been at the helm since the agency's creation. This provided an invaluable insight into the expansion of the organisation based on his experiences. Equally, as he retired during fieldwork, the study was able to explore the difference in individual approach between those who lead a VSO such as Support Society. The Director of Operations spoke of the transition from former to the current CEO.

'I think it does matter who's at the helm, when *** was here there was consistency. You know he was well known throughout the city for a long time, reputation is the new currency isn't it. But +++ coming along you know is also very good, because its new blood. It's a fresh pair of eyes, she has got what it takes. *** era was in the old voluntary (sectoring) days, where +++ is in the new if you like. She is more business minded, more about to focus on finance and the planning around that' (Director of Operations, December 2017)

The former CEO referred to running costs as 'central costs/central income'. Then, whatever funding was left - after running costs were covered - was money he categorised as being required for 'developmental stuff'. By 'development stuff' he was referring to all activities which could make the organisation more efficient, such as marketing. In his view, this also included increased use of IT and a more advanced database system, which could capture funder reporting requirements more effectively. This need for more quantitative data to present to funders was a key funding change (expressed by staff in 8.2). Support Society was keen to embrace technology (see appendix 6.7) and the recruitment of a Communications Officer in January 2018.

The former CEO's view about the strategic direction of the organisation was heavily weighted towards growth and expansion, as this would result in greater revenue/running costs, which in turn would allow Support Society to generate the funds required for development work. The risk, in his view, of not growing financially

was that the organisation would remain stagnant, with lack of opportunity for this crucial development work to happen:

'Support Society has an annual turnover at the moment of just a touch over two million, that lands us in a funny place size-wise. In terms of what central costs can pay for, something nearer four million as a turnover would be a much healthier size. As a rough and ready thing if you said for every 100 pounds you spend 80 pounds on staff and 20 pounds on everything else roughly, you can do the maths of what one million attracts for you, it attracts about £200,000 so it's £400,000 for two million' (Former CEO, May 2016)

This quote helps illustrate that running costs for Support Society was a complex issue. Intertwined within running costs was the resource for development activities. The proportion of income dedicated to running costs determined the level of additional activities which could take place. NPM stresses how the use of the voluntary sector is more 'efficient' as it allows more money to directly go to the provision of services. However, the former CEO showed VSO equally require funds for development work. The organisation needed to secure the funds to conduct the level of developmental activity required to remain relevant, which all posed cost implications.

The current CEO of Support Society came in to post September 2016. Her previous role had also been in the voluntary sector. In her previous employment she had programme management experience with young people and NEETs, setting up programmes that were outside school provision. The current CEO was therefore well versed in the issues affecting unemployed youth. In her own words in her first year as CEO she:

'I basically undertook an organisational review which completely changed the structure of the organisation. So, from being a very flat structure as in a chief exec that line manages all of the managers, we now have a more business-like structure, where we have a director of finance and resources and a director of operations who line manage the staff that sit underneath them. Since that's been in place, I've been working on developing the strategic plan for the organisation, which will be a three-year plan, starting to unpick exactly what is unique about Support Society. I've been

very transparent with the board around this as this is my particular approach to business planning and how I do financial management. Support Society will no longer pursue any funding unless it directly relates to our strategic plan and if this means services will be lost then we have to accept that as the reality' (Current CEO- January 2018)

The stark difference in approach and vision for the organisation, between both CEOs was apparent. One adopted an expansive approach prioritising financial growth and expansion and the other advocated targeting work directly aligned to the organisation's strategic plan (Appendix 5.8) which she had created in consultation with all staff. The challenges VSO face when striking this balance was highlighted by existing literature in 2.8, where NPM pressures impact upon VSO mission, resource acquisition, governance, staff management and their organisational values (Kiwanuka 2011).

Although the current CEO had made substantial operational changes, her direction was largely appreciated by staff. The Director of Finance and Resource showed how the changes had personally affected her positively:

'It has helped that we restructured and have a new CEO. When she came in, she was like, you work part-time and I said yes but do more hours than I am paid to do. It needed to be a bigger role and she saw that. I have got much more back office staff now, so we now are a finance team with 3 full time rather than just me, have admin and HR team and facilities and maintenance team' (Director of Finance and Resource, November 2017)

With regards to budgets, it is apparent that staff expansion has resulted in increased running costs for Support Society. For example, as the quote illustrates, the finance team alone grew from one 25 hour-per-week worker to three full-time staff. This expansion in the number of administrators, which raised staffing costs, created a contradiction as this also created problems for funding bids. Support Society were already struggling with being able to cover all staff time to deliver contracts. The employment of additional administrative staff added to this burden but was deemed necessary to meet funder demands. This created a vicious circle in the sense that Support Society could not operate efficiently without the additional staff,

but in doing so they adversely affected their budgets and increased pressures placed on the organisation to secure additional funds to cover these associated costs. This is a prime example of how NPM reforms had influenced the performance of the organisation. As the pre- and post- restructure organograms (Appendix 5.2-5.7) demonstrate, new roles such as Communications Officer and Monitoring & Evaluation Officer were also created which directly contributed to this conclusion.

The current CEO appeared highly aware that her decisions had budgetary consequences for the entire organisation and which she needed to both consider and justify. She referred to Support Society costings in terms of unit price.

'In terms of getting down to a budget, you know another organisation they pay their staff five grand less than you pay your staff. So, you know their unit cost will come in less than yours. You really do have to sit down and go, what does that mean, we know we're not going to cut staff salaries, we know we don't want to lose the training budget, where else can we make savings that means our unit cost is competitive. I do think about things in terms of unit cost, that we don't come in too much higher. I think you would find talking to my frontline staff now, a year or so into me being their chief exec, they would say to you Support Society is way more business-like now' (Current CEO, January 2018)

This study concluded at a time where there was a stark reduction in the Youth Service at Support Society from 2015-2018 (Appendix 5.7) and the organisation was reverting back to its mission and aims to help guide its future. Whether this meant funding for other youth employability projects would be explored and was up for discussion. There was a sentiment that the organisation had lost sight of its specialism. The current CEO, although seen by staff as being much more 'business like', a trait widely attributed to NPM, wanted to refocus and return back to what made Support Society a unique VSO. Her approach therefore was arguably contradictory and somewhat unique, to what would typically be expected from a manager or CEO operating under NPM reform where survival at any cost becomes the norm (Carter and Whitworth 2015).

8.5 Funding Challenges

The Youth Service felt there were many funding challenges associated with the changes they had experienced, in their endeavour to fulfil their mission statement and support young people with employment. There was a shared view that the voluntary sector needed to be agile and adapt accordingly to these challenges, if they were to have any chance of surviving. Even though both CEOs had different visions for the future of the organisation, they both agreed that in order to meet the increasing funding challenges they had to be creative in delivering 'more for less'.

'I'm assuming that those pots of money which are still available, will be smaller so they'll be looking at us to have made changes around how we're gonna deliver more for less. I guess my concern is that I will look at them and go actually this isn't viable for us, full stop. The money available for what they want isn't enough, their expectations around what's gonna be delivered are too high, they only want organisations of a particular size we can't even (bid into). So, I've certainly got concerns around that and funding challenges are a real worry for me' (Current CEO, January 2018).

The fieldwork established that the current CEO, who had been referred to by other staff as 'the new face of Support Society', was very bold in her stance about the future direction the organisation would take. She argued that Support Society would not compromise its identity just to survive and that funding opportunities had to be realistic. Equally, she was honest about the fact that the challenges surrounding funding were a huge concern for the organisation.

8.5.1 Financial uncertainty

As discussed above (8.3.1) under austerity and local government cuts, Coventry City Council has made substantial budgetary reductions to their external providers, which has directly impacted the cities voluntary sector. The Youth Service commissioner from the local authority spoke about how the funding uncertainty required everyone to work differently:

'Years of austerity means that funding for public services has reduced which inevitably means that services provided have to be re-aligned and we all have to work differently. In the current climate, it is important for the voluntary sector to re-evaluate how they operate particularly as there are fewer opportunities for grant funding. I think that VS are 'savvy' to what they need to be doing and looking at different ways to generate income' (Commissioner, January 2018)

Being 'savvy' in generating income and diversifying their funding model was something Support Society was found to be actively prioritising, to help address the financial uncertainty they faced. Staff spoke about training they were accessing to help generate income from avenues they had not previously explored as it had not been required:

'Obviously since Brexit it's unlikely that we will get any more European funding. So, this week I have been on a social finance workshop and in January I am just booking to go on a crowd funding workshop, so it is trying to identify what other funding is out there for us to continue doing what we know our service users want us to do' (Director of Finance and Resource, November 2017)

The financial uncertainty facing Support Society had prompted management to explore other avenues of funding, which had not necessarily been required in the previous 'grants culture' (see 7.4). The changes in funding environment and lack of security was understood by staff to be a real test.

8.5.2 Short term contracts

Another key concern for the Youth Service that came hand in hand with funding changes was the nature of short-term contracts. Table 5.1 identified how the longest and average duration of funding at the Youth Service to support unemployed youth was three years. The shortest youth project they had delivered was for the DWP and lasted only 6 months. The general view was that 2 or 3-year funded projects had become the norm, which limited the amount of social impact and performance the Youth Service could achieve with young people. Also, that an effective exit strategy which considered sustainability for the young person after the

contract had ended was considered a key responsibility. However, due to limited resources this was not always possible.

The impact of short-term contracts on individual staff and their employment with the Youth Service also came up during interviews. The Youth Service appeared to employ staff to deliver a specific fixed-term youth project. However, there were grey areas to contracts especially after funding ceased. The Deputy Youth Manager, who was a qualified community and youth worker with a Masters in Youth Work spoke of her experience:

'During my interview it was (very clear) from the job I was applying for and from the job description, it had (name of project) ESF all over it. It also said that this project was funded until July 2018. However, it was advertised as a permanent job that I applied for, so in my interview I was like how does that work? Support Society response was that they try and keep their staff as pots of money come in' (Deputy Youth Manager, January 2017)

Her experience showed the complications of short-term contracts from a human resource perspective and the lack of long-term employment stability. Although, during her particular recruitment process, Support Society had attempted to offer her more long-term employment. She felt that, if this meant working for different work streams other than the Youth Service, this would not fit her own personal career aspirations. The nature of short-term contracts not only impacted the support on offer to unemployed youth, but also placed the Youth Service in a difficult position to recruit and retain experienced and competent staff.

8.5.3 Need for Innovation

Appendix 5.8 illustrates how the first strategic objective of Support Society Strategic Plan is: 'service users experience relevant, innovative services'. The third value listed in Support Society set values was: 'Innovative. Support Society will continually improve what they do by adopting new ideas and partnerships and by adapting as the world around them changes'. The need for innovation was expressed as a final common challenge during interviews in relation to funding. The Youth Service felt there was a continual pressure for them as a VSO to be perceived

as innovative. The rules of funding often placed a strong emphasis on innovation. Staff spoke of funders not 'funding the same old same old' and constant need to bring new project ideas to secure funding and remain competitive. This posed a challenge for staff, who felt they really understood the needs of unemployed youth but were tasked to keep repackaging them in new ways. The former CEO referred to this endeavour as 'innovation for the sake of innovation' and explained how in his opinion innovation had become a buzz word with very little substance.

However, on the opposing side, there were also some staff who welcomed this challenge. Front-line workers still felt there were opportunities to find new creative ways of working. This was to sustain support for young people where needed. Although they agreed the challenge here was to maintain creativity, they felt that the pressure to do so actually pushed them to think more imaginatively, especially around the ways in which they were delivering services, so that they remained interesting for the young people. The staff were keen to explain this endeavour was far easier when funding was secured from less stringent and less target driven funders. Chapter seven has already explored in greater depth, how innovation and competition had influenced the performance of the Youth Service.

8.5.4 Financial risk assessment

Risk assessment is a term used across sectors to determine the likelihood of external and internal factors impacting upon an organisations success. Whilst considering the funding challenges detailed above, it is also helpful to detail the measures an organisation can adopt to help identify key risks. Hopkin (2014) looked at case studies from both the private and public sectors to determine the different types of risk organisations face. The main risk relevant to the Youth Service was financial risk. As appendix 5.9 illustrates the Youth Service at its peak had generated £261,555 in 2016 but this had fallen drastically in just two years to £125,836 in 2018. Figure 8.1 demonstrates the percentage of income the Youth Service provided for the organisation as a whole, just before and during the fieldwork of this research from 2014-2018:

Figure 8.1- Youth Service income in comparison to Support Society total budget

Year	Youth Service budget	Support Society total budget	Youth Service contribution to total budget
2014	£56,159	£1,424,553	4%
2015	£175,871	£1,610,033	11%
2016	£261,555	£1,655,632	16%
2017	£258,028	£1,585,066	16%
2018	£125,836	£1,731,698	7%

(Source: Support Society Annual Reports)

The table evidences how, even at its peak, the Youth Service's in 2016 and 2017 only accounted for 16% of the total income at Support Society. Whilst this was a significant increase from 4% in 2014, it was still a relatively low contribution. This indicates that, in comparison with the two other main strands of work at Support Society, namely domestic abuse and young parents' services, the Youth Service overall generated less income for the organisation. Resource dependency theory would argue this results in the other two work streams being given priority and greater attention, as the organisation is most dependent and reliant on their associated funding to survive. This point could be reinforced by the subsequent closure of the Youth Service, which will be discussed more widely in the concluding chapter.

8.6 Conclusion

This chapter has considered how funding changes have influenced the performance of the Youth Service. The changes experienced have clearly influenced the orientation of the organisation as a whole, from both a strategic and operational level. The voluntary sector model has always needed to raise funds in order to survive, making funding a continuous challenge for the Youth Service. However, the

research found a strong view that these challenges have got progressively more difficult in the context of funding cuts and increasing competition.

The influence of NPM's 'efficiency drive' (which requires more evidence of actual impact to justify funding) has generated various funding challenges and rising running costs, i.e. staff costs, which were an inevitable consequence as staff were needed to address these challenges. The fieldwork established that the topic of funding is complex and varied, especially as the Youth Service was accountable (chapter six) to a variety of funders, each having their own requirements.

Since 2010, the Youth Service had not only worked with unemployed youth because this area of government activity was well supported and the agency wanted more funding, but also because it needed money to enable it to support unemployed youth. This reinforced the research interest in the Youth Service and further explains why it was the chosen case study. Furthermore, during the write up of this thesis in 2019, the Youth Service dwindled to become almost non-existent, illustrating at first-hand the significant challenges the Youth Service had faced in supporting unemployed youth as a VSO provider. Moving forward, the desire for Support Society was to secure funding to enable working with clients in a fashion that remained true to its mission and values (see chapter five). When exploring research question three, one of the interview participants stated:

'The voluntary sector would not chase funding if it was not genuinely passionate about their clients. Organisations such as Support Society do not just jump on the funding band wagon, but it is very much targeted in relation to whom they feel they could best support. The voluntary sector resources are targeted and they are motivated by where they feel they could make a difference' (Director of Policy and Partnership, May 2018)

This quote demonstrates the duality of the Youth Service being motivated by money in its necessity to operate, but equally having the genuine passion to support unemployed youth in the first instance. Consensus was expressed that an 'intelligent way of funding' could be found, where the funder appreciates the specialism of the voluntary sector, allows autonomy to be flexible and lets the organisation lead on delivering services to young people without excessive restrictions. However, the

experience of the Youth Service, especially whilst delivering VOICE Coventry, was that the rigid nature of funding attached to employability programmes, which focuses solely on economic outcomes, was increasingly difficult and unrealistic for the clients they served.

Finally, despite the adverse funding changes experienced by the Youth Service, there was also some optimism surrounding the future. The Chair from the board of trustees at Support Society summed up this view:

'For VSO who can adapt, see where the market is heading and innovate in a way that meets specific needs, there is a bright future. The voluntary sector has always lived a hand to mouth existence, but that often works in its favour as it does not have the luxury of being complacent. The voluntary sector needs to be agile if it is to survive especially in the competitive environment it now finds itself in' (Member of Board of Trustees, January 2018)

This research found that staff were well aware of how funding changes had impacted their strategic vision and operational delivery. In particular the points where, additional staff were recruited to address performance management at additional expense. This posed real contradictions for the organisation who tried to lower costs, as envisaged under the main aims of NPM reform. Support Society's desire, as a VSO in 2019, was to revisit the agency's values and develop strategies underpinned by those values. Kiwanuka (2011) recommends this is wise for any VSO which desires longevity and refers to this as a 'goal, mission and organisational independence audit'. The next chapter will bring together all the discussion points from the three analytic chapters and deliver concluding remarks about the context in which the Youth Service was found to operate.

Chapter Nine- *Discussion and Conclusions*

9.1 Introduction

In the summer of 2019, as this thesis was moving towards its conclusion, the CEO at Support Society took the decision to close the agency's Youth Service, the primary focus of this research and central to the agency's activity. Whilst the Youth Service did not formally come into existence till 2010, it is important to acknowledge that, as identified in chapter five, Support Society had worked with vulnerable young people from its origins in 1977. It was this long-standing history and experience which crucially informed the context and evolution of an official Youth Service. Support Society exercised strategic choice in the closure of the Youth Service, as a direct result of an increasingly constraining operational environment. This decision illustrates two key points explored in this chapter. Firstly, how organisations adapt in the context of changing environments, and secondly, the weaknesses of NPM as the voluntary sector, unlike official state providers can always refuse to take on a contract or terminate contracts prematurely. This is a crucial fact that is rarely explored or considered by NPM's advocates.

In future, Support Society would focus its energies on other community issues with which it was also involved, namely domestic abuse and young parent services. It is important to note that such decisions are not made in a vacuum. This change of focus can partly be explained in terms of the CEO's own area of expertise and previous experience prior to her recruitment to lead Support Society. This was a prime example of an individual's motivations driving change and the behaviour of VSOs. However, she explained the decision in terms of the desire for Support Society to remain true to its mission and social values. This conflict between voluntary sector social values and contractual demands to meet pre-specified targets form the focus for these conclusions. The appointment of the current CEO during the fieldwork (2016), after the former CEO retired having been with the organisation for 40 years, provided an interesting dimension to this research. Especially in relation to changes in leadership, as the strategies of both CEO's was very different and understanding motivations at organisational and individual levels.

Chapter one identified how subcontracting services extended the scope of voluntary action in an attempt to help fill gaps in state social services. The Wolfenden Committee Report (1978) played a key role in identifying this relationship, where the state levelled up provision and spread it to sectors which needed it most. This was seen as an advantage of state-controlled funding, as opposed to the alternative where the voluntary sector is entirely self-directed and could potentially unevenly represent social need. The findings of this thesis have reinforced that critical analysis of the voluntary sector is required, which includes questioning the motivations of individual and organisational charitable endeavours. When asked what motivated Support Society to become formally involved in youth unemployment initiatives, the general consensus from interviews was the desire to help but also a consciousness that significant funding was being made available to support this undertaking. This chapter will critically discuss the idea that the closure of the Youth Service was driven by key agendas and the internal and external influences which played a part in its demise.

Within the context of external influences, it is also important to note that the austerity programme, starting in 2011-12, resulted in many changes and challenges for VSOs. All three analytic chapters have evidenced how austerity measures have been one of the key external markers for change within the Youth Service. Chapter four highlighted the impacts of recession on youth unemployment, whilst chapter six identified how, during austerity, the need becomes greater and how VSOs were called upon to take a greater role in addressing this increasing need. However, chapter eight outlined how local authority cuts were significant (cut of 10% to Support Society annual income in 2016) and how government agency cuts transferred to VSOs and thus bore the brunt of public expenditure reductions. This research has provided evidence about how this created internal pressures for the Youth Service and funding challenges for supporting unemployed youth.

The decline and eventual disappearance of the Youth Service, in the course of fieldwork provided a unique opportunity for this research to develop a practical critique of the changing environment in which VSOs operate. Chapter two identified how NPM emerged to replace the traditional model of public management during the 1980s and 1990s in response to the latter's apparent inadequacies (Hughes 2003).

The adoption of a case study approach of a VSO Youth Service in Coventry, enabled an analysis of how changing operating environments transform the voluntary sector by redefining the accountability of providers, by introducing market competition and by changing the means by which providers are funded.

This chapter will first review the preceding chapters with specific reference to the research findings, identifying key themes that emerged during the study. It will then move on to explore these themes, to examine the impacts that internal and external pressures had on the Youth Service at Support Society, making specific reference to the outcomes this revolution in service delivery was, in principle, expected to achieve. The chapter asks whether the advent of NPM has hindered Support Society's ability to offer services to disadvantaged youth. Finally, having identified the need for further research in this area, the conclusions will identify how the experience of Support Society in recent years illustrates the problems posed by introducing business principles into the voluntary sector, as the latter became increasingly involved in the delivery of public services. The implementation of NPM shifted the balance between external stakeholders and the organisation's Youth Service, creating conflicting demands upon the social values which Support Society represented.

9.2 Development of the research

The opening chapters of this thesis (section A) established a framework for the study and reviewed academic literature documenting the adoption of NPM strategies, designed to bring about positive changes in the public sector by improving public service delivery. The theoretical chapter demonstrated the close links between neoliberal ideas about the role of the state and the introduction of NPM. It also outlined the key contributions made by organisational theory, which shows how organisations and their environments operate in a symbiotic relationship (Aldrich 1979). The final introductory chapters offered a background to Coventry and the youth unemployment problem. It also documented the origins of Support Society and its work. These early chapters set the scene, established the focus for the study and drew up the three key research questions.

The following three chapters (section B) described the main findings. The first examined how increasing demands of accountability, especially from funders, provoked complications and contradictions. Much of the burden of increased accountability at the Youth Service stemmed from the sheer number of stakeholders to whom Support Society was obliged to report, in comparison to when the agency was first set up in 1977. At the start, accountability was primarily towards clients, but subsequently shifted more towards funders and their requirements. A macro organisational perspective on the Support Society Youth Service, explains how it attempted to meet the increasing demands of its environment and stakeholder expectations. Prioritising the demands of funders over all other stakeholders demonstrates how the focus on funding had become dominant and reshapes the processes and decision-making within the organisation. Evidence of organisational adaptation (Miles and Snow 1978) where an organisation positions itself to adapt to different environments, characterised both the Youth Service and Support Society as a whole.

However, the emphasis on a social return on investment and payment by results, created additional pressures on the Youth Service and had a detrimental effect on the services the young people received. The chapter provided a critical account of the contribution of the Youth Service, as the support on offer was essentially not of a standard which the young people required. This finding raised a very interesting point as NPM was first developed with the object of increasing customer satisfaction through the provision of greater choice. There was increasingly less evidence that suggested client choice was considered to be important in the delivery of Youth Services. These findings provide an updated critical analysis of services delivered to unemployed youth by VSOs, who are widely thought to be able to allow a greater degree of client choice. This research highlights the pressures and challenges the Youth Service faced from within the sector itself. The researcher found it interesting that, even after operating in the voluntary sector for over a decade, she had never really understood or appreciated the different dimensions of those pressures and the intricacies involved. This research provides an insight into how NPM reforms can recast meso-level management of VSOs, notably in the context of ever-tighter financial constraints on public budgets.

Hudson (2005) argues that the voluntary sector is over regulated, especially in relation to funder expectations. The information gleaned here about the Youth Service supports this view. In particular how the resource implication and staff time required to fulfill funder-imposed monitoring expectations was seen to be disproportionate. Chapter six demonstrates the tightening of managerial discipline thanks to the rising control of funders. Interviews at Support Society confirmed that funders' expectations had been increasingly prioritised over the needs of the clients since 2010. Miller and Friesen (1984) highlighted how different strategies adopted by organisations towards their environment lead to comparative success or failure. The journey of the Youth Service at Support Society and the outcome of its eventual closure provides an interesting case to explore this theory. By focusing on funding, the Youth Service prioritised time and resource over face-to-face hours with clients. If we are to accept the strategic choice narrative, notwithstanding the importance of funding in service survival, this was a conscious decision made by the Youth Service and could ultimately account for the demise of the entire service. Yet Support Society retained agency and only chose to withdraw from the Youth Service provision. This research has been able to provide a contextual update of the constraints and challenges Support Society faced and in particular those which resulted in this decision.

NPM performance management strategies tightened accountability by imposing predefined targets and only some, specific outcomes and outputs were considered valid. For a VSO that worked with some of the most vulnerable young people in the community, this approach proved highly problematic for the Youth Service. Support Society experienced acute difficulties in achieving its mission, including who funders agreed they could actually support and what elements of that support would be financially compensated. The Youth Service wanted funders to acknowledge the social value they aimed to create, this included a greater appreciation of the 'soft skills' and 'softer outcomes' (chapter six) they were able to achieve, which in their view had greater value and meaning for the young people they supported. The need for sustainable outcomes was also reinforced by the Youth Service, but how this was increasingly difficult with the nature of short-term contracts.

The Wolfenden Report (1978) identified the freedom for VSOs to intervene where they choose, or to abstain, as a key weakness of the sector in public service provision. Should the voluntary sector be left to their own devices, this was identified as a key criticism. 'This degree of autonomy could result in a detrimental under or over representation of support for diverse vulnerable groups within society' (1978:190). The report also noted the inherent appeal of some causes over others. This criticism remains applicable to the journey of the Youth Service at Support Society. Theory on organisational power helps us to analyse how, when changes occur in the political, social and economic environment, these have an impact upon an organisation and encourages the questioning of who has the power to decide what happens. Whilst youth unemployment has been a long-standing priority policy area and has attracted significant funding, there was clear evidence (explored more widely in chapter eight) that financial uncertainty guided the decision making at Support Society to deliver certain work streams over others. By choosing to prioritise domestic abuse and young parents' services, the abandonment of a Youth Service demonstrated how Support Society retained agency. The twin influences of NPM and austerity offer two perspectives on these environmental strategic changes.

The second findings chapter focused on the dilemmas Support Society experienced consequent on an increasingly competitive environment and contract culture. Strategic contingencies theory (Hickson et al 1971) helped explain why the Youth Service was increasingly forced to react and adapt in ways dictated by the external environment. The introduction of competition and contracting for the Youth Service in the context of growing austerity offers a prime example of this shift in power. NPM promotes efficiency through competition, on the assumption that market forces generate the best product at optimal price. Armstrong (1992) argues that, as a result of competition, the voluntary sector has become increasingly business-like, forcing a professionalisation of service. This study found ample examples where Support Society had adopted business strategies (as detailed in 7.4.2). It also established that the practitioners were aware of this shift towards private sector practices and of the pressures which influenced this shift. The research identified the real impacts of the change from grants to contracts on the infrastructure of Support Society (as found in 7.4). The loss of grant funding left Support Society in a very vulnerable position, as demonstrated by the journey and decline of the Youth

Service. Competition also changed the realities of partnership working, which (as section 7.6 showed) became increasingly less amicable and co-operative, thanks to a competitive market place. Although, NPM advocates would like to suggest that market competition generates positive results the journey and experience of the Youth Service indicated otherwise.

Finally, the third main area of investigation concerned funding changes and their impact. Pfeffer and Salancik (1978) argued that, when an organisation becomes completely dependent upon its environment for survival, total dependency grows, corroding autonomy. The journey of the Youth Service, especially over the past decade, clearly demonstrates an increase dependency on its operating environment especially in relation to securing funding. Far from guaranteeing that more resources could be dedicated to the benefit of clients, as NPM advocates claim, funding at the Youth Service was diverted to administrative processes, such as bidding, reporting and monitoring. All these requirements were necessitated by changing demands of the operating environment. In practice, this actually resulted in increased costs. In order to meet the various funder requirements, the Support Society administrative team, or 'back office' as the current CEO called it, grew significantly as new roles such as monitoring and evaluation were required. Staff time was being reallocated to meeting the demands of stakeholders, which was counterproductive to the aim of ensuring that maximum resources were allocated to support unemployed youth. Funding changes also resulted in Support Society facing mission drift (explored in chapter seven) as a means to secure increasingly competitive funding and guarantee future survival.

The final element in funding changes and their impact, concerns the way the shift from grants to contracts forced short-term staff appointments. The Youth Service, a staff of 10 in 2017, had almost disappeared by the end of the following year. This decline demonstrates the speed at which changes occurred at the Youth Service, attributable to the drawbacks of short-term contracts (Lane 2009). The Youth Service at Support Society was a prime example of the problems resulting from the temporary nature of funding and the impact of short-term contracts consequent on a market-based model of operations. The thesis presented evidence that showed how staff contracts became contract specific and time constraints on

funding targets tightened. This raises issues around sustainable outcomes. Staff job insecurity, a result of short-term contracts, directly created a lack of consistency for the Youth Service clients. Whilst it had been extremely difficult to separate the research questions as they were significantly interrelated, the next section will relate the findings of this research to NPM in theory and in practice.

9.3. NPM in theory and in practice

This research investigated how the implementation of NPM shifted the balance of power between external stakeholders and the organisation. It also demonstrated the way in which earlier values were undermined as corporate practices were introduced. Advocates of NPM claim that competition lowers costs for public bodies who contract out services, increases efficiency and improves service quality as it is focused on user needs (Hood 1995).

However, as Hood and Dixon (2015) argue, after three decades of NPM reforms, we have actually experienced changes that 'cost more, worked worse', stimulating higher costs and more complaints. Their findings, similar to those of this study, diverge from the dramatic expectations that were originally suggested. Hood and Dixon also call for more case study research to provide an accurate evaluation of NPM. This thesis makes a contribution here. This research found increasing competition had resulted in Support Society pursuing funding to support unemployed youth, inadvertently leading to a degree of mission drift and creating a drive for a specific type of increased professionalism as a result of the need to be more 'business like' to secure funding.

Even though Support Society had adopted private sector practices, such operational changes had failed to improve their effectiveness and exerted an essentially negative impact on the Youth Service clients. Chapter two detailed the pressures, already evident in existing literature, for VSOs to demonstrate tangible hard outcomes, while softer outcomes are largely ignored by funders (Alexander, Nank and Stivers 1999). This study found direct evidence of how NPM managerial structures threaten to destroy the strengths of VSOs, due to an insistence on measurable outcomes. This was highly problematic for Support Society as, by its nature, their client group were youths with complex needs. This research finding

presents an opportunity to reflect on what alternatives there are to managerialism through 'measurable outcomes'. In particular how the Youth Service would have benefitted from a re-evaluation in this process, which was inclusive of their specific challenges.

Greater research is required to help address what else could be done to ensure accountability of VSO especially to funders, in ways which complement and maximise social value. How else might accountability be imagined and what would that alternative need to look like? These questions were born from practical illustrations found from within the Youth Service. The NCVO (2016) directly attempt to address similar concerns:

'we believe that VSOs should produce more honest reports, drawing attention to strengths and weaknesses, both in terms of the organisation themselves and the environment in which they operate. Reporting is not simply a matter of presenting financial accounts, nor is it a public relations exercise; it is a means of engaging with their public and securing their support and consent' (NCVO 2016).

The NCVO suggestion is accountability structures which encourage the voluntary sector to embrace its successes and failures. Also, that government and other stakeholders need to support this learning culture and value transparency above 'winning and losing'. Another suggestion from the NCVO is that the voluntary sector make greater efforts to develop a more detailed understanding of the benefits of accountability and work to better inform what this means for VSOs in the 21st Century. They propose a collective statement to be included in all publicity and other materials, stating these accountability commitments and how they seek to meet the needs of beneficiaries.

Using the experience of the Youth Service at Support Society, this thesis updates the context in which VSO operate and the research advocates supporting VSOs in fulfilling their mission. Some suggestions on policies which could have helped make Support Society sustainable in its holistic approach to Youth Service include greater client consultation and representation on a strategic level to help inform the services on offer. The current CEO had expressed this as a key organisational and individual aim for the future. Chapter four highlighted how

unemployed youths are often seen as one of the most vulnerable of social groups and how Coventry City attempted to respond to the issue of youth unemployment. In the city, the voluntary sector was found to play a prominent role as part of the solution. However, the experience of Support Society Youth Service demonstrated the increasing need to consult with clients in a person-centred fashion, where engagement in consultation is made desirable. Another suggestion is adopting more personable techniques such as informal focus groups in age appropriate venues, with social activities taking place at the same time, as opposed to standard questionnaires to gather feedback.

Support Society struggled to construct a statistical measure of the soft skills in the support they offered. Furthermore, the requirement to hit targets encouraged the reprocessing of clients, referred to in chapter eight as the 'revolving door syndrome', in order for agencies to achieve specific targets. This distorted attention and resources towards those young people capable of meeting these demands and away from those who could not: a process that the Youth Service did not feel was particularly meaningful but was necessary for financial reasons. Reflecting on this process of 'selective working 'with young people, the participants said this was increasingly found in the voluntary sector, especially as austerity sharpened the pressure to meet targets. Further, the temporality of statistical measurement was a major problem that undermined the ability of the Youth Service to work in accordance with the organisation's mission statement. As shown in chapter eight, a young person could be placed in training or employment only to leave again after a few months. However, as the target had been met, the agency was no longer involved with that individual. The Youth Service's experience was that longer-term more sustainable outcomes were neglected within the NPM phenomenon, as were the multiple disadvantages many of their clients suffered.

The process of 'categorisation 'of clients, as NEETs for example, was found to impose a treatment of the vulnerable that did not necessarily get to the root of their problems or address their primary needs. An unemployed young person may be housebound due to the demands of a disabled family member, for example, and the provision of work offered no solution in such a case. The empirical evidence from the Youth Service suggests the need to be extremely cautious when categorising young

people. However, such categories were mandatory because they formed the focal interest of the funder. Therefore, the Youth Service was required to provide evidence of their contribution in terms of these categories in order to meet the requirements of adequate performance management. As noted above, monitoring requirements from funders redirected administrative hours away from fundamental tasks. This posed significant issues for the Youth Services' resources and staff capacity, where they constantly had to try and tailor staff hours to meet the differing monitoring expectations set by a wide range of funders. These are the types of internal contradiction that were highlighted in the analytic chapters of this thesis and which made Support Society's work with young people so challenging.

9.4 Loss of specialisms

Ketti (1997) argued that market driven approaches force managers to focus on customer needs. Competition in this sense is understood to be desirable as it pushes organisations to work harder and prioritise the end user. The findings of this thesis throw such a conclusion into question in the field of social service delivery. Benjamin (2010) stated that competitive pressures force an organisation to re-evaluate its mission and goals. This study found that Support Society clearly had its own mission, goals, culture and value systems of which they were very proud (see chapter five). However, Support Society had been forced to re-evaluate its strategy and devised the 2018-2021 strategic plan (appendix 5.8) to counter NPM pressures, encouraging the agency to revert back to the specialist services they once delivered.

A target driven environment and pressurised performance management created difficulties for the organisation in their endeavours to support vulnerable young people. As the original mission statement made clear (see 6.4), Support Society claimed to be more than just service providers; rather they sought to be an organisation that delivered meaningful, holistic approaches to their work with young people. The specialist services Support Society offered made them unique and different to alternative providers of youth employability programmes. The Youth Workers who were interviewed in particular were very keen to express how the young person was 'not just a number' but had individual goals and aspirations. They felt it was their job to assist the client to promote his or her life chances. However, it

was found that NPM reforms threatened both attributes of being more than just service providers and offering specialist services.

The origins of NPM are derived from industrial management and market structures (see 7.3) whose chief objective is to attract customers by generating efficient products at minimal cost. The language and priorities of industrial management have strayed into welfare services. The current CEO at Support Society referred to 'unit cost' when calculating the finances required to support clients. Various staff members had commented on how the recruitment of this CEO had resulted in a distinctively new organisational approach, strategically shifting towards more 'business like' ideology. However, there are implications that arise from this. The situation of the Youth Service clients was highly varied: the fact that none had a job cannot translate into similar treatment for all on the understanding that this will create common outcomes. The approach to clients which was embedded in the ethos of Support Society required a degree of flexibility of approach and variability in professional management that is not necessarily found in industrial mass production.

This research showed how the imposition of NPM in straightened financial circumstances produced internal conflicts within Support Society between what could be called a 'modern' vs an 'holistic' approach to youth work. Whilst the focus of this thesis was not directly on youth work, the strategies deployed to deliver youth employability programmes are relevant to understanding the different approaches. While holistic approaches are now often understood as old fashioned, the staff within the Youth Service were dedicated to this type of treatment in supporting young people. This approach seeks to promote the individual young person's personal and social development and enable them to have a voice in taking charge of their own future. Support Society in its vision, mission and aims promoted this way of working. The individual is at the heart of the service and addressing all needs in a person-centred fashion is key to the profession of social work.

However, in the period under review, Support Society became increasingly influenced by policy structures that were orientated towards specific and far narrower outcomes. For example, a target of DWP funding was to get the young people involved in a programme to reach job interview stage within six weeks of registration.

This posed real challenges for the Youth Service when working with the most vulnerable in society who often required far more extensive support. Examples were cited by interview respondents showing how some of the young people were unable to leave their homes, let alone go out to an organisation and attend an interview. The interview participants argued that some funders just did not understand the starting point of some of their clients. For someone who was unable to leave their home, an interview within six weeks was unrealistic. This pressure and time specific methods of working, resulted in the Youth Service progressively losing capacity to deliver in a holistic fashion due to narrow, target-based delivery that had to be achieved for funding to be sustained. These experiences, which undermined the Youth Service, were seen to be technocratic as such systems removed the chance of clients voicing their needs, in favour of funders' outcomes determining the course and nature of service delivery.

Le Roux and Wright (2010) suggest VSOs should adopt a range of performance measures to increase the scope of their strategic decision-making, as the current situation forces managers to justify their outcomes. Support Society claimed that they had a long-standing reputation of being able to deliver services to those most hard to reach. The field work ascertained that performance measures, especially those from official funders, were in fact hindering the sense of responsibility the Youth Service staff had towards their clients. Whilst staff agreed that reporting outcomes was important, they were keen to highlight that the way in which they were being expected to do so by some funders was disproportionate to the time they could actually spend with clients.

Commentators such as Politt (1990) and Armstrong (1998) argue that the voluntary sector has distinct political, ethical, constitutional and social dimensions which all make it distinctly different from the private commercial sector. Singh (2003) shows how the public and voluntary sector have more complex objectives and more intricate accountabilities. Highlighting these objectives and accountabilities in practice at the Youth Service is one unique contribution this research has made. The aim of this thesis was to give the Youth Service and its partners the opportunity to have a voice and provide their own analysis on the practical implications of NPM ideas, backed by hard evidence and practical illustrations. The result of the new

NPM-dominated environment can be seen in another key change that Support Society experienced: the 'professionalisation 'of services as Support Society was pushed towards becoming increasingly business-like.

9.5 Professionalism: Developing a Business Identity

Being able to determine their own strategy was very important to staff at Support Society. As the agency dated back to 1977, there was a strong sense of history and previous contribution based on a specific, holistic approach outlined above. Operating in a market based, competitive environment led to 'short-termism', undermining not only the viability of this approach, but also the professional development of staff recruited to help the young unemployed. The average youth employability contract at Support Society was actually only two years (see table of funders in 5.1). This also stimulated a 'business like' restructuring of Support Society, so that multiple contracts could be handled.

This 'professionalisation' of services at the Youth Service, in many instances, undermined the core essence of what the organisation wanted to achieve. The mentality of needing to adopt private practices and become 'business like' to ensure future survival was echoed by the Chair of the Board of Trustees. Harris (2001) argues that trustee members themselves actually become instruments in policing performance on behalf of funders. At interview, the Chair of Support Society stressed the need for Support Society to be business like in order to survive and stated that this was one of the main reasons the current CEO was appointed.

Butler and Wilson (1990) noted how new managers in VSO were specifically recruited for their commercial mindset. Whilst the experience and background of the current CEO at Support Society was in national charitable organisations, her thinking was deemed to be very corporate and commercial by the other staff. Hence her appointment might be seen to support the observations made by Butler and Wilson about management trends developing in the voluntary sector. The current CEO's robust approach and mindset were key factors in the decision to close down the Youth Service and to revert back to the unique contribution Support Society makes in its other areas of its activities. In her interview she said she was trying to honour the mission statement of Support Society, by taking a bold stance and refusing to

compromise any further. Support Society as a VSO is now insisting on working on its own terms and establishing greater control over its spheres of work. Arguably, these decisions were signs of protest and a shift away from NPM. This underpins an irony in the experience of Support Society. The NPM environment fostered requirements for the organisation to recruit a new CEO, who embodied business functionality and could navigate in an increasingly performance driven environment. However, it was actually her capacity for strategic analysis, which resulted in the demise of the Youth Service to focus instead on the organisations core mission. The situation invites an analysis of Support Society management as a hybrid, taking decisions to protect the integrity of charitable activity, but for reasons clearly derived from the business management manual. The period of fieldwork allowed the opportunity to witness these changes and it would be very interesting to see what direction Support Society takes in the next five years.

Other signs of change towards professional management were also apparent. For example, Support Society had undergone an entire rebranding exercise during the fieldwork, including their logo, promotional literature, and new signage in their offices. This was a conscious effort to present Support Society in a more modern and attractive light, with marketing and branding being given more prominence than ever before. The Director of Operations said this was to help ensure Support Society remained relevant as they moved forward and to present an image of both a professional but approachable service. The management of staff at Support Society also became a more business-like operation, with the introduction of Performance Development Reviews (see chapter 6 and appendix 6.1). All such changes involving more professionalised services reflected NPM influences.

This situation reveals a changing construction of professional identity within the voluntary sector. With the decline of state-provided services and the increased involvement of VSOs in the delivery of welfare in recent decades, the personnel recruited into charitable agencies changed – away from unwaged volunteers who first formed Support Society and towards salaried, qualified staff. The extension of social work training, its recognition for academic and degree purposes, all helped to establish the professional credentials that sustain more holistic treatments for clients. However, the roots of this profession are arguably relatively shallow. The rise of

neoliberal orthodoxies, the consequent growth of management studies and the introduction of NPM have undermined the legitimacy of a social work approach, particularly in politically sensitive policy areas such as youth unemployment, where governments and public expect quick results. The consequence has been a reconstruction of what professional authority means in this context, which today implies commercial acumen and a corporate mentality rather than a client-based, softer and more accommodating approach to social problem groups. Seen from this perspective, Support Society appears to be in transition as it adopts a business framework apparently in order to sustain its autonomy as an agency that will deal with its clients according to its own, earlier understanding of professional treatment.

The changing order reflects the increasing domination of business principles over the ethics that traditionally dominated charitable activity. VSOs have long tended to offer more resources to those who need them most – but the new professionals and the advocates of NPM deny the validity of such priorities. On the contrary, utilising targets and specifying outputs necessarily negates this approach as statistical returns require the agency to secure the maximum number of treatments in the minimal amount of time. The basis for judging the situation of the client changes. Instead of dedicating most time and effort to those most in need, the successful VSO will focus its energies on customers amenable to easy treatment – thereby creating the critiques of 'cherry-picking' that are found in publications critical of NPM and its strategies.

The mode of appraisal used by NPM, with its short timescales and fixation on statistically measured outputs, draws into question exactly what the Youth Service was designed to achieve. To forestall game-playing by astute agencies, increased official regulation of administrative processes (to guarantee a client stays in a placement for a minimal amount of time, to prevent the same client being returned multiple times by different agencies and so on) had grown. This necessarily also raised costs for the Youth Service. Although properly beyond the scope of this thesis, we might imagine that policy aims to be seen to be doing something, without actually desiring to achieve anything concrete – such as giving a young person real control over his or her working life, which was at the core of Support Society's official mission statement. With a statistical series documenting an improving situation, a

specific social service will no longer raise political questions or create public alarm. It is NPM's capacity to create the illusion of improvement and efficiency that is possibly its most attractive attribute in official eyes. However, as this research has identified by providing new in-depth empirical evidence, the realities surrounding this for the Youth Service was much more problematic than any official account.

9.6 Implications for future research and policy

This research has provided an investigation of how the Youth Service at Support Society, a well-established VSO since the 1970s, has been impacted by the implementation of NPM. In particular how the balance of autonomy and power between external stakeholders and the organisation has changed. The main analysis shows a clear shift in organisational values over recent years. The main outcome NPM was supposed to deliver was better value for public money. However, this research demonstrates the real cost of market orientation, by examining the journey of the Youth Service and the challenges it faced.

The fieldwork provided examples of organisational adaptive strategies, where the Youth Service had attempted to adjust to changes in its operating environment. Yet the challenges were clear. Over the years, rising costs, competing demands and conflicting pressures offer the more accurate picture and experience of internal and external influences found at the Youth Service. Porter and Krammer (2011) reviewed private sector practices and argued that they aim to optimise short term performance and disregard the wellbeing of their customers. The journey of Support Society and the decline of a Youth Service which was built upon short term contracts, goes some way towards proving that these strategies are not effective for VSOs who require sustainable outcomes and customer/client satisfaction, as enhancing the latter's experience is the main goal. The strategic choice narrative became a key theory to help explain this decision made by the current CEO, when the decision was taken to prioritise support for other clients.

However, one case study remains precisely that and the conclusions it reaches are thus highly specific to that agency in a particular situation that cannot be easily replicated. Other case studies could showcase other factors that are emerging within the voluntary sector that are not specifically evident in the story of the Youth

Service at Support Society. Attention to the marketing strategies of some VSOs and the counter-productive effects these can stimulate from potential donors offers but one example. While NPM has encouraged the use of private sector management techniques, there are clear risks involved in adopting them (Flynn 2002). The consequences of such possible risks can only be revealed through the detailed study of other cases, examining the situations of other VSOs in other geographical contexts and addressing other social issues, to understand the degree to which the experience of the Youth Service can be generalised. To date, such in-depth empirical research has been rare (see Kiwanuka 2011). As NPM and its strategies retain a dominant role in welfare administration, more empirical appraisals of performance and its outcomes are badly needed.

This study has shown how a new operating environment can radically transform the voluntary sector. Mission drift becomes attractive, but this can also force VSOs to review their unique offering: an offering which historically is the very reason the voluntary sector has been given prominence in the first instance. Operating within contract culture and increased competition, resulted in short-termism and restructuring of Support Society as a VSO. Although this research has not addressed the voluntary sector as a whole, the case study has shown this result to be the case in this instance, which may have implications for the wider sector. Operating in increased competition, but equally also being requested by commissioners to partake in more multi-agency work, showcased the contradictory environment Support Society's Youth Service was required to operate in.

On the other side of the coin, and as a result of the changes discussed here, academic literature is increasingly questioning what makes the voluntary sector distinctive anymore, leading researchers to describe their new identity as hybrid organisations (Billis 2010). These debates are highly current and create plausible objects for further case study research. Leat (1993) concluded that 'understanding the characteristics and distinctions between sectors is important as a major thrust of government policy is to encourage partnerships between the sectors, bringing them closer by applying the standards, language and concepts of for-profit management to all' (1999:9). This research has presented the experiences of one Youth Service, operating under those standards, language and concepts, and how they need to be

understood with caution due to the differing principles upon which different sectors are based. Instead of understanding current developments in terms of partnership between different sectors, it may be more appropriate to view outcomes in terms of forcing the commercial and the voluntary to merge into a more amorphous mass, with the voluntary sector losing those characteristics that distinguished it in earlier years. Such conjecture, however, demands further research.

Building upon the work of Kiwanuka (2011) this research has shown that there is much to be learnt from VSOs that do not seek to make profit and still want to put the 'customer first', demonstrating the advantages of wanting to make a difference to individual lives rather than just meet targets. Damm and Green et al (2020) evidence how VSO are still called upon to lead support for unemployed youth, due to their not-for profit status and reputation of being able to target those young people hardest to reach. The journey and experiences of Support Society has shown how this altruistic endeavour was getting increasingly hard. Critical assessment of the closure of the Youth Service would encourage the consideration of VSO's motivations and restrictions at both an individual and organisational level. Historically, VSOs have been called upon to support those experiencing multiple disadvantages. The sector's ability to do so has been largely down to the organic way in which it responds to meet the needs of the community. When performance management, targets and accountability concerns prescribe and increasingly dictate the methods of working for the voluntary sector, this can have detrimental effects on the services received, especially by those experiencing multiple disadvantages.

9.6.1 Lessons for future policy

The evidence found in this research directly related to services provided by the Youth Service to unemployed youth, where, due to multiple disadvantages, support mechanisms which had sustainable outcomes were paramount. Funding expectations should therefore be in a manner which encompasses this need. This research reinforces and encourages the benefits of working with unemployed youth, furthest from the labour market and experiencing multiple disadvantages in sustainable ways. This includes support being at the local level and VSO having flexibility to deliver services in a person centred manner. The journey of the Youth

228

Service demonstrated how their service users faced significant barriers, therefore generic employment support failed to be effective long term.

Damm and Green et al (2020) conducted a final assessment of Talent Match (a National Lottery funded youth employment initiative) where funding was distributed to 21 VSO led partnerships, including Support Society Youth Service. Their assessment is highly pertinent to this research as they also identified:

'Person-centred approaches and key working: the value of high-quality relationships between participant and employment support provider was found to be crucial to initial and ongoing engagement. This was especially the case for young people furthest from the labour market. There were lessons from Talent Match as to how relational approaches to key working, mentoring and coaching could (and should) be embedded in future programmes' (Damm and Green et al 2020:ii).

Their assessment reinforces the preferred method of person centred working, when supporting those young people furthest away from the labour market. This thesis also reinforces the benefits of this approach in achieving meaningful outcomes, from the perspective of the delivery agency (Youth Service) and calls for the adoption of support mechanisms which facilitate such practices. The reference to 'relational approaches to key working, mentoring and coaching' were seen as advantageous by Damm and Green et al. If given the opportunity, such approaches could also have been deployed to make the Youth Service more sustainable in its holistic approach to youth work.

Whilst active youth involvement in service design was desired by the Youth Service, it was seen as secondary to funder-imposed restrictions. VSOs should encompass the user experience in the design of any performance assessment and the advantages of service design being based on direct involvement of service users is to be encouraged. In addition to youth involvement in consultation, this thesis would go further and call for greater consultative role and representation from VSOs in the service design of funding awarding bodies themselves. For those looking to commission the voluntary sector, the notion of 'intelligent funding' which balances the distinctiveness of the sector with performance management becomes key to delivering meaningful work. Opening up dialogues around what monitoring

expectations should and could look like and consulting the voluntary sector itself appears a wise approach for any commissioning authorities.

Implications for future research and policy would also echo the advice of previous authors which have still largely failed to materialise. The Wolfenden Committee (1978) concluded with an appeal to policy makers to create more collaborative social plans with greater involvement of the voluntary sector in a 'pluralistic system of social provision'. The conclusions of the report state that, if this doesn't occur the next twenty-five years, there will be an 'incomplete realisation of the potential contribution of VSO but also an inadequate provision of help to fellow citizens who need it' (1978:193). Some forty years on, whilst the voluntary sector is not without its drawbacks, many of which are highlighted throughout the thesis, the voice of the sector still appears to be distant. The suggestion is for VSOs to be given a more consultative role in addressing the performance management culture in a way that is united and works for all stakeholders. If this were to be achieved, policies could be implemented which could help make VSOs, such as Support Society, sustainable in their holistic approach to a Youth Service and in turn clients supported in a more meaningful way.

Research developing upon this thesis may go on to encompass the user experience in the design of Support Society performance assessment and seek to understand the challenges of not only the practitioners but the clients themselves. The current CEO stated that this consultation was a key aim for the future, to help encourage the voice and experiences of clients and embed this within service design and delivery. The hope was that such a radical transformation and refocus in service design would result in future services which remained true to the organisation's social values in a sustainable way.

While this study has remained limited in scope, the impact of internal and external environments on smaller and larger national VSOs, and also a comparative analysis of NPM influences over a grass roots VSO and a national VSO, would also be useful subjects for further investigation. To date, there has been scant attention to the practical outcomes of the pragmatic identification of statistical targets, the degree to which the voluntary sector is involved in their definition, the ways in which official agencies assess local performance and the impact of changing social policy on

target setting and assessment. This thesis has revealed the shortcomings of new administrative systems found at the Youth Service. The advantages of this research lie in the way that it has revealed cross-cutting influences of varied imperatives in a single location. Its weaknesses come from its limited scope and many more such studies are needed before we can fully understand the range of challenges in the voluntary sector. However, this thesis aims to contribute towards modifying our understanding of the voluntary sector, directing the debate and hopefully encouraging greater research on the issues raised relating to this transformational sector.

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Appendices

Appendix 1.1 – Youth Unemployment Rate: UK, 1992-2019

Office for National Statistics/ Labour Market Statistics (ONS Report – Youth Labour Markets: 2019)

Youth unemployment rate: UK, 1992-2019

Appendix 3.1- Consent Form

Consent Form

Title of Project: 'New Public Management and its Impact on the Voluntary Sector: a case study of youth unemployment services in Coventry'

1.   I confirm that I have read and understand the Participant Information Sheet for the above study and have had the opportunity to ask questions.

2.   I understand that my participation is entirely voluntary and that I will not be paid. I am free to withdraw at any time, without giving reason.

3.   I agree to take part in the above study.

4. I agree to any interview / focus group / participant observation being audio recorded.

5. I agree to the use of anonymised quotations in publications.

Name of Participant	Date	Signature

Sharon Chohan

Name of Researcher	Date	Signature

Appendix 3.2 – Participant Information Sheet

Participant Information Sheet
Study title
'New Public Management and its Impact on the Voluntary Sector: a case study of youth unemployment services in Coventry'

You are being invited to take part in this research study. Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

What is the purpose of the study?
The overall design of this research is a case study approach examining SS and its partners as the main case study organisation. The research questions will be: 1) How has accountability of the VS changed? 2) How has a competitive context of contracting/commissioning changed relationships between stakeholders? Has this improved efficiency and effectiveness in policy delivery? 3) How have funding changes influenced the performance of the VS? Focus will be on organisational processes not the YP /front line delivery itself.

Why have I been invited to participate?
As an employee or associate of SS you have been chosen to take part in the study.

Do I have to take part?
Taking part in this research is entirely voluntary. If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form. You are still free to withdraw at any time and without giving a reason.

What will happen to me if I take part?
The methods of data collection in this research are secondary materials, participant observation and interviews (focus group and one-to-one). Initially I will be creating an analysis of the different projects (relating to youth unemployment) at SS. I will attend activities such as team meetings. As participants you will carry out your duties as usual so that I can gain an insight in to the workings of SS. In

addition, some of you will then be invited to take part in interviews, which normally will not last more than an hour. These will always be conducted at a time convenient to the interviewee.

What are the possible benefits of taking part?
The aim of this research is to understand and highlight the contribution of the Voluntary Sector in relation to assisting youth employment. This research will give you an opportunity to share your work in a confidential manner to help further our understanding of this contribution. This could potentially help inform and influence future decision making processes.

Will what I say in this study be kept confidential?
All information collected will be kept strictly confidential (subject to legal limitations) and confidentiality, privacy and anonymity will be ensured in the collection, storage and publication of all research material. The data generated in the course of the research will be kept securely in paper or electronic form for a period of five years after the completion of the research project.

What should I do if I want to take part?
If you agree to participate in this study please tick all the boxes on the consent form.

What will happen to the results of the research study?
The results of this research will be used to write up my PhD thesis and may subsequently be published. For the purposes of this thesis all respondents and organisations will retain anonymity. Post submission to the University, should SS wish to use the findings for their own purposes this would be acceptable as long as any references were credited back to the research. I will happily share a copy of the final thesis once it has been verified by the University.

Appendix 3.3 Interview questions prompt sheet

Interview Questions

1) In your opinion why does SS exist?

Youth unemployment and the role of the voluntary sector (VS) in addressing it

2) What are your thoughts around the contribution the VS makes in general when addressing youth unemployment?
Is its contribution distinctive? How? Why?

3) What are the distinctive youth employability programmes that you are aware of at SS? *Do you know any specific aims of these programmes? Who funds this work?*

4) What do you feel motivates the VS to become involved in youth unemployment interventions?

Accountability

5) How is SS accountable for the work you do and to whom? *Particularly interested in monitoring expectations and how this varies amongst funders (compare and contrast different funding streams) Were new reporting systems required? Implication on workload for SS?*

6) What are the impacts of this accountability in your ability to be efficient and effective?
What would an efficient and effective VSO look like? On a scale where would you currently place SS between 1-10 (10 being very efficient and effective)

Do you feel there are ever any tensions between what you are trying to deliver for YP and SS requirements for recording outputs to feedback to funders?

7) What are your thoughts on past and present funders? *Where does most of SS funding come from? Any thoughts on European funding?*

8) How is SS a service user led organisation?

Partnership working

9) What does partnership working and sub contracting look like at SS? *Can you provide any examples?*

10) Do you feel social policy and government priority areas influence the way SS targets funding and delivers services? *How do you keep abreast of current governmental priorities?*

Looking ahead

11) What do you see as the future for SS?
Key challenges and opportunities faced- do you agree with theory that indicates the VS needs to be 'Business Like' in order to survive in today's climate? Any thoughts on Brexit?

How important do you feel the youth unemployment issue is going forward?

12) Is there anything else you would like to add?

Appendix 4.1 Government initiatives to address youth unemployment (1978-2017)

Year	Programme
1978	**Youth Opportunities Programme (YOP)** provided 12 months' work experience and training for school leavers aged 16-18 years
1983	**Youth Training Scheme (YTS),** introduced in 1983, combined training and work experience for 16-17-year olds. In 1998 YTS effectively became the only way for the young unemployed to secure out-of-work income given the removal of young people aged under 18 years from Unemployment Benefit. YTS was rebranded as Youth Training in 1990.
1996	**Job Seeker's Allowance (JSA),** a new benefit merging Unemployment Benefit and Income Support, was introduced in 1996. There were benefit sanctions for failing to look for work, leaving jobs without due reason or for misconduct and refusing to attend courses or not complying with directions from the Jobcentre.
1998	In 1998 the New Labour Government introduced the **New Deal for Young People** (NDYP) for young people aged 18-24 years in receipt of JSA for six months. NDYP involved a 'Gateway' period of intensive job search followed by participation in one of four options: a subsidised job, a place on the Environment Task Force, a placement with a voluntary sector employer, or full-time education or training.

2009	From 2011 the **Work Programme** was the mainstream employment programme for long-term unemployed. JSA claimants aged 18-24 were referred to the Work Programme after nine months unless they faced significant disadvantage. It was a mandatory programme offering a range of back-to-work support delivered by a range of organisations spanning the private and third sector.
2011	In 2012 the Government launched the **Youth Contract** which was a package of schemes aimed at helping young people into sustained employment. It combined existing and new schemes and included an offer of work experience or a place on a sector-based work academy
2012	From 2013 **Universal Credit (UC)** was rolled out in phases across the UK replacing six existing payments for working age people: Income Support, Income-Based JSA, Income-Related Employment Support Allowance, Housing Benefit, Child Tax Credit and Working Tax Credit). The standard allowances within UC are lower for the under 25s than for those aged 25 years and over.
2013	The introduction of the **Youth Obligation (YO)** in UC full-service areas from 2017 placed an effective (mandatory) requirement on school leavers and young people claiming UC to either 'earn or learn'. In practice 18-21 years olds making a new claim received intensive work focused support from day one of their claim, including practising job applications and interviews together with job search. Each individual was assigned a work coach.
2017	

Source- Damm and Green et al. (2000) Talent Match Evaluation-Comparative Report (p 6-8)

Appendix 5.1- SS employees, staff costs and total funds 2001-2019

Year	Number of paid employees (Full time equivalent) at SS	Staff Costs	Total Funds
31st March 2001	13	£245,151	£322,128
31st March 2002	16	£355,936	£358,837
31st March 2003	24	£532,749	£423,605
31st March 2004	35	£898,381	£599,658
31st March 2005	36	£1,040,142	£669,325
31st March 2006	35	£979,626	£745,823
31st March 2007	34	£945,131	£916,041
31st March 2008	39	£1,077,887	£1,092,664
31st March 2009	36	£1,097,101	£1,109,017
31st March 2010	27	£933,560	£1,135,583
31st March 2011	33	£1,028,216	£1,252,986
31st March 2012	32	£997,857	£1,282,327
31st March 2013	32	£1,024,399	£1,366,127
31st March 2014	35	£1,062,475	£1,424,553
31st March 2015	47	£1,227,883	£1,610,033
31st March 2016	77	£1,460,920	£1,655,632
31st March 2017	74	£1,512,280	£1,585,066
31st March 2018	65	£1,289,191	£1,731,698
31st March 2019	57	£1,149,311	£1,354,794

(Source- Companieshouse.gov.uk)

Appendix 5.2 SS organogram 2006

ORGANISATION STRUCTURE August 2006
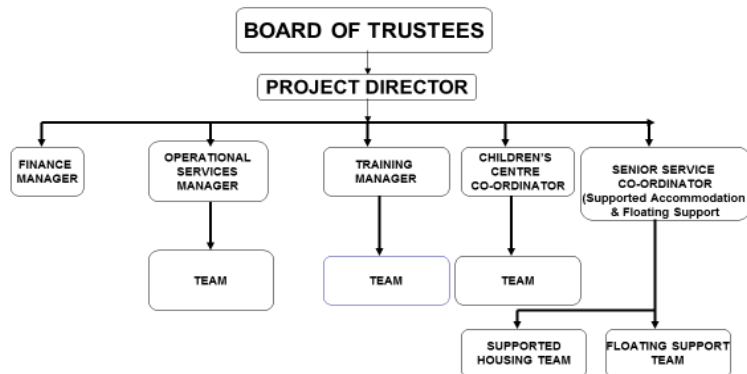
Appendix 5.3 SS organogram 2010- first mention of Youth Project

Appendix 5.4 SS organogram 2015

ORGANISATIONAL STRUCTURE (AUGUST 2015)

BOARD OF TRUSTEES

CHIEF EXECUTIVE

Project Director

OPERATIONAL SERVICES MANAGER

CHILDREN'S SERVICES MANAGER

COUNSELLING CO-ORDINATOR

FINANCE MANAGER

MANAGER SUPPORTED ACC & FLOATING SUPPORT

SENIOR ADMIN ADMIN TEAM

Family Support

COUNSELLING TEAM (Volunteers/ Students)

PRE /POST SUPPORT WORKERS

SENIOR SUPPORT WORKERS

NURSERY SENIORS

OUTREACH TEAM

DVA Supported Acc

DVA Enhanced Support

NURSERY ADMIN

NURSERY

BANK SUPPORT WORKER

HOMELESS FAMILIES FLOATING SUPPORT TEAM

YOUTH & COMMUNITY PROJECT
Five full time staff

TP Supported Acc

253

Appendix 5.5 SS organogram March 2016: Youth and Community Service now split in to two main contracts. One Big lottery funded 'Reaching Communities' and the other ESF funded- 8 full time staff

ORGANISATIONAL STRUCTURE

BOARD OF TRUSTEES

CHIEF EXECUTIVE

CHILDREN'S SERVICES
Lisa Young (Co-ordinator)

TEAM
Michelle Ward (Senior)
Michelle Collins
Anna Rigione
Maggie Noor

PROJECT DIRECTOR
David Beuzeval

MARKETING & COMMS OFFICER
Richard Brooker

NURSERY MANAGER
Pauline Griffiths

REACHING COMMUNITIES

Humera Maqsood
Humeria Rai
Alia Hussain
(Seniors)
Annette Allen
Anita Dadral
Christine Everton
Danielle Robinson
Debbie Williams
Sonia Parveen

YOUTH & COMMUNITY SERVICE

AMBITION COVENTRY

COUNSELLING CO-ORDINATOR
Carol Benson

ADMIN TEAM
Jayne Igoe (Senior)
Katy Tonks
Lauren Ward
Barbara Davis
Chesney Warwick
Ricky Kangura
Talisha Bourne

PRE-THERAPY SUPPORT WORKERS
Marina Partington
Lee Pemberton
Jane Chander
Sally-Ann Tonks
Viv Kelsey

COUNSELLING TEAM (Volunteers/ Students)
Steve Rogers
Lisa Alexander
Sebastian Heid
Steve Evans

OPERATIONAL SERVICES MANAGER
Chris Haydon

DVA Enhanced Support
Katie Ozolins

TP F/SUPPORT
Teresa Beech
Natalie Burchell

MAINTENANCE
Andrew Purcell (Supervisor)
Graham Hall
Pete Baskerville
Firooze Mali
Tina Mulvaney

FINANCE MANAGER
Lee Pettifor

MANAGER SUPPORTED ACC & F/SUPPORT
Barbara Hall

SENIOR S/W
Wesley Longden (TP)
Linda Blayney (DV)
Caroline Pike (DV)
Jez Kumari (DV)
Nichola Mosey (TP)

TP SA
Cherelle Manning
Stephanie Read
Nikoletta Alefragki
Sarah Love

DVA SA
Shirley Blundell
Andrea Ruddock
Angela Keenan
Veena Singh
Aisling Kerrigan

BANK SUPPORT WORKER
Charleigh Lloyd   Carla Lacey
Val Haynes   Kuldeep Gill
Sharmaine Bryan   Barbara Davis
Kirsti De Smet   Jane Kenion

Appendix 5.6 SS organogram March 2017. Youth Service now one Manager, one Deputy Manager, seven full time staff and a student social worker on placement

ORGANISATIONAL STRUCTURE - OPERATIONS

BOARD OF TRUSTEES

CHIEF EXECUTIVE

Director of Operations

Children's Safeguarding Lead
Lisa Young

Nursery Manager
Pauline Griffiths

(Deputy Managers)
Humera Maqsood
Humeria Rai
Alia Hussain

Children Sessional Workers
Annette Allen
Rebecca Chatland
Anita Dadral
Christine Everton
Leighanne Grunnel
Danielle Robinson (Mat Leave)
Debbie Williams
Sonia Parveen
Jaswant Pal

Youth Service Manager

Youth Service Deputy Manager

Youth Workers

Counselling Manager
Carol Benson

Support Workers
Hayley Gibson
Kuldeep Gill p/t
Fiona Meakin
Lee Pemberton
Sally-Ann Tonks

COUNSELLING TEAM (Volunteers/Students)
Simon Barr   Gill Brettell
Mark Chen   Amanda Cockman
Charlotte Gardner   Marian Hubbell
George McCranor Harpal Singh
Stuart Yeates

Service Managers DVA SA
Linda Blayney
Jez Kumari

DVA SA
Safina Bains p/t
Shirley Blundell p/t
Barbara Davis
Aisling Kerrigan
Lisa Quinn p/t
Andrea Ruddock
Veena Singh

TP F/S
Natalie Burchell (Mat Leave)
Tamar Green (Mat Cover)
Katie Lerigo

BANK SUPPORT WORKER
Teresa Beech   Ruchika Charan
Kuldeep Gill   Val Haynes
Jane Kenion
Charleigh Lloyd (mat leave)
Sarah Love   Chloe-Ann Perks
Kim Taylor   Hayley White

Service Manager TPSA/FS
Wesley Longden

TP SA
Nikoletta Alefragki
Michelle Collins
Cherelle Manning p/t
Jane Kenion p/t
Lucy Miskimmon
Kasey Maynard (Student)

Appendix 5.7 SS organogram 2018. Most current organogram shows Youth Service Manager gone down to part time with two youth workers remaining

SS ORGANISATIONAL STRUCTURE – OPERATIONS – 1st June 2018

BOARD OF TRUSTEES

CHIEF EXECUTIVE

Director of Operations

Children's Safeguarding Lead

Nursery Manager

Youth Service Manager
Part time

Community Wellbeing Manager

Service Managers DVA SA

Service Manager Young Parents SA & CSS

(Deputy Managers)

Children Sessional Workers

Youth Workers
X2

Support Workers

DVA SA

Young Parents- CSS

Young Parents- SA

COUNSELLING TEAM
(Volunteers/Students)

BANK SUPPORT WORKER

Appendix 5.8 SS 4 strategic objectives from the organisations strategic plan 2018-2020

1) Service users experience relevant, innovative services
2) SS enables service users to develop insight, skills and confidence to explore and find solutions to the issues they face
3) SS will have the right systems, skills, governance and funding model to forge a sustainable future
4) SS will endeavor to develop a reputation as a leading provider of services

Appendix 5.9 – Youth Service staff, funding and young people supported

Year	Paid Staff	Unpaid Staff	Restricted Funds	Unrestricted Funds	Total	Staff Costs	Number of YP Supported
2014	7	1	£19,711	£36,448	£56,159	£42,019	250
2015	8	2	£156,940	£18,931	£175,871	£109,004	554
2016	9	4 (including one Social Work Student)	£211,251	£50,304	£261,555	£125,255	275
2017	9	3	£229,873	£28,155	£258,028	£126,484	451
2018	4	1	£84,153	£41,683	£125,836	£54,502	329

Appendix 6.1 SS Performance Development Review (PDR) Form

Name: Service:

Line Manager: Date:

Job Performance & Appraisal of Achievement: (refer to job description, work plans, case work, contracts, monitoring, statistics, quality assurance, workload, timescales – if applicable)

Actions:

1.

2.

3.

Work Plans / Goal Setting (Personal/Professional):

Actions:

1.

2.

3.

Date of Next Performance Development Review (PDR):

Signature: ……………………………………………. Dated:

Signature: ……………………………………………. Dated:

Line Manager

Appendix 6.2- SS Youth Service Referral Form

Young Person's Details					
Young Person's Name			**Date of Birth**		**Gender**
Address				**Postcode**	
Best contact number			**Email address**		
Preferred method of contact	Telephone		Text		Email		Other
Is there anything we need to consider for an initial visit or to make contact with a young person? **Are there any known risks or additional support needs?**					
Is the YP currently in education, employment or training?				**No**	**Yes**

If No, has the YP been in education, employment or training in the last 12 months?	**No**	**Yes**

Ethnicity Group
White British   Asian - British / Pakistani White Irish   Asian - British / Bangladeshi White – Other Background   Asian – British / Other Background Mixed – White / Black Caribbean   Black – British / Caribbean Mixed – White / Black African   Black – British / African Mixed – White / Asian   Black – British / Other Background Mixed – Other Background   Other Ethnic Groups – Chinese Asian – British / Indian   Other Ethnic Groups

Referrer's Details	
Full Name	
Job Title / Role	
Name of Agency / Organisation	
Email Address	
Mobile Telephone Number	
Office Number	

Date the referral was completed	
To your knowledge has the YP previously received support from us? If so, which service or name of worker?	

Information on other agencies involved. **Provide contact details and a description of their work with the young person.**	
Details of work being undertaken by the referring agency	
Other Agencies involved with the young person (e.g. Community Psychiatric Nurse, CAMHS, Adult Social Care, Youth Offending)	

Appendix 6.3 – New Service Design Feedback notes

Community Wellbeing Service (CWS)

SS asked two sets of questions about services it should consider delivering and a New Service Proposal

What concerns/issues you are facing?
Young People

- Have had to travel to places to feel safer – sometimes to new cities

- Don't feel safe around places where I live

- Living around dangerous area – someone got shot locally

- Negativity on Social Media

- Dad's not around and this means mum can't afford to give me as much

- Lack of outreach support for people struggling to get out
- No transport
- Not safe for service users to go to area for appointment
- High levels of Mental Health we cannot work with because we are not the experts

Appendix 6.4 Extract from SS Strategic Plan (April 2018 - March 2021)

STRATEGIC OBJECTIVE 1

Service users experience relevant, innovative services

∧ We will review all current service delivery models with staff, service users and stakeholders to ensure their relevance and that they are truly innovative

∧ We will redesign services that fulfil identified need and in line with our Vision – fitting in with our Theory of Change

∧ We will actively pilot interventions where we have limited robust evidence in order to test – allocating our own resources and sourcing external funding where possible

∧ We will actively involve service users in the design and delivery of our interventions

∧ We will develop a approach to service user involvement, building on evidence of 'what works'. This will acknowledge/incorporate/include all service users. This will recognise the importance of difference/diversity

∧ We will create learning and development opportunities for our service users, building on their strengths/utilising an asset-based approach

∧ We will actively seek out partnership working opportunities that enable us to offer effective packages of support.

Appendix 6.5- Case study written by SS Youth Worker

With help from the Youth Service at SS, Hayley is feeling positive about the future.

'I was already involved with SS when I heard about the Youth Service. I have a baby son and the team which deals with young parents were helping me learn about being a parent. They referred me here, to the Youth Service, because I want to improve my chances of getting a job. I decided to go on a two-week course called Jump Start to help me work out what I want to do for a job. I felt a bit worried before I started the course. I have Attention Deficit Hyperactivity Disorder (ADHD) as well as Tourette's Syndrome and I am also dyslexic. I thought I might struggle a bit.

Reading and writing can be difficult for me but the staff picked up on this and helped me fill out all the paperwork. I ended up really enjoying Jump Start. As well as learning new skills, I met some good people and made friends. I still meet up with three of the girls. One of the best things about the course was focussing on what I really want for the future. With the help of SS, I decided on a career in beauty. A Youth Worker helped me fill out an application for my local college. A week later, I had an interview for a place on the beauty therapy course. It was that quick! I feel much more positive about the future now. I'm waiting to hear back about the course but it won't be the end of the world if I don't get on. The Youth Workers here are helping me look at lots of different options.

Appendix 6.6- SS project closure paperwork for VOICE Coventry

European Union
European
Social Fund

VOICE Project Closure Report   return by

1.   Project Details

Project:
Delivery Partner [DP]:   SS
Delivery start date: January 2016
Delivery end date: December 2018 – original end date June 2019

2.   Document Completed by

Name	Organisation	Role	Signature	Date

3.

4. **Closure Actions**

Action	Completed Yes/No	Owner [Name]	Deadline Date for DP	Signature [PMT]	Date completed
All participant eligibility, activity, outputs and results evidence uploaded on to Evolutive		DP			
All Eligible participant's Evolutive ID numbers included on PDS		DP			
Completion of Project Closure Report		DP			
Core documents and/or Document Location Record provided to the Ambition Coventry Programme Management Team [PMT]		DP			
Final Audit		PMT			
DP access to Evolutive and SharePoint withdrawn		PMT			

Appendix 6.7- Job Description (Communications Officer)

SS COMMUNICATIONS OFFICER

JOB DESCRIPTION

Responsible to: CEO

Responsible for: N/A

Conditions of service 20 hours. 25 days annual leave per annum (pro-rata) Public holidays (pro-rata) Pension contribution to SS group personal pension scheme

Salary £9,103 per annum (Full time equivalent £18,206) Location SS, Coventry

Main Purpose of Job: • To lead on raising the profile of SS, utilising social media and the SS website • To ensure cross organisational compliance with the SS brand in all communications and literature

Key Tasks and Responsibilities: • Manage the SS website, creating new content and ensuring information is up to date • Manage all SS social media accounts, analysing relevant data to further support promotion of services and fundraising opportunities • Manage the production and distribution of all SS marketing materials, ensuring compliance with the SS branding

Appendix 6.8 – SS Youth Service Promotional Literature (source: What's on Guide)

Appendix 7.1 Extract from Comic Relief Application Form (August 2011)

1) Please outline the national or local context in which you are working (150 words max)

The need for the project has been identified through our existing work with vulnerable young people (YP) in a housing context over time. Over 90% of the YP we support are not in education, employment or training (NEET). Many YP have complex needs that go beyond the remit of statutory obligations. Over 90% of the YP SS works with have relationship problems ranging from emotional abuse to violence and 50% have mental health support needs. Through consultation with 23 current service users and reviewing individual case files we know that this project is needed and that there is limited support for such YP to overcome their mental health problems. 8.6% of 16-18 year olds in Coventry are not in education, employment or training. Reducing the proportion of 16- to 18-year-olds not in education, employment or training (NEET) is a priority for the Government. Being NEET between the ages of 16–18 is a major predictor of later unemployment, low income, teenage motherhood, depression and poor physical health. (www.dcsf.gov.uk). Of the females who

are NEET around a quarter are pregnant or teenage parents which represents 29% of female NEETs and 12.5% of the total NEET group. Young mothers have 3 times the rate of post-natal depression of older mothers and a higher risk of poor mental health for 3 years after the birth. Teenage mothers are less likely to finish their education, and more likely to bring up their child alone and in poverty. (www.coventrycypsp.org.uk/)

2) Please outline how the views of other organisations have been considered in developing your proposal. (150 words max)

The project was created in response to the needs of local vulnerable YP. SS has worked in partnership with a number of local public and third sector organisations in addition to local YP to develop this new innovative project. All stakeholders confirmed the need to develop a different support provision within the community offering one-to-one and group support. To ensure the success of the project we have consulted with YP throughout its design stage and will continue to involve them in the development/running of the project through the establishment of a Project Steering Committee.

3) Please tell us why you think the approach you are proposing will be successful. For example, you have a track record in this area of work, are aware of evidence from other projects or you are wishing to explore new approaches. (150 words max)

SS has vast experience of delivering new projects/activities to the benefit of vulnerable YP. SS is currently delivering a successful YP 's project; 'Time 4 Us' which is funded by the Big Lottery Fund. The project was developed in response to the needs of local YP; to improve their life opportunities through the provision of a youth centre. We know that by developing projects with the support of YP that we will meet their needs/wants.

4) Please tell us about partnerships you are involved in that will help the development of this project. (100 words max)

SS is a member of a number of local partnerships and has representation on the following; •Coventry Children and YP 's Strategic Partnership. •Coventry Teenage Pregnancy Partnership Stakeholders Group. •Coventry Safeguarding Children's Partnership Board. * Coventry Domestic Violence/Abuse Stakeholders Group * Coventry Homeless Strategy Implementation Group •Mental Health Provider Forum. •Supporting People Provider Forum. The above will support project development through; •Promoting it to their members; who will refer YP to the project and provide feedback. • Providing IAG regarding education, training, housing, financial management, and childcare. •Delivering sessions on the website.

Appendix 7.2 – Appraisal Form

Appraisal Form

Name	
Job Title	
Service	
Appraiser	
Date of Appraisal	

Key areas of work and responsibilities: (refer to work plan, job description)

Objectives set at the last appraisal:

What do you consider your most important achievements over the past year?

Strengths and interests:

Elements of the job you find most difficult:

Training received during the last year: (refer to training plan)

Progress with Work Plan targets:

Areas for improvement:

Training recommendations:

Objectives for next year:

Manager's comments:

Employee's comments:

Next appraisal due:

Signature: …………………………………………… **Date:**

Signature :……………………………………………**Date :**

Appendix 7.3- Eligibility Criteria to register Young Person with VOICE

Extract from communication (letter to SS CEO from Coventry City Council Commissioner) in relation to VOICE Coventry:

'Now that the audits have been completed and a new process is in place to check eligibility evidence, I wanted to provide some further clarity regarding participant eligibility. An updated eligibility checklist is attached which should be used from today and kept in the participant files. This is subject to ongoing change by DWP and we will of course keep you updated on any further amendments. DWP have stated on several occasions that we have to be 'assured ourselves' that evidence used for eligibility is robust and can stand up to scrutiny. When collecting evidence please ensure that:

1. All relevant documents are photocopied in <u>full</u> and not just the first page, e.g. Universal Credit or other DWP Benefit letters.
2. Documents are redacted to show only relevant information for eligibility purposes (e.g. bank statements to only show date, benefit payments or address and not all financial transactions)
3. Staff read through the documents that are being used as evidence to check that they clearly show evidence of age, right to work, address and employment status. For example, the audit has shown that some letters from DWP showing NI number have been used as evidence of right to work. However, some of these letters clearly state that 'this letter does not prove the right to work'.
4. Self-declarations must only be used in exceptional circumstances and when all other avenues to obtain evidence has been exhausted, e.g. confirmation from a third party

As delivery partners you should also be confident that the evidence provided is vigorous enough to withstand an audit.

Appendix 7.4 – Flexible Support Funding: Application Form

SS Bid to DWP to run a specialised BootCamp employability programme for young parents called YIPPEE (Young Independent Parents Progress into Employment Education)

Jobcentre Plus District/Region/National: Mercia District
Thank you for your interest in making an application for funding to deliver the Coventry Boot Camp in partnership with Jobcentre Plus.
The following are the Minimum Requirements for the Partnership:

1. That the Coventry Boot Camp will support parents aged 18 – 24 who are in receipt of working-age benefits, with a focus on lone parents in receipt of Income Support (IS) (and not required to attend Work Programme or other mandatory provision) whose youngest child is aged 3 or 4 to address childcare problems, engage with employers (particularly those with 'family-friendly' policies), and to improve motivation to seek and secure sustainable employment, and develop job-seeking strategies, etc.

2. Make effective links with public, private and voluntary sector services (including health, housing, transport, employment and skills, etc.) to provide appropriate support;

3. Support DWP's contribution to wider government initiatives in support of social justice;

4. Address challenges faced by service users to support employment outcomes (either directly or by signposting to other appropriate organisations), including low self-esteem/lack of confidence; alcohol/substance dependency, childcare restrictions, criminal convictions, debt/financial issues, employment support, health-related issues, and transport restrictions. Please note: the above list is not exhaustive;

The required outcomes, targets and / or indicators of successful delivery of the partnership are:

5. Details of number of service-users to be supported and how Whitefriars Housing (Coventry Boot Camp) will recruit eligible customers;
6. The number of participants moving into employment or self-employment of a minimum of 16 hours per week within 13 weeks of completing provision and remaining in work for at least 13 weeks;
7. Customer insight evidence for a minimum of 25% of participants to assess satisfaction with the provision/level of support offered by Whitefriars Housing (Coventry Boot Camp) with providing appropriate support, etc.;

- Sustainability and continuation of support following the end of any funding provided by DWP;
- Any other targets/indicators of success; as agreed with DWP.

Appendix 8.1 Contract Agreement between SS and Talent Match (2015)

CONTRACT AGREEMENT is made this   6th day of February 2015

BETWEEN:

(1)   Talent Match (Big Lottery Funded)

(2)   SS (the 'the delivery partner').

2.   Payment details

2.1 Payments for course delivery (based on the course outline in 1.1), will be made in the following two instalments:

Stage 1: At week 6/ midway point - **£450**.

Participants must attend at least 3 sessions in order to release the full stage 1 payment. If attendance has been less than 3 weeks at the midway point, you will be paid £75 per day for sessions attended.

Stage 2: At week 12 or on completion of course = **£450**

Participants must have attended a total of at least 5 sessions AND the assessment day to release the full stage 2 payment. If attendance has been less than 6 weeks after stage 2, payment will be based on £75 per day for sessions attended.

2.2 Payments will be adjusted accordingly if changes have been made to the course duration / content. These changes will need to be agreed in writing beforehand.

2.3 Payment for professional mentoring sessions for each individual will be £40.00 per hour and will require prior agreement before sessions can take place*.*

Total payment for each individual will be no more than £1500

All payments are exclusive of V.A.T

All costs associated with the course including materials and examination fees are at the expense of the course provider.

3. Course outputs

1.1. At least 50% of course participants will be young parents

1.2. Participants must attend at least 50% of sessions to complete the course.

1.3. You will keep a register of attendance and communicate this to an assigned Talent Match member of staff on a weekly basis.

1.4. An action / learning plan for the course will be developed with the young person and reviewed at regular intervals. A copy of this will be provided for Talent Match staff.

- **Course outcomes**

  o All participants will receive a qualification as part of the course. E.g. food hygiene, first aid qualification

  o All participants feel that they have improved their skills in relation to securing employment

  o Participants feel closer to the workplace and more confident in finding employment

  o Participants develop skills in communication, working with others, reliability, setting and achieving goals.

Appendix 8.2- Financial history at SS March 2014- March 2018: income and spending (Source- Charity Commission)

Financial history

Compliance history

Income   Spending

Annual return   Accounts
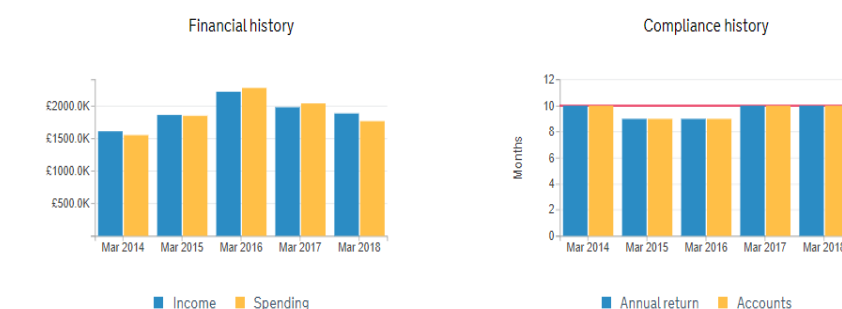
Fundraising

Raises funds from the Public

Gift aid

Recognised by HMRC for gift aid

Charitable spending ratios

▸ What are charitable spending ratios?

93%

▸ Charitable spending

97%

▸ Group income available for

6%

▸ Retained