About the FSI

Since its inception in 2007, the FSI has grown to become the UK’s largest provider of free capacity building services to small charities and local community groups. The FSI is a registered charity whose funds consist of raised voluntary and earned income.

The FSI was established by Emma Harrison CBE (Founding Chairman) and Pauline Broomhead (Founding CEO) to deliver strategic skills to small charities and local community groups through a year-round programme of training and conference learning. The content of this learning programme now encompasses all the disciplines of fundraising, alongside key back office skills, to build sustainable charities ready to adapt to the demands of their beneficiaries and communities.

Today the FSI delivers just over £2m worth of free services to small charities and local community groups right across the UK. In 2012 the FSI’s programme will encompass:

- Training days delivered at the FSI’s office in central London (bursaries are available for the smallest charities and local community groups when their offices are outside of the M25) which cover all of the major methodologies of fundraising, key strategy areas and back office functions such as marketing and communications;
- Small Charity Week - a major celebration of the small charity sector and its impact on every community in the UK. In 2011 the FSI held the second SCW launching with I ♥ Small Charities day, and went on to include events at Westminster, a day where lots of small charities got great advice from experts in their field as well as fundraising and campaigning events right across the UK. The 2012 events will be even more exciting and have even greater impact focusing on celebrating the very best of the sector and its place at the heart of Big Society;
- A conference programme comprising the FSI Forum (fundraising-focussed) and the FSI Workshops (concentrating on back office skills that are key to sustainability);
- Roadshows bringing the FSI to the heart of local communities, and so far we have visited seven cities right across the UK from Newcastle to Bristol. Taking the FSI training out of London is key to ensuring that as many small charities and local community groups as possible have access to free training;
- Advice clinics where small charity and local community group delegates have a one hour slot with a member of the FSI team to discuss organisational and project strategy or any aspect of their work where advice is needed;
- Fundraising events delivered by the FSI, the FSI manages each of these projects to ensure that small charities and local community groups can maximise their raised income without the monetary and time costs associated with the administration. The events include the Great Big Small Charity Car Draw (a nationwide raffle for a brand new car) and the FSI 10km Challenge (held annually in Derbyshire);
- An Affiliates programme that provides small charities and local community groups (the five winners of the Guardian Charity Awards and five chosen from an application process) with a year of intensive development support to move that charity to the next level of its life stage.
- The FSI Scholarship programme which selects outstanding individuals from the sector and provides them with a professional development programme and support.
- The Small Charity Policy Forum - a key opportunity for small charities and local community groups to come together in Westminster to raise their issues and have their voices heard.

All of the above programmes are delivered free of charge to the participants.

The FSI is committed to delivering events and campaigns that demonstrate the work and impact of the small charity and local community group sector to as broad an audience as possible, including policy-makers and the media alongside the general public. To ensure that this work is representative of the sector, we undertake regular communication through our online community and surveys of small charities to gain insight into the issues and trends affecting their work or sustainability.
Foreword

This research marks a milestone for the small charity sector, an opportunity for policymakers to better understand how policy impacts on the small charities and community groups working to build communities right across the UK.

It is significant that this report is launched during Small Charity Week 2012. As we focus on small charities, it is right to consider the impact that policies have on the design and delivery of services; if we get it wrong many of our most vulnerable lose out.

This report raises issues with the way in which policy is developed and communicated. It focuses specifically on the small charity sector’s response to the Government’s Localism agenda. Politicians and commissioners should take note of the points it raises and the suggestions of better ways of working.

Too little research exists focusing on the UK’s small charity sector; we hope that this report adds something to the debate around how we best support civil society and that other organisations contribute to our understanding of how the sector operates and what we need to do to ensure that it thrives.

So, where to from here? We will be supporting small charities through the FSI and via the Small Charity Policy Forum to engage with policymakers, both locally and nationally, to ensure that together we can bring about a society that supports its small civil society organisations to maximise their impact.

Pauline Broomhead
Chief Executive
FSI

Main Findings

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   1.2 Definition of Small Charities
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2. Perceptions of Localism
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   2.3 Moving Forward with the Community

3. Analysis of Localism
   3.1 Analysis of Localism
   3.2 A Place After Localism
Main Findings

✧ There is a strong link between knowledge and perception
  - Many have not heard of the Act, or know enough to form an opinion about it. As a result, the interpretation of the agenda among small charities becomes extremely varied.
  - Respondents have felt an absence of a concerted effort in coherently communicating and publicising the Localism agenda.

✧ There is a strong link between the charity’s nature and its perception
  - The view of the relevancy of the Act also differs based on the delivery location and, to a lesser extent, the income level of charities. The less ‘local’ the delivery location, the less Localism is seen relevant.
  - Each charity has different needs which could not be necessarily met by the Localism Act nor understood by their respective local authorities.
  - Charities working with vulnerable client groups fear their voice might get drowned out by the wave of populism.
  - In the climate of economic austerity, the most dire and universal need for funding to enable participation could not be fulfilled.
  - Gaps in meeting the needs of small charities strengthen the belief in Localism’s irrelevance.

✧ The relationship dynamics between local authorities and small charities have significant impact on the perception of Localism
  - The impact of budget cuts has caused local authorities to be held with distrust and hostility so that some charities find it hard to collaborate with them.
  - Local authorities are disinclined to engage with small charities due to the resultant organisational restructuring and changes in priorities.
  - There are variations among local authorities in their culture and attitudes towards the voluntary sector which suggest that the interpretation and implementation of the Localism Act will be just as varied.
  - Charities that have had experiences dealing with local authorities seem more confident about being able to influence local authorities.

✧ Many small charities have explored ways to engage their local authorities, whether it is because of or despite the Localism agenda, but they are not without risks and limitations
  - Some charities have tapped their natural advantages of local knowledge and experience to present themselves as the most suitable service provider in their areas.
  - Most charities feel the threat from big charities and private businesses, to which local authorities are seen to be partial, in competition for service delivery and funding applications.
  - Some charities have been driven to work together to form consortiums, submit joint bids, and deliver services.
  - Joint partnerships, however, can be costly and inconvenient, and dilute the strengths and identity of each organisation.
Introduction

The last several years have seen significant changes in the voluntary sector. While the country is still steeped in a climate of economic austerity, waves of government directives and agendas – from the much-hyped launch of the Big Society to proposed caps on charity tax relief – that would affect the sector in varying ways have come to the fore. Of particular interest here is the Localism Act 2011. In this research we seek to reflect and answer the question: where do small charities fit into the agenda and how can they carve a place in it?

Therefore, this research examines the perceptions of, and anticipated (if not existing) participation in, the agenda among small charities. We laud the principle and welcome some of the policy contents of Localism. However, we believe that the policy context which is instrumental for successful implementation of the agenda has not been fully understood. Our modest hope is that we could provide some knowledge in that direction.

AIMS AND OBJECTIVES

• Understand the patterns and determinants of the varying perceptions of Localism among small charities
• Identify potential gaps, if any, between the needs of small charities and the supposed benefits offered by Localism
• Identify strategies adopted by small charities to adjust themselves to the changing political landscape and to participate in the Localism agenda, if any
• Examine the dynamics of the relationship between Local Authorities and small charities and that of between communities and small charities
• Suggest potential improvements on the implementation of Localism that would significantly spread its benefits to small charities

DEFINITION OF SMALL CHARITIES

While there are various criteria according to which ‘small charities’ can be defined, such as number of employees or number of beneficiaries, this research recognises any registered charitable organisation with an income of less than £1.5 million per annum as a small charity.

As at 2009/2010, more than 97.2% of charities in the UK are small. There are two key defining characteristics of small charities: the nature of their income and that of their manpower.

In terms of annual income, small charities account for no more than a quarter of income generated in the voluntary sector. Statistics have shown that the smaller an organisation, the more dependent it is on funding from individuals, either in the form of donations or membership dues. For example, charities with annual income of less than £10,000 derive about 65% of their funding from individuals and only 5% from statutory sources. Meanwhile, those with an income of £10,000 to £100,000 receive half of their funding from individuals and 21% from statutory sources. Furthermore, only a little more than 19% of the statutory funding goes to small charities. In other words, the larger an organisation, the more likely it is to gain access to statutory funding.

1 All figures in this section are quoted from the NCVO UK Civil Society Almanac 2012, unless otherwise stated.
2 Indeed, even based on the criterion of income, different researches have used different thresholds. A research by the Charity Commission saw those with an annual income £250,000 or below as ‘small charities’. (The Charity Commission. Nov 2010. Strength in Numbers - Small charities’ experience of working together. Retrieved May 14, 2012, from http://www.charity-commission.gov.uk/Publications/rs24.aspx). In contrast, the NCVO UK Civil Society Almanac 2012 applies the label to those with an annual income between £10,000 and £100,000. Our definition is closer to the nfpSynergy’s report, State of the Third Sector in 2009, which uses a turnover of less than £1m per annum as its threshold.
Small charities also typically have a small staff team. In fact, several reports define small charities based on the number of staff\(^3\).

**PREVIOUS RESEARCH**

This research complements existing underdeveloped research on the relationships of charities with local authorities by compiling anecdotal evidence on the diverging experiences of small charities with their local authorities\(^4\). We believe this particular dynamic should be captured to provide a better glimpse into the potential impact of Localism on small charities. More importantly, this significantly determines the perceptions of Localism among small charities, and ultimately, the room for their participation in the agenda.

As different provisions of the Act would come into effect at different times – although many of them were in force since April 2012 – we acknowledge that this research could not offer a fair assessment of its impact. Rather, our main goal is to measure the general perception of small charities towards their local authorities, the Localism agenda, and their potential role in the changing political landscape. This particular perspective allows us to assess the communication level of the Localism agenda and the groundwork prepared for the Act. It is hoped that this could instead let us foresee and understand the possible obstacles that prevent small charities from reaping full benefits from the Localism Act.

**METHODOLOGY**

There were two phases to this research. The first phase took place from November 2011 to April 2012. We distributed online and paper questionnaires that asked about the charities’ work and income, as well as their thoughts and opinions of Localism, to approximately 1,200 small charities on the FSI’s database. These questionnaires consisted of mostly multiple choice questions and a couple of open-ended questions. The evaluation analysed, 442 charity workers had completed and returned the questionnaires to us.

Certain themes emerged from the results of this survey, informing the second phase of the research which comprised of one-to-one interviews with charity employees across the country. The charities we sampled in this survey represent many different cause types and geographical areas. The profile of the respondents is also very mixed; they include CEOs, directors, department managers and fundraisers. It should be noted that many of them wear different hats due to the limited workforce in their organisations.

Although the sample size is small relative to the vast and diverse voluntary sector in the UK, we believe that the tentative findings reflect general patterns prevalent in the small charity sector.

**RESPONDING CHARITIES**

The following graphs display the breakdown of the responding charities based on their annual turnover and geographical base.

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\(^3\) The *Charity Pulse* survey in 2011, *Feeling the Strain*, published by Birdsong Charity Consulting, defines ‘small charities’ as those with fewer than 50 staff. By contrast, the report commissioned by CharityComms, *The Communication Needs of Small Charities*, considers charities with fewer than 20 staff as ‘small’.

### Responding Charities by Annual Turnover

<table>
<thead>
<tr>
<th>Annual Turnover</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1m to £1.5m per year</td>
<td>37</td>
</tr>
<tr>
<td>£500,001 to £1m per year</td>
<td>63</td>
</tr>
<tr>
<td>£250,001 to £500,000 per year</td>
<td>81</td>
</tr>
<tr>
<td>£100,001 to £250,000 per year</td>
<td>84</td>
</tr>
<tr>
<td>£50,001 to £100,000 per year</td>
<td>66</td>
</tr>
<tr>
<td>Up to £50,000 per year</td>
<td>90</td>
</tr>
</tbody>
</table>

### Responding Charities by Geographical Base

<table>
<thead>
<tr>
<th>Geographical Base</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Ireland</td>
<td>0</td>
</tr>
<tr>
<td>Wales</td>
<td>2</td>
</tr>
<tr>
<td>Scotland</td>
<td>9</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>42</td>
</tr>
<tr>
<td>West Midlands</td>
<td>23</td>
</tr>
<tr>
<td>South West England</td>
<td>71</td>
</tr>
<tr>
<td>South East England</td>
<td>76</td>
</tr>
<tr>
<td>North West England</td>
<td>22</td>
</tr>
<tr>
<td>North East England</td>
<td>9</td>
</tr>
<tr>
<td>Greater London</td>
<td>140</td>
</tr>
<tr>
<td>East of England</td>
<td>18</td>
</tr>
<tr>
<td>East Midlands</td>
<td>30</td>
</tr>
</tbody>
</table>
PERCEPTIONS OF LOCALISM

The survey asked respondents if they have heard of the Localism agenda and their view of the agenda. When their responses were checked against the profile of their organisations, we discovered some interesting patterns. We found that the varying perceptions of Localism correlate to a couple of variables: the service delivery location and the income level of charities.

Service Delivery Location

Have you heard of the government’s Localism agenda?

<table>
<thead>
<tr>
<th>Service Delivery Location</th>
<th>Yes</th>
<th>No</th>
<th>Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>International (specific country/region)</td>
<td>23</td>
<td>44</td>
<td>3</td>
</tr>
<tr>
<td>Global</td>
<td>16</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Nationwide</td>
<td>54</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>Region</td>
<td>54</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>County</td>
<td>39</td>
<td>28</td>
<td>1</td>
</tr>
<tr>
<td>Village/Town/City</td>
<td>65</td>
<td>46</td>
<td>1</td>
</tr>
</tbody>
</table>

As shown by the graph above, the proportion of charities that have heard of the Localism agenda steadily decreases as their delivery locations extend beyond the localities. In other words, ‘non-local’ charities, especially international charities and – to a lesser extent – national charities, tend to lack the knowledge about this agenda and feel that it is irrelevant to them. Open-ended remarks on the questionnaires submitted, as well as follow-up interviews, have confirmed this perception. This stems from their belief that local authorities have little, if any, role to play in the delivery of their services.

The views of the Localism agenda also similarly correlate to the delivery location as demonstrated in the next graph. The proportion of charities that could not form a view of the agenda (those who said ‘don’t know’ and those who left the question blank) rises, as the delivery locations cover greater geographical scope.
### What is your view of the Localism agenda?

<table>
<thead>
<tr>
<th>International (Specific Country or Region)</th>
<th>Positive or mainly positive</th>
<th>Neutral</th>
<th>Negative or mainly negative</th>
<th>Don’t know</th>
<th>No response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>7</td>
<td>20</td>
</tr>
<tr>
<td>Nationwide</td>
<td>6</td>
<td>28</td>
<td>5</td>
<td>10</td>
<td>47</td>
</tr>
<tr>
<td>Region</td>
<td>7</td>
<td>26</td>
<td>5</td>
<td>9</td>
<td>43</td>
</tr>
<tr>
<td>County</td>
<td>5</td>
<td>19</td>
<td>4</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>Village/Town/City</td>
<td>6</td>
<td>34</td>
<td>5</td>
<td>12</td>
<td>55</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
</tbody>
</table>

### Income Level

Have you heard of the government’s Localism agenda?

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Yes</th>
<th>No</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1m to £1.5m per year</td>
<td>17</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>£500,001 to £1m per year</td>
<td>38</td>
<td>19</td>
<td>1</td>
</tr>
<tr>
<td>£250,001 to £500,000 per year</td>
<td>42</td>
<td>33</td>
<td>2</td>
</tr>
<tr>
<td>£100,001 to £250,000 per year</td>
<td>51</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>£50,001 to £100,000 per year</td>
<td>30</td>
<td>30</td>
<td>1</td>
</tr>
<tr>
<td>Up to £50,000 per year</td>
<td>34</td>
<td>52</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>132</td>
<td>132</td>
<td>132</td>
</tr>
</tbody>
</table>
The preceding graph shows that the proportion of charities that have heard of the Localism agenda somewhat corresponds to the income level of charities – the higher the income, the greater the likelihood the organisation has heard of the agenda.

This particular pattern is supported by the following graph that demonstrates that the views of the Localism agenda similarly correlate to the income level. The proportion of charities that could not comment on the agenda (those who said ‘don’t know’ and those who left no response) is inversely proportional to the income bracket. Thus, income level seems to be significant as a determining variable for the perceptions of localism. When the two graphs are taken together, it supports the argument that knowledge about Localism, or the lack thereof, guides people’s view of the agenda.

### What is your view of the Localism agenda?

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Positive or mainly positive</th>
<th>Neutral</th>
<th>Negative or mainly negative</th>
<th>Don’t know</th>
<th>No response</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1m to £1.5m per year</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td>6</td>
<td>16</td>
</tr>
<tr>
<td>£500,001 to £1m per year</td>
<td>3</td>
<td>22</td>
<td>4</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>£250,001 to £500,000 per year</td>
<td>2</td>
<td>20</td>
<td>2</td>
<td>11</td>
<td>32</td>
</tr>
<tr>
<td>£100,001 to £250,000 per year</td>
<td>6</td>
<td>25</td>
<td>6</td>
<td>8</td>
<td>27</td>
</tr>
<tr>
<td>£50,001 to £100,000 per year</td>
<td>4</td>
<td>13</td>
<td>3</td>
<td>5</td>
<td>34</td>
</tr>
<tr>
<td>Up to £50,000 per year</td>
<td>3</td>
<td>16</td>
<td>5</td>
<td>10</td>
<td>50</td>
</tr>
</tbody>
</table>

### Do you believe Localism will give your charity more influence in policy and service design in your area?

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Yes</th>
<th>No</th>
<th>Don’t know</th>
<th>No response</th>
</tr>
</thead>
<tbody>
<tr>
<td>£1m to £1.5m per year</td>
<td>7</td>
<td>13</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>£500,001 to £1m per year</td>
<td>9</td>
<td>26</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>£250,001 to £500,000 per year</td>
<td>15</td>
<td>33</td>
<td>31</td>
<td>2</td>
</tr>
<tr>
<td>£100,001 to £250,000 per year</td>
<td>18</td>
<td>32</td>
<td>29</td>
<td>5</td>
</tr>
<tr>
<td>£50,001 to £100,000 per year</td>
<td>9</td>
<td>20</td>
<td>31</td>
<td>6</td>
</tr>
<tr>
<td>Up to £50,000 per year</td>
<td>13</td>
<td>41</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
Income level correlates with the confidence of charities that they could gain more influence under Localism. Charities with an annual income of up to £50,000 have the biggest section of those who could not say if they would be more influential; they make up more than three quarters from the group. By contrast, charities with annual income of £100,001 and £500,000 have the smallest proportion, under 40% of them are uncertain about their potential influence. Such divergence can perhaps be explained with the trends of involvement in services commissioned by local authorities by organisation’s income. Charities with an annual income of £100,000 and below are not likely to have been involved in delivering services commissioned by local authorities, as opposed to those receiving an annual income between £100,001 and £500,000 being the most likely in the past or present. In other words, charities falling into the £100,001-£500,000 bracket are more likely to have access to and contact with the local authorities. Such contact then shapes the confidence level of charities in having more influence given by the Localism Act.

**PERCEPTIONS OF AND RELATIONSHIPS WITH LOCAL AUTHORITIES**

Respondents from UK-based charities have related some form of experience with local authorities at varying levels. The working relationship of small charities with local authorities can basically be summed up as the following:

**Statutory funding**

Charities that receive funding from local authorities, for example, get to work with commissioners or the grant monitoring officers.

**Service delivery and coordination**

Charities often work together with specific services in local authorities. Some charities refer clients to public agencies and vice versa.

**Consultation and information sharing**

Charities act as a ‘critical friend’, provide an advisory or consulting role on local authority boards, at community meetings and so on.

Localism seeks to support local decision-making and guarantee community rights. To that end, local authorities are granted prerogatives to be an enabler. However, a survey of many respondents about their perception of local authorities has uncovered some of the complexities of the nature of local authorities which might forestall the facilitation of community rights. These potential barriers can be procedural, personality, and political.

**Procedural**

Many have commented about the increasing bureaucratism in local authorities in recent years, especially in the way they hand out grants, contracts and funding to charities. They described that they often were made ‘to jump through hoops’ even for a paltry sum. In light of severe budget cuts, local authorities have appeared to be more prudent in allocating funds to the voluntary sector. However, this often has translated into more paperwork for funding applications that drains the time and resources of small charities, with no guarantees of a favourable outcome. Additional paperwork is similar required for the reporting process, as local authorities tighten their monitoring of service delivery, leaving little room for flexibility for any service delivery. There were also complaints about how local authorities allocate their budgets. All these procedural hurdles undermine funding relationships between small charities and local authorities.
'We were told that we should not apply for grants unless we are signed up with [the local authority], requiring a minimum payment of £1,500. This rule applies for grants below the value of £15,000. It does not make sense if we had to fork out £1,500 to get a grant of £500. Moreover, you need to fill in a raft of forms that ask for repeated information just to get a £500 grant. Only hand-written forms were accepted by them. It gave the impression that they rewrite the rules as they go...You would have to persevere like mad to get it.'

Portsmouth (Anon)

Personality

The Localism Act might have restructured the command chain and altered the distribution of powers in favour of local authorities. But it does not necessarily institute a friendly culture that makes local authorities more approachable by small charities. Indeed, some respondents concede that there is a degree of randomness to local authority figures. Some local authority key players can be very generous and open to new ideas and keen to involve the voluntary sector; some others may see the sector as a threat, rebuffing any approaches from the sector.

‘Our relationship with local authorities does vary across the county and that is in part due to the different priorities or personalities of key leaders. For some areas, for example, some senior figures are very supportive of taking part in some of our fundraising events.’

Mark Smith, Safe@Last

While it is true that many of these local authority figures are democratically elected, the ever-present possibility that some may be antagonistic towards the sector reinforces any doubts of local authorities being a reliable enabler of community rights.

Political

To a lesser extent, we heard responses that local authorities can be much politicised. Schisms have appeared between different levels and parties in local authorities. Such clash of wills is believed to be a major obstacle for the implementation of the Localism Act. More importantly, it portrays local authorities to be an unattractive party to deal with.

‘As far as shaking local governments out of complacency goes, Localism is a good idea. However, it will be more important that you breathe the local politics. This is complicated by politicians who see local interests as equivalent to party interests and that the local government is a stepping stone to national government.’

Paul Boielle, CASH

MOVING FORWARD WITH THE COMMUNITY

Fundamentally, the community engagement from charities comes in three forms:

- Funding – Donations, membership subscriptions, support in kind
- Service delivery – Act as clients and service users for charities
- Volunteering – Provide a source for volunteers

On the whole, based on interviews, there is an upward trend in community engagement with the charities’ work. They are not only getting more – if not a steady level of – support in cash or in kind, they are getting many supportive and dedicated volunteers. They attribute it to being able to demonstrate the impact of their work to the community through many years of service delivery.
‘There is greater [community] engagement [with our charity] but it has nothing to do with the Big Society. We always have very good links with the community and we are very local in our service provisions. People can see what we do and they are impressed by our work. That is why they are becoming more supportive.’

Liza Dresner, Resources for Autism

‘We get lots of support...and volunteers from the community. It is not because of the government’s policies but because of our increased visibility and profile. We organise lots of events to get people engaged…’

Gus Alston, The Pirate Castle

Furthermore, the reduction of local services is not uncommon as a result of the budget cuts. This caused many long-time local service users to turn to charities that offer similar services, inadvertently raising the level of interactions between the community and charities.

However, a minority of respondents were concerned if Localism would turn into an exercise of populism that promotes NIMBYism. They fear community decision-making may marginalise the vulnerable sections of the society. These respondents usually represent disadvantaged individuals or groups like people with disabilities, homeless people, HIV-positive individuals, migrant communities and so forth.

‘Local planning decisions will be dominated by people who like local planning. It will create NIMBYism where these people do not want people who make strange noises in their neighbourhood and say “let’s move them somewhere else”. They will decide where you put hostels for the mentally ill. Local authority planning decisions will marginalise vulnerable people. The community is not kind…’

Liza Dresner, Resources for Autism

A number of respondents also believed that the potential unequal participation of the community in the Localism agenda needs to be addressed.

‘Not all people are voting so not all voices are heard. People are especially beaten down in the deprived areas where they do not speak up as much nor come forward. Forums usually have the same people around – those of the white middle class, and not those who suffer in a one-bedroom house crowded with children.’

Marva Trenton, Lambeth Family Link

ANALYSIS OF LOCALISM

Good idea, but bad timing?

Although this research was set out to examine the varying perceptions of Localism among small charities, collected responses from the charities have invariably touched upon the ongoing funding cuts by Local Authorities. Clearly, as these painful budget cuts coincide with the onset of Localism, charities’ relationships with the Local Authority have become increasingly defined by the negotiations and even wrangling over budgetary allocation. This then further shapes the perceptions of Localism.

It is true that the Localism agenda – and its conceptual twin, the Big Society – predates the current financial crisis. Nonetheless, the timing of its official adoption that coincides with the crisis has left many holding it with suspicions that it is merely a cover for a nationwide austerity drive.

‘It makes sense to cut costs AND bring in the Localism agenda. It just makes sense as a strategy.’

Manchester (Anon)
At a practical level, the austerity measures that are sweeping local authorities are thought to be complicating the implementation of Localism. Indeed, most agreed that Localism might have worked better in economically less challenging times.

‘The Local Authority could not really help because they have been busy looking at themselves and obsessed with just surviving. They just want to ensure that their budgets and staff team survive. They are not interested in supporting the voluntary sector even though there should be such responsibility based on the Localism agenda.’

Chris Menzies, Barnabas Safe and Sound

Good idea, but bad in practice?

Although a sizable number of people view the Localism agenda favourably, follow-up interviews allow some respondents to clarify that they are in favour of Localism as an idea or theory that empowers communities and enables community decision-making. Many, however, are suspicious and ambivalent about the implementation of the agenda.

‘I am in favour of localism, regionalism, nationalism, internationalism...I am into diversity... I am very much in favour of [Localism] as a paradigm...but the implementation [of the agenda] is another question...’

Blanche Cameron, RESET Development

Generally, the implementation of the Localism agenda has been seen as problematic on two fronts.

Firstly, there is a wide belief that the agenda has not been communicated adequately by relevant authorities. They have either been uninformed about, or unconvinced by the Localism agenda. The fact that some local authorities have appeared clueless about the agenda or their future direction has inspired little confidence about Localism.

‘The communication of the Localism agenda is not effective. I read a lot and get the news from BBC News, The Third Sector and so on. But I read very few things about Localism. Localism sounds like a rehash and a lot depend on the local authorities.’

Bristol (Anon)

Secondly, distrust of local authorities caused by past negative experiences with them has convinced many that the implementation of the Act might be doomed. Potential barriers that lie within local authorities like procedural, personality and political barriers have been discussed above.

‘In a particular government building, there is a whole floor of free space. But they refused to lease out the space, because they were concerned for the security of the building and gave the excuse that they could not change the locks to facilitate a lease for outsiders. This created a waste of space and the local government showed that it was inflexible and not an enabler for the charity sector. That is what you see from the local authority.’

Ian Sanderson, Afrinspire

Of course, there is a minority that simply believed Localism is a bad idea or irrelevant to current circumstances. Nonetheless, the general gloomy mood brought upon by the actions of local authorities, especially their recent budget cuts leave little for small charities to be excited about Localism.
A PLACE AFTER LOCALISM?

Apart from networking with local authority key figures, a number of charities have tapped their natural advantages to present themselves as the most suitable service provider in their areas. Besides demonstrating their solid track record, they highlight their local roots and deep local knowledge to local authorities. Some local authorities have been able to recognise that and subsequently involve these charities in local joint strategic partnerships. Charities that have been delivering quality local services to communities also have accumulated a strong and loyal support base from locals. Remarkably, in this respect, there have been instances where communities have inadvertently welded charities to local authorities. Communities have exerted political pressures on local authorities to retain the services of these charitable organisations. Community support could therefore encourage local authorities to provide access to opportunities to charities in service delivery.

Many agreed that joint bids between small organisations for local services have become the trend in a time of economic austerity and popularisation of local commissioning. Faced with competition from bigger organisations, it seems to have become a need for small charities to undertake this approach. For example, according to one respondent, blind associations in Southampton and Portsmouth have started cooperating for home-visiting services to pool their resources.

Moreover, certain local authorities also prefer such joint bids but this strategy is not without its difficulties. Forming a joint bid is time-consuming and resource-draining. Attending meetings and creating partnership agreements are requisites for them to move forward. Perhaps a greater danger is that joint partnerships can dilute the identities and organisational strengths of these charities. Each organisation possesses a certain uniqueness and niche market in its service delivery and target clients. It is true that you can pool the strengths and expertise of different organisations into one consortium. But at the same time, these organisations need to decide on their direction and compromise on their differences.

‘We have refused to go into joint bids with other organisations [even though local authorities insisted] because it will water down what we do and the service will not be what we want...It is the fashion of the time but it will only make services weaker. It will instead give you more work to do because you need to go to meetings and so on. After all, we are independent organisations doing different things.’

Liza Dresner, Resources for Autism

Even big charities, in spite of their deeper pockets, joined the fray for funding from the public and statutory bodies. All charities are confident in the quality of their services and acknowledge their advantages in being a locally-based experienced service provider. However, they find that matters little when confronted with big national charities with higher tendering skills and more financial stability. Local authorities in that respect have seemed to be partial to them. Big national charities could offer a cheaper service by absorbing operational costs. One even remarked that statutory funding boils down to the application process, in which big national charities are particularly skilled.

‘I would like to think that [our local experience] has a value. But local authorities are not allowed to prevent national charities tendering for locally commissioned services. So, their hands are tied. Besides, [the big organisations] can do things cheaper and it will all come down to the money [you will save in rewarding contracts].’

Laura Welti, Bristol Disability Equality Forum