

Chapter 1

Working Conditions in the Community & Voluntary Sector and its Relationship with the State

1.1 Introduction

Community and Voluntary (C&V) sector organisations form an integral part of the social, economic and civic life of Ireland¹. In addition to the public and private sectors, the non-profit sector, of which the voluntary and community organisations constitute a substantial share, have been described as the 'Third Sector'. The importance of the sector is perhaps most evident in the central role it has been ascribed in national policy making through social partnership.

The indispensable contribution of the C&V sector to Irish life has been officially highlighted most recently in the Government's White Paper on supporting and enhancing the relationship between the sector and the State². This role encompasses diverse activities across a range of areas in society including advocacy, information, research, as well as service provision. While State funding for the community and voluntary sector is not the only funding that the sector receives, the transfer of resources to the C&V sector is substantial. It has been estimated, for instance, in 1999 that the funding transfers amounted to almost €1.27 billion³.

Many key public services are delivered by the C&V sector through the auspices of public funding. Included in such services are those dealing with social inclusion, unemployment, disability and health. In turn, the C&V sector employs a large number of staff that is crucial to these aspects of service delivery and civic society in Ireland.

In view of the palpable role that the sector plays in the life and services provision of the country, it is striking that the employment conditions of those working in the sector has never been systematically researched. This may be accounted for, according to one observer, by the fact that the C&V sector has been a collection of 'taken for granted social institutions...not worthy of serious study'⁴. Nevertheless, anecdotal evidence from organisations and those employed in the sector respectively suggests that the employment conditions and human resource (HR) practices of the sector lag somewhat behind those that are prevalent in the private and, more importantly, the public sector. The importance of the contrast between employment conditions and practices in the community and voluntary sector with those that are standard in public sector cannot be undervalued in view of the delivery of significant public services by the C&V sector.

¹ Faughnan and Kelleher, 1993.

² Government of Ireland, 2000

³ Government of Ireland, 2000

⁴ Kramer, 1988:242.

It is with this latter point that Equal at Work⁵, one of the development partnerships led by the Dublin Employment Pact and set up under the aegis of the EU's EQUAL Community Initiative, is primarily focused on. The community and voluntary site of Equal at Work has set out to investigate in more detail two issues here. The first is the perceived inequalities for staff employed in the community and voluntary sector as compared with those undertaking equivalent work in the statutory sector⁶. The second issue is to develop a picture of the C&V workforce with respect to wages, contracts, training, pensions, staff make up, retention and progression.

These are the two key areas that this report aims to explore amongst a sample of community and voluntary organisations in the Dublin area. In so doing, the additional questions that this study seeks to address are as follows: the main sources of funding for staff positions in the C&V sector; the main differences between funding streams; which funders operate systems which the C&V sector find suitable; and, weaknesses and difficulties in some funding streams.

In order to shed light on these questions, this report is divided into six chapters including the present one.

The purpose of this opening chapter is to set the scene for the research and provide the context for our analysis. This is achieved in two ways. First, it provides an overview of the development and understanding of the C&V sector (section 1.2), and explores the funding relationship between the sector and the State (section 1.3). Second, it outlines the research design and methodology used in the study process (section 1.4) and the structure of the main body of the report (section 1.5)

1.2 The Community & Voluntary Sector

In Ireland, the non-profit sector can be said to include voluntary run schools, voluntary hospitals, large sporting organisations, arts bodies, recreation organisations and other voluntary run health and welfare organisations. One estimate suggests that there may be in excess of 7,250 organisations comprising the non-profit sector in the State⁷. Within this broad grouping of organisations is situated the community and voluntary sector.

The C&V sector can be seen as a distinct yet diverse body of organisations within the non-profit sector. Defining the sector seems to be based on who is defining it and for what purposes. It can be argued, for instance, that where large voluntary bodies are involved in sporting pursuits (GAA), or are voluntary and autonomous but have a long history of the delivery of State funded services in the absence of coterminous State services, as is the case with schools, voluntary hospitals in the Dublin area etc., these bodies do not comprise part of the C&V sector. This of course suggests that there is confusion in defining what we mean by the C&V sector, and moreover that there is a blurring of the boundary between the non-profit, the C&V sector and the State.

⁵Equal at Work involves approximately fifty partner organisations from the public, private and C&V Sector across Dublin. Equal at Work's main objective is to create more inclusive systems of recruitment and progression through human resource practices in the partner organisations. This research was commissioned by the Community and Voluntary Site of Equal at Work, whose Working Group 2's remit is "pay, conditions and relationships with funders". (Equal at Work Action Plan, 2002.) Equal at Work was initiated originally and is led by the Dublin Employment Pact.

⁶ Equal at Work 2002

⁷ Redmond, M., 1999.

1.2.1 Definition

In view of this caveat, the term 'community and voluntary sector' has become the norm when referring to the non-profit sector and has been concreted by the publication in 2000 of the Government White Paper (*on a Framework for Supporting Voluntary Activity and for the Development of Relationship between the State and the Community and Voluntary Sector*), which makes explicit reference in its title to the sector. The term is also serves to underline the importance of community-based bodies and the contribution of community organisations⁸.

Within the C&V sector, it is possible to distinguish between on the one hand, community, and on the other, voluntary organisations. This difference is noted in the Government's White Paper on the sector in which it states that voluntary organisations tend to be the larger of the two, focusing on service delivery and in receipt of larger amounts of donations and fundraising. In contrast community groups tend to be smaller bodies that focus on issues within given communities⁹. In keeping with the profile of the not for profit sector in general, the categorisation of groups as either community or voluntary runs the risk of oversimplification. It is probably easier to view the sector as a continuum from the voluntary bodies to community ones and vice versa. However, within this range, the community sector is largest single group to be granted charitable status by the Revenue Commissioners in recent years¹⁰. This underlines the growth of the sector since the early nineties.

Defining the C&V sector has therefore proved difficult due to the vast array and diversity of the organisations that make up the sector. Most attempts at definition and classification of the sector are based on a number of characteristics that organisations in the sector share. For instance, it has been suggested by Donoghue¹¹ that definitions of the sector have been based on activities or the structure of organisations. That is, on the services offered to a group in lieu of State services, or their role in advocacy and information provision for one or more client groups. This account suggests that one way to understand the sector is by the structure/operational definition.

Under this method of definition, bodies that make up the sector can be said to have the following attributes:

1. *Organised*: they have an institutional presence and structure;
2. *Private or non-governmental*: they are institutionally separate from the State;
3. *Non-profit distributing*: they do not return profits to their managers or owners;
4. *Self-governing*: they are fundamentally in control of their affairs;
5. *Voluntary*: membership is not required legally and they attract voluntary contributions of time and money.

Faughan¹² observes that community and voluntary groups can be classified according to the following categories:

- *Mutual support and self help organisations;*
- *Local development associations;*
- *Resource and service providing associations;*

⁸ Donoghue et al 1999

⁹ The term community here can relate to geographic, interest and/or to issue-based communities.

¹⁰ Connolly & Donoghue, 2002

¹¹ 1999:5

¹² 1990

- *Representative and co-ordinating organisations; and,*
- *Campaigning and advocacy organisations.*

The EU Commission suggests that Community and Voluntary bodies also typically involve one or more of the following as their primary activities:

- *Service delivery (social services, health care, training, information, advice and/or support)*
- *Advocacy (campaigning, lobbying on behalf of causes and groups)*
- *Self-help and mutual aid (providing help, information and support to persons with common interests and concerns)*
- *Resource and co-ordination (co-ordination of activities, information and support by intermediary bodies)*

On reviewing the literature on defining the sector, it is possible to surmise that – among others - the distinguishing feature of the community and voluntary sector is best delineated by what it is not, i.e. the public or for profit private sector. Due to the various methods –organisational, focus area, size, way of working – used to define the sector, this suggests the sector is best viewed as one that operates between the public and private sectors. There may a degree of overlap at the edges of each sector in service areas such as childcare.

Overall, Faughan¹³ puts it succinctly: the sector ‘...defies precise description... [and] encompasses the myriad of small, often loosely organised groups as well as large highly professional and bureaucratic agencies. At one end of the spectrum it merges with informal systems of help provided by relatives, friends and neighbours. At the other end, it shares many of the characteristics of the public and indeed commercial sectors’.¹⁴

1.2.2 History

The C&V sector, especially the voluntary side, has a long history in Ireland, which can be seen as starting in the 19th century. There are two currents that can be distinguished in the development of the sector, the first is the provision of services by voluntary organisations and the second encompasses what can be broadly categorised as community self help efforts. Each current can be seen as going through a number of phases up to the present day.

Prior to 1950, the main providers of social services and various forms of charitable support for the deprived were voluntary agencies. These were normally under the aegis of religious organisations. The role of the religious in the provision of voluntary support took place in the absence of such services provision by the State. Underpinning this development was the social teaching of the Catholic Church, which was based on the principle of subsidiarity. This principle maintained that services should be provided at the lowest level of community, ranging upwards from the family and individual, to the church and finally, at the highest level, with State input to social policy and services provision. One view suggests that this approach acted to ‘curtail State involvement and was no doubt associated with the growth of what turned out to be quite a vibrant voluntary sector’¹⁵. The development of the C&V sector became a key element in the model of social policy provision in

¹³ Cited in Boyle and Butler (2003:6)

¹⁴ In view of this, for the purposes of the present study, we have used the following organisational categorisation of the sector: national voluntary organisations; employment services; networks and/or forums; community-based projects and groups; umbrella organisations; area partnership companies; and, community development projects.

¹⁵ Daly and Clavero (2002:27)

the State where *'voluntary organisations have tended to pioneer the provision of different services with the State then becoming involved at a later stage'*¹⁶.

Following the 1953 Health Act, the State became involved in the provision of basic social service for the first time. The repercussions of the Act are still felt today in respect of the Act's 'section 65'. Section 65 allowed for the health authorities to provide grant in aid to voluntary organisations for the provision of health and social services which were 'similar and ancillary' to those provided by the State.

The 1950's witnessed the expansion of the State in all aspects of life. This included the State taking up responsibility for the provision of services to the disadvantaged sectors of society. This had the effect of substantially increasing the State funding of the voluntary sector in the 1960s. At this time also, the State became involved in the funding of voluntary run second level schools. The role of the church in social services also went through a sea change during this period whereby greater emphasis was placed on inviting the State to play a more central role in social policy and social services and the area that was the domain of the voluntary sector up to this point¹⁷.

A parallel current in the evolution of the C&V sector is represented by what Ruddle¹⁸ terms the 'tradition of community self help'. This tradition began in the 19th century and is epitomised by the development of the co-operative movement, which operated mainly in the area of agricultural production amongst poor farmers. A further development in this tradition is Muintir Na Tire. Muintir Na Tire was at its epoch from the 1930s through to the 1960s. Based on the local parish unit, Muintir Na Tire focused on enhancing community spirit through co-operative work and therefore catalysing self-help and community based initiatives.

In both cases, the 1960s should be seen as the watershed for both of these streams of the C&V sector which one observer suggests 'a distinct trend emerged of increasing incorporation of voluntary activity into statutory policy'¹⁹. This trend saw the State therefore entering into:

*'new relationships with voluntary bodies which included taking over financial responsibility for and hence control, over voluntary service provision in, for example, the fields of education, voluntary hospitals, children's homes. The role of voluntary sector began to change from playing the lead part in welfare provision to the role of either complementing or providing an alternative system to the State service'*²⁰

This development should be seen as the beginning of the interdependent relationship that we see today between that State, on the one hand, and the C&V sector, on the other.

In turn, the last 30 years have seen significant developments in the sector due to this relationship with the State. This sector's increase can also be attributed to its response the increasing complexity of society and the various problems associated with issues of deprivations and social exclusion.

In the 1970's, there was a marked move away from concepts of social policy based on charity to one that emphasised community involvement, individual participation and empowerment. This was facilitated by the

¹⁶ Curry 1993:72

¹⁷ This sea change took place following the Second Vatican Council or Vatican 2.

¹⁸ Ruddle & Donoghue, 1995:14

¹⁹ Donoghue et al, 1999:15.

²⁰ Ibid.

involvement of greater statutory funds. This trend increased in the 1980s under the ambit of EU structural funding and specific programmes such as the first and second poverty programmes that placed an emphasis on participation, empowerment and social inclusion. During the 1980s, community development came to the fore with the onset of tenants groups, women's groups, housing action groups etc²¹. This pre-eminence of what can be termed broad community development was led by the principles of consultation and participative democracy²².

In the late 1980s and throughout the 1990s, the focus of the sector was directed toward socio-economic structural problems such as unemployment and inequality for specific areas and marginalised social groupings such as people with disabilities and the Traveller community. This advance culminated with the development of local area partnerships and national community development support programmes.

1.2.3 Activities

In contemporary times, the community and voluntary sector spans most aspects of society. The sector plays a significant role in social policy with the State and in some policy and service areas, such as those on equality and social inclusion. As we noted earlier, the community and voluntary sector often leads the State in pioneering new approaches to social issues.

The diversity of the groups that make up the sector creates difficulties, as we have seen, in defining the sector. It follows that summarising the activities of the sector will come across similar problems. Donoghue et al, as part of an international study, suggested the areas that describe the activities of the sector could be reduced to the following:

- *Health: mental health, crisis intervention, and other health services;*
- *Social service: general social services, emergency and relief, income support and maintenance;*
- *Development/Housing: economic, social and community development, housing, employment and training;*
- *Law, Advocacy and Politics: advocacy, law and legal services.*
- *International: aid and development*²³.

A further study suggested that the main client groups that the activities of the sector are provided for include elderly people; designated communities in general; unemployed people; people with physical and/or sensory disabilities; children and families; ill people; carers; women; mentally ill or mentally distressed people; people with learning and intellectual disabilities; young people; homeless people; drug and alcohol users; ethnic minorities; people in underdeveloped countries; refugees and victims of crime²⁴. Taken together these go some way to underscore the significant array of activities that the C&V sector are involved in within the Irish context.

²¹ See for instance, Ruddle & Donoghue, 1995:14-15.

²² Whelan et al,

²³ Amended extract from the International Classification of Non-profit Organisations (Salamon and Anheiser 1996) as set down in Donoghue et al, 1999: 38.

²⁴ Ruddle and Donoghue, 1995:27

1.2.4 Policy

There are two dimensions to the role that the Community and voluntary sector plays in the development of policy. The first is the role of the sector in the policy making process and the second is in respect of the policy framework within which the sector works.

Policymaking

The C&V sector has been constituted as a legitimate actor in the national policy making process since the early 1990s. This revolved, in the first instance, around the involvement of some organisations in the sector in government departmental consultation and advisory committees with respect to specific national policy areas. One example of this is the role voluntary sector agencies play in policy development in the Health area with respect to issues such as mental health²⁵.

Under the auspices of the Programme for Economic and Social Progress²⁶, twelve area partnership companies were set up which involved the community & voluntary sector operating at the local area level for the first time formally in actions to combat social exclusion in tandem with the State and social partners.

The direct role of the sector in national policy making was first achieved with the involvement of the community and voluntary sector organisations in national social partnership process as a full member in 2000's Programme for Prosperity and Fairness and 1997's Partnership 2000 (for Inclusion, Employment and Competitiveness)²⁷. This, more than any other development, has set the foundation for the sector to be constituted as an actor in its own right in national policy development. The sector is now a full member of the National Economic and Social Council (NESCC), the National Economic and Social Forum (NESF), National Anti Poverty Strategy (NAPS) etc.

Furthermore, this policy making role is prevalent at the local level also signified by involvement in the County and City Development Boards, the Strategic Policy Committees and the establishment in each local authority areas of community fora for participation in these structures.

Policy Framework

Up to the publication of the White Paper (*on a Framework for Supporting Voluntary Activity and for the Development of Relationship between the State and the Community and Voluntary Sector*), and despite the long history of the relationship between the State and the C&V sector, there was no coherent policy framework for the relationship.

The White Paper was, in this sense, overdue and, according to one account, such a White Paper had been promised since as early as 1974²⁸. Prior to the publication of the White Paper, the relationship between the sectors had been ad hoc at best²⁹.

²⁵ Boyle and Butler, 2003:14

²⁶ 1991

²⁷ The C&V sector took part in the negotiations leading to the Programme for Competitiveness and Work (1994) but in an observer role and not as a full partner in the process.

²⁸ Donoghue et al, 1999:9

²⁹ Boyle and Butler, 2003:17

The White Paper endeavours to deal with this issue in the context that the existing legal and policy framework underpinning the relationship between the two sectors has been inadequate. The core vision outlined in the White Paper states that:

'the rapidly changing economic and social situation in Ireland requires serious consideration on how to influence society and make it socially and economically inclusive, to make it a place where equality of treatment, opportunity and access, and respect for autonomy of the individual are the norm. There is a need to create a more participatory democracy where active citizenship is fostered'

The White Paper outlines five main principles for governing the relationship between the State and the C&V sector³⁰:

- *Active Citizenship;*
- *Resource allocation and promotion of equality of opportunity;*
- *Helping people to participate in issues which affect them;*
- *Respect for individual freedom in the pursuit of social goals; and,*
- *Promoting and strengthening social dialogue.*

In this context, the White Paper plotted a range of initiatives for implementation designed to better support and enhance the relationship between the State and C&V sector. Chief among these are:

- *Formal recognition of the C&V sector;*
- *Mechanisms for consultation in relevant sectors including in policy making;*
- *Normalisation of multi annual funding mechanisms for priority services and community development in an effort to move away from ad hoc, discretionary and informal funding;*
- *Set of voluntary activity units in Government Departments;*
- *Development of best practice guidelines for consultation and funding mechanisms and their systems for Government Departments and State agencies;*
- *Set up of a White Paper implementation unit; and,*
- *A review of funding programmes and schemes to bring about a more coordinated and user-friendly system of funding for the sector.*

The White Paper in many ways is a starting point in the development of relationship between the sector and the State. The paper also serves as backdrop to the emphasis that the present study places on one crucial aspect of the relationship between the State and the community and voluntary sector.

1.3 The Role of the State, Public Funding and its Relationship to Comparative Working Conditions in the C&V Sector.

The relationship between the State and the C&V sector – as we have seen - has increased in recent decades. This relationship is a symbiotic one in terms of the services offered and outputs delivered. However, a key facet of this interdependent relationship is the transfer of funding from the State to the C&V sector for the

³⁰ It should be noted that the White Paper also deals extensively – as its title suggests – with Volunteerism.

delivery of services³¹. The nature of funding obviously has an impact on the numbers of staff employed in the sector and also, by implication, on the terms and conditions under which those in the sector work. Tracing this relationship and its impact on the C&V sector is the main concern of this section. In so doing, the section outlines the standard employment practices that are found in the statutory sector in order to serve as the basis for a comparative exploration of terms and conditions that operate in each sector.

1.3.1 The Rationale for State/C&V Sector Relations

As a point of departure, it is worth revisiting the White Paper to explore the government's thinking on the rationale for the relationship between the sectors.

The White Paper is based on an explicit recognition on the part of Government that C&V sector occupies a key position in civic democratic society. This view accepts that the sector is distinct and independent of the State and its agencies. Implicit in this view also is recognition of the value of both the sector in general and its representation of a wide range of interests, especially the socially excluded, in Irish society³².

Within this context, the White Paper sets down the main motive underpinning its relationship with the sector. Of note among these are the following, the C&V sector:

- *Helps create a vibrant civil and active society, one in which individuals are encouraged to participate which is an important component of democracy;*
- *Responds to pressing social needs quickly, directly and effectively;*
- *Can pioneer new approaches to service provision and local and community development;*
- *Improve the effectiveness of services through feedback and monitoring;*
- *Enable volunteers to participate and develop skills;*
- *Create employment*
- *Contribute to community infrastructure;*
- *Foster self help and empower individuals and communities in shaping their future*
- *Identify needs and tailor appropriate responses to communities and communities of interest*
- *Offer new solutions where conventional approaches have failed;*
- *Enable the excluded to become involved in the regeneration of their community and thus wider society.*

The White Paper outlines the official thinking on the state's involvement with the C&V sector. Other views on the relationship have been outlined by independent accounts. Ruddle and Donoghue suggest here that the C&V sector is supported by government due to its flexibility, innovation, emphasis on participation and its basis in communities (presumably geographic communities and communities of interest).

The more analytical and critical understanding of the relationship has also been broached. One view proposes that the basis of the relationship from the States point of view is 'government failure'³³. In this model, the delivery of government services are delivered in a homogenous manner in line with majority popular needs and where the needs of citizens do not correlate with the needs of the majority, a gap in

³¹ It should be stated that this flow is not a one way process. The C&V sector is, as we shall see, a significant employer in the State and this leads to revenues for the State in respect of direct and indirect taxation. The level of services provided by the sector on foot of such funding is also extensive.

³² 2000: 89-90

³³ Weisbrod, 1977, cited in Boyle and Butler, 2003:20-21

services is evident which is filled by the C&V sector. This model goes far in explaining why the sector is involved in 'niche' services. Those who differ from the dominant norm are likely therefore to be in a minority and this helps explain also the major role of the C&V sector in social exclusion. A good example here is people with disabilities.

Other accounts propose the opposite idea of 'voluntary failure' whereby government intervenes in service delivery undertaken by the C&V sector in one or more of the following scenarios:

- *limited resource base and scale of sector;*
- *focus on some groups by the sector only and not others who are therefore left excluded;*
- *C&V sector is independent in those it chooses to serve;*
- *ad hoc and unprofessional services*³⁴.

The likelihood is that voluntary failure probably involves a mixing of the above scenarios. In similarity, one would expect that both government and voluntary failure are not mutually exclusive occurrences suggesting linkages between the two. As we have seen in the Irish context, the C&V often was the forerunner historically in services provision in lieu of the State. This historical aspect therefore also plays a role in the relationship.

From a purely economic perspective, it may be the case also that the government's assign, through funding, the delivery of public services to C&V sector bodies on the basis that it more efficient and less expensive.

'Legitimation crisis' is another concept that has been used to understand the State's thinking in working with the sector³⁵. This concepts suggests that State works with the sector in order to offset any impending crisis in the legitimacy of the State by exploiting all avenues in order to be 'seen' to address social needs and social issues that the State may be unable (or unwilling for political or ideological reasons) to solve alone.

Another way of viewing the relationship is through corporatist terminology: where the State endeavours to obtain commitment to policy goals through the formation of a series of relationships with interest groups.

The role of the State in funding and supporting voluntary services is clearly neither a purely pragmatic or altruistic endeavour. As indicated above, it is reasonable to view these relationships as involving a combination of these conceptions simultaneously. The relationship between the two - in any one service area, or with particular areas or groups of citizens - should be seen therefore as being a result one or more of the various motivations outlined above on the part of the State at different times.

1.3.2 Funding

We mentioned above that from the 1970s on, the State or the EU has primarily funded the community and voluntary sector. The breath of the sector's work also multiplied since this time and now includes the delivery of services, representation, policy development, advocacy etc.

The funding relationship between the statutory and C&V sector has been characterised as follows: 'negotiation, transfer of funding [is] the most visible aspect, and for many organisations, the primary way in which the State and voluntary sector interact'³⁶.

³⁴ Salamon, 1987, cited in Boyle and Butler, 2003:21

³⁵ Habermas, 1976. Curtin and Varley, 1994, used this approach (among others) to explain the role of the State in supporting community development.

³⁶ Faughan and Kelleher, 1993.

This funding comes variously from government departments, state agencies, specialised state sponsored intermediaries such as those dealing with a specific area or area of interest such as in youth, local development, social inclusion, employment, asylum seeking, literacy etc. This funding can take the form of medium term programmes, discretionary grant in aid, budget financing, per capita provision etc. The base source of the funding can be from the exchequer, EU, national lottery or some form of mix of the three.

One account notes that all funding to the community and voluntary sector in 1995 was in the order of €1.46 billion.³⁷ Of this, €487 million came from public sources. Donoghue et al (1999: 16) estimates that in 1995 beyond the community and voluntary sector to take in the whole non-profit sector all sources of funding (public, private and fees) amounted to €4.1 billion. The public funds proportion of this was €3.05 billion. According to the White Paper, the C&V sector received €1.27 billion from public sources in 1999.

Ruddle demonstrates how the richer C&V sector bodies are likely to be national organisations while the comparatively less well off bodies are those that are community organisations. This account also suggests that all C&V sector bodies live just within their income with outgoings matching income very closely³⁸.

The White Paper makes a distinction between non profit voluntary organisations primarily involved in the health and social services and those C&V organisations that provide 'other services and undertake development activities to meet social need – without being a delivery agents on behalf of a statutory agency – but which statutory agencies wish to fund and support as ancillary and complementary to their own services and objectives'³⁹ In addition, the White Paper also suggests that the system of ad hoc annual grants is now out of date considering parallel multi annual funding mechanisms operated by the EU and parts of the State⁴⁰.

The White Paper explicitly recognises that funding for the sector has traditionally been ad hoc and on an annual basis, it suggests also that this funding regime stifles forward planning and requires significant time inputs to the chasing of funding which in turn adds to administrative costs. In this regard, the White Paper asserts that three year funding commitments will be the model to be applied in the future and multi annual budgeting systems would be made available in appropriate cases in line with priorities⁴¹.

The White Paper also outlines how core or 100% funding for specific project and types of services – those with a focus on disadvantage and/or 'priority groups' – is appropriate in cases where self-financing is not realistic. The White Paper suggest that State bodies should make clear where this is the case and also distinguish between the three types of funding in their interactions with the C&V sector: Multi-annual 'core' funding; time limited per project funding; and, once off grants for specific purposes. For the final category here, it is of note that once off grants is the area of funding for what the Paper terms staff and management training⁴².

³⁷ Donoghue et al, 1999:22-23.

³⁸ Ruddle & Donoghue, 1995:80.

³⁹ 2000:136

⁴⁰ Ibid: 137

⁴¹ Ibid: 138

⁴² ibid: 139

The White Paper is also candid in its view that preventable problems and related costs are created for C&V sector organisations when grants do not arrive in a timely fashion. It suggests that these should be paid in a one-month period of all formalities being met. This differs for larger amounts, which should be staged. In the case of core funding, the approach cited for future use is for payments to be made in advance and not in arrears.

In order to offset the situation whereby C&V bodies have to submit different audited accounts to different funders, often based on similarly different financial years, the White Paper states that the government and state agencies will use the calendar year as the basis for funding. In a related point, it also observes that accountability across a range of statutory funding sources can be very complex, time consuming and expensive to adhere to for C&V bodies. In this regard, the paper states that there should be 'an agreed protocol setting out standard requirements and good practice in relation to financial management' (2000:140).

This leads to the issues of C&V bodies that receive funding from a range of public sources. This, the paper observes, lead to confusion, delays and frustration and also confusion among state agencies about where responsibilities start and finish.

Faughan and Kelleher (1993) found that a majority of C&V bodies in their study were often dependent on government funding yet the nature of their work was constrained by the ad hoc and insecure funding and the lack of a clear commitment from the funder⁴³.

In responding to these issues, the White Paper concludes the following:

- *An implementation and advisory group will review overlaps and gaps in statutory responsibility and support for the C&V sector with regard to policy and programmes;*
- *The long term aim of this process will be to change from a highly fragmented funding and support systems for the C&V sector to one based on single line funding and single line reporting mechanisms⁴⁴.*

A final funding issue dealt with by the White Paper is in respect to the 'completeness' of funding. The paper acknowledges that while funding for the primary service of C&V bodies is available, the inextricable related costs of the primary services are often not available. The areas cited here are staff training, management training and development etc. It suggests in conclusion that individual state funding schemes and streams should make provision to such costs:

'it needs to be made explicit that funding schemes provide a comprehensive funding package – and not just funding for direct service provision – for any activity for which a statutory funder accepts responsibility'⁴⁵

In the overall context of public funding and its relationship to employment and working conditions in the C&V sector – which in turn is the key focus area of this study - this final point about funding made in the White Paper is interpreted succinctly by Clarke⁴⁶:

⁴³ Cited in Boyle & Butler, 2003: 11.

⁴⁴ *ibid*: 141

⁴⁵ *ibid*: 142

⁴⁶ Clarke, 2002:12

'funding should take account of the resources needed to become good employers, to maintain staff and to provide training and development opportunities for paid and voluntary workers. The implementation of higher standards of employment practices in the voluntary and community sector should be reflected in funding applications, particularly for increased, long-term core funding.'

1.3.3 Employment and Working Conditions in the C&V Sector

Given the amount of funding that the C&V receives each year and in line with aforementioned breadth of the organisations that make up the sector, the sector is likely to be a large employer. It should be noted that the diversity and the lines of boundary of the sector make it very difficult to come to any clear conclusion as to how many are employed overall in the sector. This is made more difficult by the dynamic in the sector in terms of changing staff numbers and staff turnover.

One attempt at aggregating the numbers employed in the sector was by National College of Ireland⁴⁷. The figures in this study date back to 1996 and could be updated shortly through a review of Census 2002. This study estimates that over 32,000 FTE (Full Time Equivalent) paid persons were employed in the C&V sector. This figure represents over 3% of the non-agricultural labour force. In addition, the number of people employed at that time in the sector outweighed those employed in electricity, gas and water sector, mining, quarrying and turf. Given that the late 1990s witnessed a greater expansion of the sector, it is likely that the numbers employed in the sector up to 2002 is in excess of the number quoted above. In other words, even in the absence of hard data, it is clear that the C&V sector is a significant employer in Ireland. Volunteers and those on various dual-purpose employment/social economy schemes such as Community Employment, Jobs Initiative etc, can be added further to these figures. In the previous sub section, reference was made to the manner by which larger national organisations were more likely to be better off financially than community based groups. This trend is also true of full time paid staff⁴⁸.

In the previous sub section, we saw that funding has often been ad hoc, insecure and incomplete. This frequently impacted negatively on costs and supplementary service areas inextricable to the delivery of the primary service. Such costs included training and staff development. As Clarke's view highlighted above, this 'incomplete' funding can also impact on employment conditions for the large number of staff employed in the sector. One account of the approach that the sector has to staff is in keeping with the ethical integrity of the sector in its work and internal operations. Cited here as one of the key concerns of the sector's management is that the 'treatment of staff and volunteers honours the moral and social values that the organisation intend to project in its service work'⁴⁹. In the context of this study, the incomplete, insecure and ad hoc funding relationship between the State and the sector impacts in a constraining way on the employment and working conditions of the staff that are employed in the sector.

Clarke adds to this:

'Due to the nature of work in the community and voluntary sector, employees take on very important responsibilities and work in highly skilled and specialised areas. They need to be innovative and to take risks. Management is legally required to provide certain conditions of employment but beyond this

⁴⁷ Donoghue et al, 1995:23-25.

⁴⁸ Ruddle & Donoghue 1995:80.

⁴⁹ O'Ferrall, 2000 cited in Connolly & Donoghue 2002.

management has a role in supporting employees to do their job to the best of their ability. The provision of good and fair terms and conditions of employment is an essential element in this support. Sometimes due to the pressure for the use of resources, staff needs are not prioritised in these organisations. This can lead to high levels of stress, burn out and staff not feeling valued. The promotion of best employment practice may be difficult due to lack of promotional activities, poor salary, lack of provision for career breaks, job sharing and so on, staff may leave the sector⁵⁰.

1.3.4 Employment and Working Conditions in the Statutory/Public Sector

This study aims at one level to sketch the employment and working conditions of the C&V sector in the context of comparison of those that prevail in the statutory sector. This is however not a straightforward task due to the diversity of positions, conditions and other mitigating factors both within the C&V and statutory sectors. This will become more evident later in the report. In this subsection we, nevertheless, set out a broad framework of the generic categories of employment and their respective conditions evident in the statutory sector that relate most closely to the positions and work areas found in the C&V sector.

The Irish public service comprises seven broad subdivisions, namely: the health service; the education sector; civil service (inclusive of the prison service), local authorities; security services (Garda Síochána and the defence forces) and, non-commercial semi-state sector⁵¹. In 2000, the total numbers employed in the public service was 235,321⁵².

There are literally hundreds of grades and positions in the public service. In the civil service alone, there are 16 general grades with a minimum of 5 increments of salary on the pay scale for each grade from principal officer down to clerical officer. The general grades are the easiest to access and are comparatively well known relative to some of the more technical positions within the public service. There are up to 45 other grades in the civil service stretched over functions such as engineering, accountancy, legal etc⁵³.

In order to outline the complexity within the public service of one area, we have chosen the health service and have identified 199 different grades across 13 categories. The 13 categories of grades are as follows:

1. *clerical, administrative and related grades*
2. *catering officers*
3. *cooks*
4. *community welfare officers*
5. *supplies officer*
6. *draughtspersons/technical*
7. *other clerical related grades*
8. *dental and medical grades*
9. *nursing grades*
10. *health and social care professional grades*
11. *childcare grades*

⁵⁰ 2002:9

⁵¹ Fitzpatrick Associates, 1999

⁵² Dept. of Finance, Analysis of Exchequer Pay and Pensions Bill, 1989-2000.

⁵³ Impact Annual Report, 2001-2002

12. *management grades*
13. *secretary/managers voluntary hospitals.*

With this in mind, the approach we adopt here is to outline the generic factors that are characteristic of public service employment rather than focus on specific areas, which would at any rate not be feasible given the enormous scale of this task. It should also be kept in mind that there is a range of state agencies and non commercial bodies that are likely to have a range of esoteric job positions, grades and salary levels. These include agencies such as Teagasc, Enterprise Ireland, and the Industrial Development Authority etc.

The nature of the public services differs from employment either in the C&V sector or in the private sector. The crucial role that public sector employees play in society means that continuity of employment, or job security, is paramount for planning and sustainability reasons.

One key facet of the public sector that sets it apart from the other sectors including the C&V, especially at lower levels, is job security. The importance of job security cannot be overlooked when considering employment conditions. This aspect of public service employment is probably a factor in the age structure of the public service in which over two thirds (67%) of the public workforce is over 35 compared to less than half (47%) in the private sector⁵⁴.

The primary form of remuneration in the public sector is basic pay. Since the 1950's, public sector pay has been linked to various grades through a complex system of relativities. These are dictated according to a relatively low entry level to the service which is amended upwards for those with professional qualifications such as social workers, architects etc⁵⁵. The majority of public service employees are remunerated by way of incremental scales that are linked to their respective grades. Pay is increased annually according to the incremental scale associated with the grade.

Once the public service employee reaches the maximum amount on the scale they stay at this pay level until promotion or qualification for long service increments. If a public service employee is promoted they will be placed on the scale for that new position which will then operate in the same way as the previous grade's pay scale.

The core motivation factor in the public service is promotion and career progression. There is, in general, a clear career progression path available to public services employees. However this can be more limited in some areas due to specialisation and in others due to the need to acquire certain requirements (education, merit on job assessment examinations etc) related to higher level posts. In line with career progression, there is also a guaranteed increase in pay for most public sector employees each year along the agreed scales.

Incremental pay increases have also been augmented in recent years by national pay agreements under social partnership agreements. The previous national pay agreement – Programme for Prosperity and Fairness – included 15% increase in pay over the course of the agreement. An additional 2% was also provided in 2001 in order to offset inflation. The pay increases cited in national agreements are paid to all public sector employees in addition to their progress along their respective salary scales. As we will see later in the study,

⁵⁴ Report of the Public Service Benchmarking Body, 2002:41.

⁵⁵ Report of Public Service Benchmarking Body 2002: 39.

these pay increases, while agreed to by most C&V sector bodies, could not be paid due to the insufficiency of funds in many organisations that comprise the sector.

Within the public service, career progression is also limited at point of entry whereby higher level positions are recruited through internal promotion which is distinct from both the private sector⁵⁶ and the C&V sector⁵⁷.

In addition, most if not all public sector employees have pensions, which is not the case in the private sector as has been highlighted in recent media coverage.

The public sector has also the highest union membership in comparison to the private sector and not profit – of which the C&V sector is a part – sectors respectively. The implications of this is most obvious in respect of national pay agreements whereby the vast majority of public sector workers will receive the agreed pay increase over the period of the agreements regardless of economic circumstances while in the private sector, in view of the lower union membership and the impact of prevailing economic trends, this is not the case to the same extent. This study suggests in its body that union membership in the C&V sector is closer in profile to the private sector than to the public sector.

The public sector also enjoys liberal travel and subsistence rates and has in general relatively good holiday entitlements vis-à-vis other sectors. In terms of work-time flexibility, the public sector is the leader in work-life balance initiatives such as flexi time and job sharing. There are also schemes with public service employment that supports employees to study part-time, by refunding fees for courses seen as relevant to the job, and giving study-leave. Career breaks are also an option for most public sector employees⁵⁸.

As the Public Service Benchmarking Body's report suggests, in some cases the employment remuneration of public sector workers may fall behind that which is prevalent in the higher and more established echelons of the private sector, this is offset by job security and in kind benefits⁵⁹. It is of course important not to underestimate the value of job security in the present economic and public funding climate.

However, a comparison with the community and voluntary sector has to date not been explored in any detail and this will be addressed based on this studies data in the following chapters.

The logic here is that many of the services delivered by the C&V sector and its employees are done so on the basis of public funding and in most cases in line with public policy and arguably then in lieu of being delivered directly by the State and thus by public sector employees. Within this context, exploring the working conditions of those employed in the C&V sector through funding by that State in comparison to those in the public sector is apt.

In summary, the key generic facets of public sector employment or baseline positions of employment and conditions – along with the overall funding experience of C&V sector organisations – are those that we will

⁵⁶ Report of the Public Service Benchmarking Body, 2002:39

⁵⁷ On foot of Sustaining Progress Partnership Agreement, the Civil Service has initiated (July 2003) a recruitment process for more senior officials in the Civil Service. These include Higher Executive Officer and Assistant Principal Officer Grades.

⁵⁸ www.publicjobs.ie

⁵⁹ 2002.

address comparatively with the C&V sector in the main body of the report. Some of the generic baseline facets of public sector employment, which will form part of the comparative context of the primary research findings of the study, are as follows:

- *Grades and Pay scale;*
- *Union membership;*
- *Pensions;*
- *Career progression;*
- *Job security;*
- *Travel, subsistence benefits and work time/life practices; and,*
- *Annual leave.*

1.4 Research Methodology and Design

The design of this study involved collecting key information from a sample of C&V sector bodies operating in the Dublin region and interim funding bodies.

The research design is based on exploring the processes, practices and experiences of C&V organisations as it relates to funding, employment and working conditions across a range of comparable themes. This method was also used in interviews with a smaller sample of C&V bodies and with a sample of interim funding bodies.

The research was conducted through self-completion questionnaires that were based on a range of themes. The development of the self-completion questionnaire was aided by a piloting of an earlier version of the questionnaire so as to test its success in drawing out the issues as they relate to main themes of the research.

The second element of the research was conducted through interviews with a smaller sample of C&V bodies and also with representative of bodies that function as intermediaries in funding the sector.

The research began in earnest in March 2003 with the preparatory stages, the development of the research questionnaire, research themes and the first dissemination of the questionnaires to C&V sector organisations. Additional mailings of the questionnaire took place between April and June 2003 along with the interview stage of the research. This report was compiled in June and July 2003.

The sample for the questionnaire was developed from a number of separate specialised and general directories of C&V sector bodies operating in the Dublin region. This sample also included all the relevant members of the community and voluntary site of Equal at Work.

The sample for the questionnaires comprised 64 bodies belonging to the sector and which were – apart from the members of Equal at Work – chosen randomly from a number of categories of C&V sector bodies. The broad categories, which formed the basis of the random selection, were as follows:

- National voluntary organisations
- Community-based groups/projects

It should be noted that the area of work or focus of the bodies differed considerably along the lines of the diversity outlined earlier in this chapter.

Of the final working sample of 64⁶⁰, 31 (48%) bodies forwarded completed questionnaires.

In order to add more qualitative depth to the research, 5 interviews took place with C&V sector bodies⁶¹. Two of these interviews took place with a community based youth group, community based development project, an area partnership company and two national voluntary organisations based in Dublin. The interviews will be used to form the basis of case studies that highlight the first hand experience of a spectrum of C&V sector bodies. 4 of the 5 groups who were interviewed for the case studies were part of the original sampling frame for the questionnaire phase but were chosen on the basis that they were not included in the completed questionnaire returns. Thus of the original sampling frame of 64 C&V Dublin-based organisations, 35 (55%) took part in the research.

Finally, in order to explore the perspective of funders on employment conditions in the community and voluntary sector, three further interviews were carried out with state sponsored organisations that act as intermediary funders for funding to a large number of groups in the C&V sector. One of these bodies operates throughout Dublin only while the other two oversee national funding programmes.

In all cases, but especially with the community and voluntary sector bodies that took part in the questionnaire phase of the research, a commitment was made on the part of the researcher(s) to ensure that the confidentiality of the group would be safeguarded throughout all stages of the research. Thus no specific reference is made to individual organisations in the body of the report.

1.5 Report Structure

The report comprises 6 chapters, including the present one. This opening chapter has set the scene for the study. Chapters 2 and 3 are based on an analysis of the C&V sector questionnaires. Thereafter, chapter 4 presents the findings of case studies of the experiences of a range of organisations of various sizes and client groups in the sector. The following chapter (5) conveys the feedback from the interviews with statutory bodies responsible for funding for a broad range of C&V bodies. Chapter 6, the final chapter draws together the key findings of the research to provide a basis for overall conclusions and recommendations.

The appendices section - which follows chapter 6 of the substantive report – includes the text of the case studies that comprise chapters 4 and 5, as well as bibliography of sources used in the research.

⁶⁰ Three of the original 67 sample contacted the consultant to indicate that they would not be in a position to return the questionnaire due to a variety of internal reasons.

⁶¹ The interviews were carried out in person or over the phone. A common theme sheet was used to guide the interviews, which was itself based on the aims of the research. The interviews were therefore semi structured.

Chapter 2

Profile and Funding Environment

2.1 Introduction

This chapter presents a profile of the C&V sector groups that comprised the study. In this chapter, we also examine the funding experience of the community and voluntary organisations. The chapter begins by describing the broad profile of the groups surveyed (section 2.1). This initial profile of the C&V sector bodies sets the context to look in more detail at the funding environment for these bodies (section 2.3). This subsection also addresses some of the accountability systems that accompany the various funding regimes in place. The chapter concludes by summarising the key findings to emerge in its body (2.5).

2.2 Profile of Study Sample

In this sub section as aforementioned, we provide an overview of the C&V sector groups that took part in the research. In so doing, we look at their respective catchment areas, organisational profile and the area that the bodies focus on in their work. The aim of the section is to draw out the characteristics for the group so as to act as an objective backdrop for the findings presented later in the chapter.

2.2.1 Catchment Area

We asked the groups in our sample to indicate the geographic area of their operations, whether direct services or advocacy etc. Over half of the groups (16 or 51.6%) have their catchment in a specific part of Dublin city and county only. In other words, they are area-based groups that operate in geographically defined areas. The area can be as small as an estate to geographic communities identified by name or larger areas that have larger population base across diverse neighbourhoods.

The next largest group in our sample (9 or 29%) are nationwide bodies. This is followed by C&V bodies whose catchment area is Dublin city and county only (4 or 12.9%). The smallest group in our sample are those bodies whose catchment area is the whole island of Ireland or 32 counties.

What is common to all groups is that they are Dublin based. However, their catchment areas are obviously varied as are the focus of their activities. In general, the community-based groups are the largest segment of this group and they are most prominent in the first category of groups that operate in a part of Dublin only.

2.2.2 Organisational Profile

The organisation profile of the bodies in the research allows us an insight into how the groups define themselves, their work and in some respect, their ethos or way of working.

The responses to the question are outlined in table 2.1 below.

Table 2.1: Description of Service

Description of Service	No (%)
National Voluntary Organisation	9 (29%)
Employment Service	4 (12.9%)
Network/Forum	3 (9.7%)
Community-based Project/Group	11 (35.5%)
Umbrella Organisation	2 (6.5%)
Partnership Company	2 (6.5%)
Community Development Project	9 (29%)
Other	3 (9.7%)

The percentages in this table are a proportion of the 31 respondents and are not therefore a proportion of all responses to this question.

The most striking aspect of the responses is that most groups identified with a number of our categories simultaneously: over one third of the groups saw themselves as being more than one service alone. The clearest overlap across the different categories was for groups that operate in a part of Dublin. For these groups, they are likely to be a specialised type of service as well as being a community-based project. The emphasis on the community aspect of their specialised work and ethos is obviously strong. This was the case for employment services, partnerships, networks and forums etc.

Also strong here was the choice of the category ‘community development project’ to understand the role of the groups. Again this underlines the close relationship between groups describing themselves as community based and a community development ethos.

The next largest group was the national voluntary organisations, the number of which (9) was in keeping with the responses in the previous question. Some of these groups also saw themselves as umbrella organisations or network/forums, which is in keeping with national nature of the organisation.

Three groups defined themselves as ‘other’. They included two groups that self defined as NGOs and one that dealt with rural development issues.

What is most significant in the findings is that the groups perceive themselves as having multiple identities, even in cases where they have a distinctive remit such as in employment services etc. This suggests that simple classifications of groups in the C&V sector are not easy. This is in keeping with the context and diversity of the sector and the definitional problems associated with it that we saw in Chapter 1. This finding also imparts that groups on the community side are involved in a range of activity and foci simultaneously and this underlines firstly, the resources they offer to their respective client groups and secondly, some of the interrelated needs that exist within their client groups. This perhaps also has some significance for the funding of this work, which may include a range of separate funding streams used collectively by groups to respond to a multitude of issues.

The clearest dichotomy in our sample is between the groups that sought to emphasise their community based identity and ethos and the national voluntary organisation.

2.2.3 Focus Area of Work

The section above suggested that there was a great deal of variety in the services and distinctiveness of the organisations. It was possible, based on the responses, to identify consensus around a number of generic categories in the work focus areas of C&V sector bodies.

The first category identified is those organisations whose work revolves around advocacy for and services provision to specific groupings of people (communities of interest) or on particular cross cutting issues. Included here are homelessness, housing, refugees and asylum seekers, disability, literacy and Travellers.

The second category or groups focus on social exclusion and the excluded in their catchment. This category takes in those involved broadly in community and/or local development with a specific focus on disadvantage and marginalisation.

The final two categories of respondents are employment services, involving placement and training for the unemployed, and services for young people and youth work.

A minority of groups did not fall easily into any of these categories. The focus of the work of these groups included support to the general community and voluntary sector, work with children and families (albeit in disadvantaged areas), community responses to drug addiction and related issues, and, domestic violence and support to women in this context.

The comments of the various respondents suggest that over half undertake multiple activities or types of work. This is particularly true of the bigger and longer established bodies. In keeping with the previous section, this intimates that as C&V sector bodies are established longer or are of a relatively large size, the range of their activities, for their client group(s) in an area, expands in tandem. This implies that the issues that many of the groups deal with it are not stand-alone. In other words, where groups are dealing with employment or with disability, their work focus seems to expand in order to tackle related issues that impact on their main or core activity. The conclusion that can be drawn here is that related social and/or economic factors that contribute to the problems groups are trying to address are also factored in part to their activities.

2.3 Funding Environment

This section examines the funding environment of the respondents. As well as looking at the sources of funding for the various groups, we also address sources of core funding, mechanisms for receipt of funding, the ring fencing of funding and its implications on employment practices and, finally, the accountability and reporting mechanisms that accompany the various sources of funding.

2.3.1 Sources of Funding

The 31 respondents were asked to indicate their main sources (in anticipation of their being more than one) of funding from a number of options supplied in the self-completion questionnaire. It should be noted that when we refer to main funding sources we mean all significant sources of funding that C&V sector bodies receive. This includes core funding for staff, management and administration as well as non-core funding which is project-based and secondary. The results are indicated in Table 2.2.

Table 2.2: Main Sources of Funding

Funding Source	No (% of respondents)
Dept. JELR	15 (48.4%)
Health Board	12 (38.7%)
Dept. CRGA	10 (32.3%)
Dept. of SFA	9 (29%)
FAS *	9 (29%)
Other State/Public Sources	9 (29%)
Donations	8 (25.8%)
VEC	7 (22.6%)
Fundraising	7 (22.6%)
Dept. HC	6 (19.4%)
Other	6 (19.4%)
Dept. ES	4 (12.9%)
City/County Council	4 (12.9%)
European Union	4 (12.9%)
Subscriptions	2 (6.5%)
Dept. of Art, Tourism & Sport	-
National Voluntary Agency	-

* FAS was included under the category 'Other State/Public Sources' in the questionnaire but is included on the table above as a separate row due to the number who indicated that received funding, in one or another form, from FAS.

Before commenting on the breakdown of funding by respective funders, the results suggest that 24 of the 31 groups surveyed, or 77.4%, received funding from more than one source. This is a clear finding in this research that C&V bodies are likely to be in receipt of funding from a range of sources simultaneously. In most cases, as the table indicates this is from public funding sources of one shade or other. This issue will be addressed in more detail in later sections.

The table shows, in ascending order, the most quoted sources of funding as well as the proportion of the respondents who cited the funder as one of the main sources of funding⁶². This table must be seen in the context of the work that the groups in our sample are involved in and also the breakdown between community-based and larger voluntary bodies. Thus the core focus of a group's work is interesting in that it can dictate where a group is likely to receive its funding. This is evident from the breakdown of funding above.

⁶² It is important to note that the manner in which groups indicated their funding was based on perceptions as to the origin of the funding. In actuality, public funding will come from the 'vote' of one or more government departments and may then be allocated, for further dissemination, to an agency of the department. One good example here is Area Development Management Ltd., (ADM). ADM for instance receives funding from the Department of Justice, Equality and Law Reform for the Equal Opportunities Childcare Programme and also the Department of Community, Rural and Gaeltacht Affairs for the Local Development Social Inclusion Programme (and also RAPID etc). In both cases, ADM manages these programmes and may be perceived by community groups to be the main funder while others may refer to the relevant department. More straightforward cases here are seen in respect of the health boards and the Department of Health and Children, and the VECs and the Department of Education and Science. In the responses of the participants to the questionnaire element of the research, this perception can differ as to the ultimate funding source according to the view of the groups who completed the respective questionnaires. We asked the groups also to indicate their main sources of funding. In the table above we have reduced the funding to its main source. We have excluded ADM as it oversees the two programmes above and named instead the relevant parent department. We have however included the health boards and VECs. Their parent departments (Health and Children, Education and Science) are cited also in cases where the funding came directly from these sources and not therefore through their respective agencies.

For a good proportion of national voluntary organisations, the main source of funding is likely to be health boards on the basis of Section 65. 38.7% of the bodies receive funding from the health boards. You could add the Department of Health to this figure also which would be the original source of such funding from an exchequer point of view and this would increase the total Department of Health and Children contribution to over half of all the bodies surveyed. The other noticeable pattern here is the community-based groups and their funding. The Departments of Social and Family Affairs and the recently established Department of Community, Rural and Gaeltacht Affairs account for a lot of the funding for these groups. These two funders account for 32.3% and 29% respectively. It may be the case here that the recent transfer of a range of community and local development programmes from the now former Departments of Social, Community and Family Affairs, and Tourism, Sport and Recreation to the new Department is a contributory factor here.

Given the diverse nature of the work of the groups, the funder that provides funding for one or more cross cutting issues is likely to be cited in a large number of cases. In other words, where the focus of a funding stream is of relevance both to the voluntary and community side of our sample, it is likely to have a very wide spread as a funder across the continuum between the two. This accounts for the high number of cases in which the Department of Justice, Equality and Law Reform is cited (15 cases or 48.4% of the respondents). The Department is named as a funder in a large number of cases due to the broad range of funding streams it operates. Such schemes include those in respect of equality, minorities, refugees and asylum seekers, youth diversion projects, childcare and probation etc. The broad focus of the health boards, in terms of support to voluntary organisations and community based projects, also accounts for the high level of groups that cite them as one of their main funding sources.

FAS are also a major funder of the sector. FAS are the main funders of groups in almost 30% of cases. In the main, FAS funding is channelled through labour market schemes, which also serve to provide resources and personnel to the community and voluntary sector. FAS were also the main funders for local employment services (LES). The data suggests also that FAS, through its funding of staff under the aegis of labour market schemes, plays a major role in the work of C&V sector bodies.

Smaller funding sources include the VECs (which funds youth as well as education focused services), city/county councils, the Department of Education and Science and European Union.

'Other State funding' sources included Combat Poverty Agency; Homeless Agency; Department of Environment, Heritage and Local Government; City of Dublin Youth Services Board (a sub committee of City of Dublin VEC); and, the Reception and Integration Agency.

The level of funding that is generated by donations and funding is a main source of funding for 20% of the respondents. However, this figure hides the fact that the majority for groups that receive funding in these are those that are national voluntary or Dublin wide voluntary groups that receive funding from a range of sources. These groups are those that tend to have a high public profile, as does the core focus of their operations. This finding is in keeping with the national profile of the type of groups in the C&V sector that receive significant funding through donations and fundraising.

2.3.2 Sources of Core Funding

We know from the section dealing with area or focus of work (2.2.3) that C&V sector bodies usually have at least one defined, albeit broad, focus to their work. This can be social inclusion in specific geographic areas or advocacy work with individual client groups etc. For our purposes, this can be understood as their core area of work and in turn, this will normally attract their main funding source. In other words, most organisations will have a core funder for their core activities, this funding will normally also support the management of the group and its main administration functions. It follows also that the core funding will be the main resource supporting staff in organisations. This is the understanding of core funding that we have used in the research.

Table 2.3 outlines which of main funders of C&V sector bodies are deemed to be their core funders.

The main providers of core funding are the health boards (including the respective Department) and the Department of Community, Rural and Gaeltacht Affairs (Dept. CRGA). The health boards fund the larger voluntary bodies as well as smaller bodies due to the diverse reach of health board funding as previously stated. The high degree to which Dept. CRGA is cited as a main funder is not surprising given the large amount of areas that the Department is involved in funding as well as its remit in terms of overseeing the implementation of the aforementioned White Paper. The Departments funding here will also include that provided through the aegis of ADM.⁶³

Table 2.3: Core Funding of Sources

Funding Source	No (% of respondents)
Health Boards/DoH&C	9 (29%)
Dept. of Community, Rural & Gaeltacht Affairs	8 (25.8%)
FAS	6 (19.4%)
Dept. of Justice, Equality & Law Reform	5 (16.1%)
Vocational Educational Committee/ City of Dublin Youth Services Board	4 (12.9%)
Dept. of Social & Family Affairs	4 (12.9%)
Donations/Fundraising	3 (9.7%)
Dept. of Education & Science	2 (6.4%)
City Council	2 (6.4%)
Philanthropic Foundations & Funds	2 (6.4%)
Combat Poverty Agency	2 (6.4%)
European Union	1 (3.2%)
Homeless Agency	1 (3.2%)
Dept. of Environment, Heritage & Local Govt.	1 (3.2%)

The 31 groups comprising the study account for 50 core funders in total. In some cases, the larger well established groups operate a multidimensional organisation that receives quite significant funding for a

⁶³ ADM can be named as the funding provider by a range of groups. However in reality ADM is what could be termed an interim funding body, which manages certain programmes under licence from the State or in lieu of a Government Department. Programmes of relevance in the Dublin context include the Local Development Social Inclusion Programme, Equal Opportunities Childcare Programme, Rapid, Dublin Employment Pact and some funding in respect of the Local Drugs Task Forces.

range of separate services or activity areas. Each of these is quite feasibly regarded as core funding and this accounts for the larger numbers in total than C&V sector organisations taking part in the study.

There is a contrast here with the smaller community based groups that receive one source of core funding. This should be seen as generally being in line with size, age and range of activities provided by these groups.

What is evident is that the number of bodies who cite the Dept. of JELR as a core funder reduces here considerably from that is seen in the table detailing only the main sources of funding. This reason here may be that the core remit of the Department is more limited within the C&V sector as a core funder than its contrasting wide role in policy scope which results in project based or secondary funding as opposed to core funding.

It is noticeable that there are differences in the number of main sources of funding when compared to core funding. The spread of core funders is also more in keeping with the focus of groups, which also underlines the smaller frequency of named funders. This is the case in respect of local development, community development and health related areas as we have seen from the above. We also see FAS, which is involved with employment services and labour market training, the VECs which are involved in education and, through City of Dublin Youth Services Board (CDYSB), youth work. The focus area of a group also accounts for the homeless agency, the city council, department of Environment etc, which fund groups whose core work is that with which these bodies have lead responsibility for in policy terms.

A final interesting point is that a small number of groups receive their core funding from bodies that would not be major funders of the community and voluntary sector in financial or numerical terms but which nevertheless less play an important role in the sector. The obvious examples here are the Combat Poverty Agency, which supports national networks dealing with poverty related areas and the role of foundations and fundraising.

2.3.3 Frequency of Receipt of Core Funding

The introductory chapter outlined that the frequency and predictability of the receipt of funding has been traditionally problematic for the sector. This issue was also addressed by the White Paper. In the research, we asked the respondents to indicate the frequency with which they received their core funding. We also took into consideration those bodies that receive funding from a range of public sources as core funding simultaneously. The options we provided to the respondents were as follows: annually; bi-annually &/or quarterly; retrospectively, and, other. The findings for the first listed or only core funding source are set out in the table below.

Table 2.4: Frequency of Receipt of Funding

Frequency of funding	No (% of respondents) ⁶⁴
Annually	15 (48.4%)
Bi-annually/Quarterly	15 (48.4%)
Retrospectively	3 (9.7%)

⁶⁴ The number of responses to this question was 35 which is four more than all the respondents comprising the research. The reason for this is that some of the respondents ticked two boxes indicating more than one funding frequency which one funder or to cover the receipt of funding frequency for more than one body.

Other	2 (6.5%)
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The findings suggest that about half of the organisations receive their funding either once annually or 2 to 4 times per year. The findings also suggest that less than 10% of the bodies received their funding retrospectively. These bodies were unique in size and focus nevertheless there was differences in mechanisms for funding used by similar funding agencies. This issue will be returned to later in the body of this chapter.

For those that receive more than one source of core funding – i.e. 2 or 3 – the ratios of frequency of receipt of funding were similar to those outlined in table 2.4.

2.3.4 Allocation of ‘Ring-fenced’ Funding for HR Practices & Employee Benefits

This question set out to investigate the extent to which bodies funded in the sector were allocated specific budgets for employment benefits and practices. The five areas that we addressed were whether the funders (core funders and main funding streams for which staff were employed under) allocated or ring fenced part of this funding for pensions; annual increments; recruitment advertising, supervision of staff, and, training.

The overall proportions are presented in the table below.

Table 2.5: HR Practices for which funding is specifically allocated

HR practices	% of responses ‘YES’
Annual Increment	64.6%
Pensions	41.5%
Recruitment Advertising	36.9%
Supervision	33.9%
Training	32.3%

No. of total responses: 65

The allocation of resources specifically for the payment of annual increments is seen in almost two thirds of cases. This is the highest frequency of ring fencing of funding. This figure suggests though that in one third of cases funding is not provided for annual increments. In these cases, then, the funding that is provided for staff positions does not factor in national wage increases in line with those in national agreements, perhaps more poignantly in the case of Dublin, does not take account of inflations and the comparatively high general cost of living associated with the city and its environs. This finding is all the more important when it is considered that these employment positions, although for the most part remunerated by public funds, do not enjoy an equal position in terms of the guaranteed receipt of annual pay increases.

Just over 40% of our study indicated that their main funders allocated resources for the payment of pensions to employees. This figure is obviously quite low and it reflects the poor relation that employment in the sector occupies when compared to the private but especially the public sector. This finding is all the starker in the context of recent policy developments in respect of pensions and the new emphasis placed on retirement pensions.

In line with the previous findings, only in approximately a third of cases is funding provided for the purposes of recruitment advertising, supervision and training. Each of these areas are clear employment

costs and the latter two in particular could generally be considered an essential element of good employment (if not management) practice in both the private and public sector.

The findings above are clearly at odds with that which prevails in the public sector. This findings seem to lend credence to the view that employment conditions are inferior in the C&V sector in comparison to those in the public sector and suggest, moreover, that public sources of funding do not take account of the employment conditions of staff in the C&V in a manner that is equitable with that which prevails in the case of public sector employees.

2.3.4.1 Allocation of 'ring-fenced' funding by funders for HR practices and employee benefits

We also looked at this practice with regard to specific funders and their allocation of funding for our five categories of HR practices. For the purposes of explanation and to allow for comparative analysis, we only set down those funders in the table below that were cited at least three times in the completed questionnaires.

As suggested, many of the funders act as agents for specific government departments. In the table below, we have tried to relate the funding back to the parent department. In other cases where an interim funder was cited repeatedly, we have used the named body and the overall Government Department in brackets as the source of public funds⁶⁵. Where the table refers to health boards, it should be noted that there may be more than one board being referred to by one group and which may in turn operate different systems when providing funding to the C&V sector.

Table 2.6: HR & Recruitment Practices for which named funders provide for

Funding Agency	Pensions	Annual Increment	Recruitment Advertising	Supervision	Training
Dept. SFA	2 (50%) *	3 (75%)	3 (75%)	1 (25%)	3 (75%)
Dept. CRGA	6 (67%)	5 (56%)	5 (56%)	4 (45%)	7 (78%)
Dept. JELR	2 (25%)	2 (25%)	1 (12.5%)	1 (12.5%)	2 (25%)
Health Boards (Dept. H&C)	3 (30%)	8 (80%)	3 (30%)	2 (20%)	0 (0%)
FAS (Dept. ET&E)	5 (56%)	5 (56%)	3 (33%)	5 (56%)	8 (89%)
CDYSB (Dept. E&S)	1 (33%)	3 (100%)	1 (33%)	1 (33%)	1 (33%)
City/County Council(s) (Dept. EH&LG)	1 (25%)	2 (50%)	2 (50%)	1 (25%)	2 (50%)

* No. followed by percent for each funder cited

The information provided in the table has to be treated cautiously due to the small numbers concerned for each named funding body. In other words, these figures cannot be seen as representative. This is also true when we factor in the range of different funding streams or programmes operated by each funder. One example here is FAS: FAS can provide funding under the LES, CE, Training Programmes, Social Economy, Traveller Training Programmes etc.

Accepting the anomalies that the data presents, for our purposes, the findings are still quite expressive. They intimate a great deal of diversity in the standards that are operated between and within agencies. On closer examination of the figures, it was possible to observe a correlation between higher levels of allocations and eligibility for HR practices in the case of core funding than in the case of project based funding or non-core

⁶⁵ The main exception here is ADM. In the case of the Local Development Social Inclusion Programme and the Equal Opportunities Childcare Programme, we do not cite ADM but rather the parent Departments (CRGA and JELR).

funding. This is most evident in respect of funding provided by the Department of JELR, which for the most part is not core, but project based grants.

Public sector funding - where it is core funding - is more likely to cover these issues than is the case where the same agency is a main funder – for a project for instance – but not a core funder. The basis of this seems to be at the discretion of the funding body and the findings suggest that funders treat core funding and project based (non core) funding with regard to these five categories of HR practices quite differently.

The relatively high level of provision for annual increments is also noticeable across all the funders in comparison to the other categories. In terms of pensions, the high level of core funding provided by the Dept. of CRGA is also evident when compared to the other funding streams.

Beyond these points, it is difficult to identify clear patterns in the data. However, a clear finding by implication is that there exists no clear system or protocols for these employment practices across funders and the decision as to the implementation practices is done in most cases by the C&V body where the funding is sufficient. Funding of course is more likely to be sufficient to follow these practices when it is core funding and this conclusion seems to be supported by the data. Thus, there appears to be differences in potential in the employment conditions of these staff based on whether they are funded as part of a C&V organisation's core funding or on the basis of project funding.

As suggested, there are also differences between the funders, their main department and those that have interim bodies through which the funding is channelled (interim funding agencies).

It should be noted also that the diversity in some cases as to why it seemed some funding streams allocated funding for our five categories of HR practices and not in others can be accounted for because the agency did not give the C&V body direction either way. The reality is that in most cases where specific allocations are not factored into the funding, the provision of these practices will not be feasible initially or year on year in terms of three year funding. In the latter case, unless funding is specifically increased to take account of inflation, nationally agreed pay increases etc, it is unlikely that, in the absence of other sources of income, a community and voluntary sector body will be in a position to offer these employment conditions to their employees. The implications of this point are that such conditions are the norm rather than the exception in the public sector, which is in contrast to what we see in the C&V sector.

2.3.4.2 Payment for HR practices and employee benefits by the C&V Sector in lieu of funding

We also asked the respondents to outline whether they paid for such employment and HR practices where funding did not account for them specifically or where funding was not sufficient. The responses to this question are detailed in table 2.7.

Table 2.7 indicates a correlation between the proportion of the five categories for which allocations is provided for by the funders (table 2.5) and that which is provided for, in its absence, by the C&V sector bodies themselves.

Table 2.7: Payment of HR Practices by C&V sector funds in absence of sufficient public funding⁶⁶

HR practices	% of responses 'YES'*
Annual Increment	29%
Pensions	32.3%
Recruitment Advertising	51.6%
Supervision	32.3%
Training	45.2%

* Based on a proportion of all responses

The data suggest a trend whereby the more unavoidable the overall costs of employment to C&V sector employers (for example recruitment advertising), these costs are covered by the C&V sector to a greater extent in instances where they are not covered through State funding. This is evident when we add the public funded figure for each category to those in table 2.7. Although the figures that result from the calculation cannot be said to be scientific (in the absence of a larger sample and appropriate methodology)⁶⁷, they do however elicit a trend that is consistent and instructive

Table 2.8: Addition of public and own funding toward HR practices

HR practices	Public funds	C&V own funds	Raw Total
Annual Increment	64.6%	29%	93.9
Pensions	41.5%	32.3%	73.8
Recruitment Advertising	36.9%	51.6%	88.5
Supervision	33.9%	32.3%	66.2
Training	32.3%	45.2%	77.5

In other words, where annual increments are not covered by funders (35.4% of cases), 29 of these 35 percentage points, or nearly all of the proportion not covered by funders, is covered by the bodies themselves. This scenario is also true of recruitment advertising: after accounting for the allocation by funders for advertising, 60% of this cost is not accounted for. 51.6 of these percentage points or nearly all of this almost unavoidable cost are borne by the relevant C&V sector body. There is a lesser makeup of the deficit in public funding for the other three categories of HR practices, namely, training, pensions and supervision. Of these training is provided through the funds of C&V sector bodies to a greater extent than either pension's provision or supervision. One conclusion that can be made here is that in contrast to annual increments and recruitment advertising, training but especially pensions and supervision are an expensive luxury for employers in the sector when funding is scarce. These employment conditions and HR practices are therefore those that are sacrificed most often in the absence of funding being provided for them by the core or main funder of employment positions. This corresponds to the findings in the previous chapter that stated that due to the scarcity of funding, C&V sector groups were required to prioritise their funding toward their core development work to the detriment of employee benefits and HR practices.

⁶⁶ When interpreting this table, it should be noted that roughly half of the respondents answered this question. This suggests that these groups did not make any contribution to these costs from their own funds and that in at least half of the cases, these employment and HR practices were absent in the C&V sector and employment in the sector.

⁶⁷ This calculation is not based on adding the results of identical sample sizes and is outlined for illustrative purposes only.

2.3.4.3 Decision making in C&V sector bodies paying for HR practices and employee benefits in lieu of funding

Finally, we asked the organisations that allocated resources to pay for these practices in the absence of them being covered by public funding, how such decisions were made.

For *Annual Increments*, the rationale revolved around an internal policy or decisions by the bodies concerned and included normally the wish to keep within the framework provided for by national pay awards. Donations and subscriptions were used where they were available, in the minority of cases, to fund increments also. In other cases, it was suggested that in tandem with the funding source decisions could be made to only pay these to some staff and not to others in the same organisation. This was normally based on the sufficiency of funding between core funded staff and staff funded through short term project funding.

The policy and decisions adopted by boards and management committees was the main method of decision making for providing *pensions* to staff where these were not covered by the funding directly. However, there was a consensus in the views of the respondents who answered these questions that such decisions were paid on the basis of available funding outside of that provided by funders. This of course, in more challenging financial times for such groups, would be highly disadvantageous for the staff concerned.

The *training* and *supervision* HR categories are also approached in a similar way, that is on the basis of a management decision, where additional funding is available and in view of the latter point, done for some members of staff only and not for others in the same organisation.

Overall, the emphasis on the allocation of C&V sector body's own funds toward HR practices is based on the availability of such resources. The allocation for these practices is prioritised towards the payment of annual increments, followed by recruitment advertising and followed some way back by training and finally in a limited number of cases by pensions and supervision.

One conclusion that can be reached here is that C&V bodies can often accommodate for some of these HR practices in the absence of clear guidelines one way or the other from the funders concerned. However, for this to happen the funding must be sufficiently large and if not, the particular C&V sector body will need additional alternative funding – such as from donations or fundraisings – for this to be realistic. Clearly, such funding and/or sufficient public funding is not available in most cases, thus meaning that these HR practices and employment conditions cannot be followed in most C&V sector bodies.

It is not clear to what extent the public funders do not allow for such practices explicitly. However, there is an overall poor implementation of these HR policies and employment conditions. This is especially true of smaller bodies⁶⁸ and employment positions funded through project based or non-core funding.

⁶⁸ When we refer to smaller organisations, we refer to those that have less than 10 staff – some as few as 2 or 1 – and which are funded modestly by one funder only. This is, of course, in comparison to larger organisations which have over 20 staff and which receive funding from a range of sources and/or at comparatively significant levels in relative to the aforementioned smaller bodies. Generally, the community based groups are smaller and the voluntary bodies comprise the larger groups. This understanding is used throughout the research.

This ad hoc arrangement is at odds with that which is seen in the public sector and is also in contrast with the funding regimen outlined for the future of the sector in the White Paper.

2.3.5 Allocation of Funding for Work-time Practices

Work-time practices are closely linked to notions of work life balance and the concept of family friendly work systems. Such notions have been high on the policy agenda in terms of both equality and employment legislation in recent years. The public service is the leader in the introduction of these practices⁶⁹. The availability of work time practices is therefore one element of good employment conditions, which is in keeping with societal changes in the nature of the family and households.

We measured C&V sector perceptions of the extent to which funding streams specifically accommodated for work-time practices. In other words, beyond the discretion of the community or voluntary organisation, their respective funding bodies made clear that such work-time practices were eligible under the funding regime. The availability of work time practices that we explored are flexi(ble)-time; part-time work; and, job sharing.

The results are summarised in table 2.8. The results indicate that the over two thirds of C&V sector funding accommodated the employment of staff on a part time basis. Just over half of the funding accommodated for flexible time and just under half allowed for job sharing.

The latter figure is particularly interesting and suggests that the practice of job sharing are well supported overall by funding streams, which is in keeping with the trend seen in the public sector. The figures reported for part time work have to be looked on in the context of CE staff in the sector. It is likely therefore that many of the respondents, especially the national voluntary organisation involved in service provision in the field of disability, may employ a significant number of staff under such schemes thus skewing the overall figures somewhat. If it is the case that many of the bodies taking part in the study were including Community Employment Scheme workers as part time workers, this negates this finding since by its nature this scheme is part time and does not offer workers a choice between full and part time work. There is some evidence in table 2.10, in reference to FAS, that this may be the case.

The numbers employed by each of the bodies taking part in the study is returned to in more detail - along with CE - later in the study.

Table 2.9: Proportion of Funding Stream that specifically accommodate Work-time practices

HR practices	% of responses 'YES'*
Flexi-time	53.7%
Part-time ⁷⁰	70.4%
Job Sharing	46.3%

No: 54

As part of this question, we asked the organisations to indicate which of their main funders or funding streams accommodated these three work time practices. The results, as summarised in table 2.9, use the same logic used for table 2.6 above whereby only those funders that were cited in at least three cases are included

⁶⁹ See description of the culture of the civil/public service on Irish public jobs website, www.publicjobs.ie

⁷⁰ Part time work is understood as less than 30 hours per week.

and it has also to be considered that the body named may be operating a range of funding schemes simultaneously. This, as aforementioned, does not change the impact – constraining or enabling – that the funding stream has on the employment of staff in the community and voluntary sector, which is our primary concern here.

Table 2.10: Work-time practices specifically accommodated by funding streams

Funding Agency	Flexi time	Part time	Job sharing
Dept. S&FA	2 (66%) *	2 (66%)	1 (33%)
Dept. CR&GA	4 (67%)	6 (100%)	3 (50%)
Dept. JE&LR	3 (60%)	3 (60%)	2 (40%)
Health Boards	3 (33%)	8 (89%)	6 (67%)
FAS	1 (12.5%)	4 (50%)	2 (25%)
City of Dublin Youth Services Board	3 (100%)	2 (66%)	2 (66%)
City/County Council(s)	2 (50%)	2 (50%)	2 (50%)

* No. Followed by percent for each funder cited

In previous sections, we have seen how the receipt of funding, whether it is core or more ad hoc funding, are facets which dictate the comparative existence of HR and employment practices. With work time practices, a similar finding can be observed. To give one example: we established in earlier sections that the health boards have a remit that expands across the community and voluntary sector from section 65 grants to issue based voluntary organisations to more discretionary grants to community based or smaller area specific voluntary groups. This dichotomy is evident in the extent to which the practices are cited by C&V sector organisations, where those that receive substantial funding rather than once off discretionary grants are those that are most likely to operate work-time practices.

This is also the case for State bodies that deliver different schemes of funding where one can be seen as the main remit of the organisations and the other is a smaller funding programme that is more limited and targeted by nature. In the second instance, the funding will more than likely not accommodate to work time practices due to its size and limited time period which may result in the employment of more persons within an organisation for a limited period.

The results also have to be seen by the nature of the work of sector. As we have seen there is great diversity within the sector and in some instances flexible working time will be a normal characteristic of the job. This is most clearly seen in community development and youth work where ‘out of normal working hours’ is almost routine.

One finding that is also evident is that bodies funded by the same funder may operate different systems and this seems to be an internal decision. It may also be the case that the funder dictates different guidelines for funding, that each C&V organisation/State relationship, where it is not part of a national programme of funding such as in community development, will individually negotiate different arrangements.

The more developed and larger community and voluntary bodies, usually those with relatively large staff numbers, are those in our sample that are more likely to have these practices in place. This is understandable given the need to have an appropriate human resources policy in place when there are a large number of employees. It is noticeable that some of the smaller bodies have more robust HR and employment standards

than other small groups. Both of these types of groups have similar funding arrangements and this suggests that it is the group in some cases rather than the funder which is key to implementing positive work time practices.

Nevertheless, it highlights the lack of any standard of employment practice in the sector and suggests that smaller bodies or those with less employees and levels of funding are less likely to be able to follow work life practices in the absence of guidelines to the contrary from the funder.

The results, in tandem with previous sections, are inconclusive either way. This indicates a great deal of diversity in the relationships and the lack of any clear set of standards to govern the overall relationship but rather one that is based on single funding schemes, individual relationships or the internal resources and policies of individual organisations.

2.3.6 Longevity and Frequency of Funding

A central aspect of the funding environment that C&V sector bodies experience is the length of time that funding is committed for. The White Paper concurred with other findings in this respect that suggest that ad hoc, once off and insecure funding can be detrimental to the services, planning and continuity in the work of the sector.

Our earlier review also showed how consistency in the receipt of funding is also an important element in providing this foundation for the work and services provision of groups in the sector. The longevity and frequency of funding also therefore impacts on the conditions of employment for the staff that work in the sector and this is the rationale in investigating this question. The White Paper also commits to the introduction of a system of funding for the sector, which is based on multi annual funding and a move away from the ad hoc process of annual grants.

The question put to the respondents asked how long their core funding was received for. The concept under investigation was the difference between annual funding and multi annual funding. The results are presented in table 2.10.

Table 2.11: Longevity of Core funding

Funding Period	% of responses
Annually	20 (61%)
Three Years	12 (36%)
Other ⁷¹ r	1 (3%)

No: 33

The data illustrates that a significant majority of the bodies surveyed are in receipt of their core funding on an annual basis while just over a third receive their core funding on a multi annual basis.

Those bodies receiving funding on a multi annual basis are usually included in a national programme of one sort or another. Many of these programmes are part of the National Development Plan 2000-2006 so the longer-term nature of their funding should be expected. However, the research also suggested that the multi

⁷¹ The 'other' time of funding here referred to a body whose core funding is from non-public sources.

annual nature of some of this funding was currently subject of discussion within government and the three year focus of the funding may not continue due to the weakness of public finances.

2.4 Funding & Accountability Systems

In the opening chapter, our review suggested that there were informal and multifarious forms and mechanisms of funding seen between the State and community and voluntary organisations.

The practical experiences of these different funding mechanisms have not been researched in any great detail. One of the most enduring differences in these mechanisms is around reporting and accountability systems. Such difference can include, for instance, reporting forms, accounting systems and reporting procedures etc. The earlier review sections suggested that these can be debilitating and time consuming for groups that receive funding from a number of sources. Data on the experiences of these systems was collected as part of the research.

We asked the respondents if standardised funding and accountability systems would be beneficial to the work of the organisation. Of the 29 respondents who answered this question, 25 or 86% of the respondents felt that standardisation of report systems would be beneficial to the work of the organisation.

We also asked the respondents to suggest in what ways such a standardisation of the reporting and accountability of funding systems would be beneficial. There was a clear consensus around 3 themes:

- *The first theme is that of the general time required to operate different systems. It was suggested that often this required inputting similar information into a number of systems in different ways. This required that core data had to be individually modified in order to fit into different systems. It was indicated also that the guidelines of competing systems created confusion. Overall, the time input required to comply with a number of systems simultaneously was a needless draw on the scarce resources (time, staff etc) of community and voluntary sector bodies. Thus a clear benefit to be gained around reporting systems being standardised would be to decrease costs and free up resources.*
- *Related to the theme above, there was also consensus around the fact that a more integrated or common reporting system would increase reporting quality as well as decreasing time. In this regard, it was felt common systems would also have the effect of better facilitating co-ordination between services and transparency across the community and voluntary sector as a whole. Thus as well as assisting with coordination and transparency, standardising accountability and reporting systems would ultimately assist more rational and strategic planning and better delivery of services.*
- *Finally, again a closely related point to those above was that standardisation would bring about similar accounting periods, reporting times and allow for more streamlining of funding payments systems as result. This could have the effect of funding being paid on time in a similar way instead of the present system which ranged across up front payments and retrospective payments which were only paid following audits and checking of reports.*

The respondents were also asked to describe the main characteristics of the different reporting systems in place. There was great diversity in the descriptions provided by the various funders as could be expected.

However, we have identified 12 key characteristics for comparative purposes offered in the various descriptions. They are as follows:

- 1 Long term Plans, usually 3 years plus
- 2 Annual plans, programmes of activities with budget forecasts
- 3 Annual reports on activities and financial income and expenditure
- 4 Annual audited company accounts
- 5 Annual audits by funder
- 6 Bi- annual reports on activities and financial income and expenditure
- 7 Quarterly financial returns on income and expenditure
- 8 Quarterly qualitative reports on activities
- 9 Monthly reports on expenditure (incl. Receipts and wages)
- 10 Weekly reports on wages and receipts
- 11 No clear qualitative reporting system
- 12 No clear financial reporting system

It is apparent that in any one community and voluntary organisation, even those in receipt of funding from one source, a number of the above characteristics can be included in the reporting and accountability system simultaneously. In other cases a number of these characteristics are required for specific funding streams, which can mean in cases where a group gets funding from several funders, they can be required to operate a large proportion of these systems concurrently.

Table 2.12: Reporting & Accountability Characteristics Operated by the Funders of C&V Sector Organisations⁷²

Funding Agency	1	2	3	4	5	6	7	8	9	10	11	12
CDYSB		v	v	v		v	v					
Combat Poverty Agency	v		v									
Dept. CRGA	v	v	v	v	v	v	v	v	v			
Dept. ES		v	v			v	v		v			
Dept. EHLG/ City/County Council(s)	v	v	v	v	v	v						
Dept. HC			v				v					v
Dept. JELR			v	v	v	v	v	v				
Dept. SFA			v	v	v	v	v					
Donations/Subscription etc			v	v			v	v				
FAS	v	v	v	v	v		v	v	v	v		
Health Board		v	v		v	v	v		v		v	v
Local Drugs Task Force							v	v				
Partnership Company			v	v			v	v				
VEC		v	v						v			

Table 2.12 suggests that there is great diversity in the systems operated by funders. The main systems used by funders include: annual report of finances and activities, quarterly financial reports, annual audited accounts and bi annual reports.

⁷² The list of the funding agencies is in no order of importance and do not necessarily coincide with the named funders in the previous sections but are those that were listed by the respondents in the self-completion questionnaires. Generally we have chosen funders that are named by at least two of the respondents in the context of this question.

It is also the case that one funder may operate different systems according to different funding schemes. This may also change with one funder depending on whether the funding is part of a national programme or is more discretionary-based on providing funding for services for one agency or group in one region etc. The results should also be seen to take account of the specific perceptions of the various respondents who may not, for instance, see an annual plan or submission of a budget as part of the reporting and accountability system.

The extreme situation of non-standard reporting systems is seen in health board funding. There are examples in the data provided where larger C&V bodies that receive funding from a number of health boards simultaneously - for specific purposes within the geographic area of respective health boards - for which quite varied reporting systems are required.

Finally, those public sector funders that are more regular funders of community and voluntary sector bodies are more likely to have in-depth reporting systems. In depth funding also corresponds to national programmes such as the Community Development Support Programme. In this case funding is multi annual over a three to six year period in line with the National Development Plan.

2.4.1 Strengths & Weaknesses in Funding & Accountability Systems

The final element of our questions to the groups under the heading of funding was to ask them to outline what the strengths and/or best practices and then, weaknesses that each saw for their respective funders in the context of the employment of staff. The majority of respondents offered suggestions although there is a good deal of overlap in what was suggested. The core themes covered by the suggestions for strengths and weaknesses are:

STRENGTHS/BEST PRACTICES

- *A shared system that ranges across a wide variety of groups under one funder. This was the case in terms of national programmes etc. This type of system would involve standard forms and centralisation of the system with shared standards and timescales which simplifies and opens up the system.*
- *Flexibility on the part of the funder was also seen to be of value. In this case, it was suggested that this allowed for the group to report on their activities and expenditure rather than have to respond to each part of the reporting system regardless of there being relevant data etc. Another element in the flexibility theme is that the reporting and accountability systems should respond to the needs of the group rather than solely those of the funder. In this regard, the best systems were those that combined this flexibility with guaranteed responses from the funder in terms of checking the reports followed by a predictable transfer of resources on the basis of the submission of progress and accountability reports. The main suggestions on the practical side were for systems that included quarterly reports and annual reports.*
- *The final theme highlighted was that of the relationship on a personal level between the funder and its officers and the funded community and voluntary group. This interpersonal relationship was seen as an important element in the overall system and was seen as a way to smooth the reporting mechanisms and build trust.*

WEAKNESSES

- *The main area muted here was the insecurity of funding. This was seen as the basis of changes in reporting systems operated by funders each year. This theme also included poor irregular draw down systems.*

- *The reporting and accountability systems were viewed in a number of cases to be too complicated, too detailed and onerous in time terms. Along with this, it was suggested that there were often time limited and seemingly uncoordinated requests for accountability and progress reports from some funders.*
- *The theme of inflexibility of the funding was also raised which is understandable given the emphasis on its corollary in the best practices section above. The theme of inflexibility of the reporting systems was accompanied by views that such systems were one sided to the detriment of the C&V groups.*
- *The final theme introduced was the overemphasis on financial reporting and minimal reporting. Here it was broached that this over emphasis undermined the qualitative aspects of the work of the groups, which was seen as important (if not more so in some cases) than on accounting for the expenditure of funds alone. It was suggested that this would introduce a more realistic accountability between the sector and the funders and underline the true value of resources.*

2.5 Summary and Conclusion

This chapter has described the profile of groups taking part in the research and also presented an examination of the funding experiences.

In the profile of the groups, we saw that the majority of catchment areas cover a section of Dublin alone. This is usually a defined geographic area in which the group undertakes its core work. This was the case for about half of the groups. This is followed in a third of cases by groups which are national bodies and finally by those groups whose catchment is all of Dublin city and county.

The description or organisational profile of the groups was spread across a number of categories. One third of the organisations describe themselves as community based groups or projects. This was followed by national voluntary organisations. The most striking aspect of the description of organisations was that most groups identified with a number of categories of C&V sector groups simultaneously. One third of groups indicated that they could be described in a number of ways. The most frequent of these was groups that were a particular type of specialisation, such as employment service or local development Partnership Company, but who simultaneously saw themselves as a 'community-based' organisation. Voluntary organisations also saw themselves as umbrella organisations. Many groups also saw themselves as community development projects while not being official a constituent of the national Community Development Support Programme. This suggests that groups emphasised their community development ethos or community basis in their work and as part of their identity

There was a dichotomy evident also in the organisational profile of groups along these lines; that is between community-oriented groups and the larger national voluntary groups. One conclusion we can reach here is that C&V sector groups have multiple identities and these identities exist along a continuum from national voluntary organisation at one end to smaller community groups at the other end. This corresponds with our earlier finding in respect of the diversity of the sector and the definitional problems associated with the sector. The multiple identities of groups also suggest that they are multipurpose in their activities, which has implications for the variety of needs of their respective client groups and/or catchment areas.

We also looked at the work focus of groups. We found that the biggest number of groups in our sample are those whose focus is centred on advocating for and/or providing services to specific groupings of people –

such as people with disabilities, Travellers etc – or whose focus is related to an issue which is cross cutting such literacy or homelessness. Other C&V groups have a significant focus on social exclusion. This is followed to a lesser extent by organisations whose focus is on employment services and services for young people. The findings suggest however that these may be crude or makeshift categories that simplify the work that groups do to one core area. This implies that C&V sector groups focus on a multiplicity of issues around their core focus. This is especially true of groups as they expand over time. In other words, the breadth of the activities of organisations expands over time to take in other societal factors that impact on their client group or core issue.

Turning to the funding environment of groups, the experiences of groups were presented under a number of themes. Under these themes the main findings of the research are summarised below.

Our findings suggest that nearly 80% of C&V organisations receive funding from more than one public source. This is in keeping with the multifaceted nature of groups as they expand over time. In other words, these multiple activities are funded from a number of sources some of which are core funding and others are more project-based. The main sources of core funding in the sector in our Dublin sample are the health boards and the Dept. of CRGA, which figure in about one third of cases respectively. FAS and the Dept. of SFA follow these closely. However, the most frequent funder of the sector, but not necessarily the core funder of services and organisations, is the Dept. of JELR. This Department is referred to as a main funder by nearly 50% of the organisations. This is accounted for by the wide remit that the Department has and in turn by its distribution of smaller funding amounts, as opposed to core funding, across the spectrum of groups in the sector.

The widest distributions of individual funding streams across C&V groups are the health boards and the Dept. of JELR. Following closely behind these are FAS: the CE and related labour market/social economy schemes probably account for the wide distribution in FAS funding across the C&V organisations. FAS funding, through these schemes, is an important resource for community and voluntary organisations. As noted above in respect of the Dept. of JELR, the comparatively wide distribution of health board and Dept. of JELR funding in the sector is based on the similarly wide respective remits of these funders and the manner in which such bodies fund both voluntary groups and community based ones. The health boards, through section 65 funding, are nevertheless more likely to fund voluntary organisations. The Depts. of CRGA and SFA are most likely to be cited by the community based side of the continuum as their main funding sources. A wide array of other funders was also referred to across the whole sector. This group includes VECs, CDYSB, City/County Councils and the Dept. of ES. Donations, subscriptions and general independent fundraising make up a quarter of the funding that the sector, based on our sample, receives. This however is misleading as it only applies to a small number of groups who are well established national or Dublin wide voluntary organisations with a relatively high public profile.

Beyond the sector's main funders, we also explored the provision of core funding to the sector. Core funding is usually the largest funding amount that groups will receive from any one source. It will typically cover central management, administration and, importantly in the present context, staff costs. The chief sources of core funding named are the health boards and the Dept. of CRGA. The distribution of core funding is closely related to the core activities of groups. It also correlates with the main policy focus and/or statutory responsibility of funders. As such the health boards are the main core funders of voluntary groups and the Dept. of CRGA are the central funders of community-based groups.

An interesting finding in this regard was that a number of groups in our sample had more than one core funder. Organisations that received core funding from more than one source were those that were older, larger and provided multiple services.

In contrast to the prolificacy of the Dept. of JELR as a main funder, it is only cited in 16% of cases as a core funder. Those groups that receive core funding from the Dept. are those who fall under the central legal policy focus of its responsibilities. The Dept., as noted, has a wide policy remit which manifests in widespread funding of groups with regard to equality, childcare and youth diversion. These are however not the core focus of the Department and this dictates that such funding is of a project based and short term nature within C&V bodies.

As observed in the government's White Paper, the frequency of the sector's receipt of public funding has traditionally been problematic. In view of a significant number of groups having more than one core funder, our findings suggest that half of the groups receive their funding annually, and half receive core funding bi-annually or quarterly.

The extent to which funding, core and non-core, specifically allocates resources to HR functions and employee benefits within organisations provides a good insight to the general working conditions in the sector. We found that two thirds of funders specifically provide for annual increments in staff pay. 40% provide for staff pensions. This amount of funding coverage for employee benefits and conditions, however, is striking when we look at the proportion of such costs that are not covered by the funders. In other words, 30% of funding received by community and voluntary groups does not provide for staff pay increments and 60% of funding does not cover the costs of C&V sector staff pensions. In one third of cases, public funding provides for recruitment advertising costs, staff supervision and staff training thus in two thirds of cases such costs are not covered by the funders. The implication of course is that C&V sector organisations, if they are to cover these employee benefits costs, must in the majority of cases come up with resources independently of their funders.

Within these figures, there was considerable diversity and some interesting trends. Core funding was more likely than short project based funding to specifically allocate for these costs. This trend was also true of individual public funders: the same funder provides for these HR and employment costs at a much higher rate when providing core funding than when they provide project based funding.

These findings are also confused somewhat by the lack of direction from funders with respect to whether these employment costs and HR practices can be accommodated by funding. Nevertheless, the implication of this is that the decision to pay these costs can be left to individual community and voluntary bodies. Of course, the reality is that the amount of funding must be sufficient in order to make such internal decisions feasible. The consequence of this is that only the larger groups with established HR functions and sufficient funding are those that can afford to pay for these costs in the absence of direction from the funder. On the basis of public funding alone, the findings indicate that working conditions and employment benefits in the C&V sector lag some way behind those that prevail in the public.

This led in turn to an exploration of the extent to which community and voluntary organisations finance these HR practices and employment benefits in cases where the funder (and the amount of funding) does not

specifically allocate for these costs. We found that the order in which these are financed by C&V groups in lieu of public funding was as follows: recruitment advertising; training; pensions; staff supervision; and finally, annual pay increments. The payment of these employment costs by C&V organisations reveals a remarkable finding: the extent to which public funding does not cover such costs is correlated with the financing of such costs by groups from internal funds. However, this pattern is skewed toward what we termed necessary or unavoidable costs such as recruitment advertising and annual increments. In these cases, the combined public and internal C&V contribution reaches a higher total than is seen for other employment costs and HR practices. The input of C&V sector funds to cover deficits in public funding is at its lowest levels in respect of training, pensions and staff supervision costs. This suggests that there is a degree of prioritisation practiced by groups with regard to HR practices and employee benefits. This is probably related to the scarcity of public funding and the need to prioritise, as a result, the core development work and services of groups. These practices decrease further when State funding is of a short term and project only basis. This finding here contrasts the C&V sector markedly with the public sector. It is worth noting also that our findings on the funding of HR practices and employment contrasts also with the statement in the government's White Paper that future funding for the sector should move to a more 'complete' and comprehensive package which implies the provision of funding to cover staff employment conditions etc.

We also measured the degree to which funding in the sector allows for work time or work/life balance practices. We know from our opening chapter that the public sector is the leader in the implementation of these practices in Ireland. For this study, we found that, in two thirds of cases, the main funding streams facilitated part time work. In half of the groups, flexitime and job sharing was common under the funding. These findings are positive but we have to factor in the numbers of CE type staff that have been included here and also the extent to which flexi time working is intrinsic to work in the sector. These issues are returned to in the following chapter. One pattern that the data throws up is the dichotomy between core and project based funding, with the former accounting for a higher frequency of work time practices in general. We can conclude that there is no standardisation across the sector or even for individual funders with the extent to which funding accommodates to these practices.

The frequency and time scales under which organisations receive their core funding is crucial to the smooth running, planning and security of groups in the sector. This is also noted by the White Paper. Our findings indicate that two thirds of groups receive their funding on an annual basis and one third receives multi annual funding. Those groups that receive their funding on a multi-annual (three-year) basis are typically part of a national programme, which is for a defined number of years or has set funding protocols. It is noteworthy that it is the largest voluntary organisations that are in receipt of the largest relative amounts of funding who are most likely to receive their funding on an annual, year to year basis.

Finally, we looked at the operation of accountability and reporting systems in the sector. A very significant majority of groups (86%) felt that the standardisation of the reporting and accountability systems for funding would be of benefit to their work. As we have seen, many of the groups receive funding from a number of sources simultaneously. Many of these have different reporting and accountability systems that, in complying with, can lead to waste of scarce resources in the work of the sector. It is logical therefore that the standardisation of these systems would lead to overall efficiencies in both finances and operations for most groups in the sector.

We identified 12 key properties of accountability and reporting systems. We found that one or more of these properties can be included in reporting requirements for any one funding stream. The main properties of these systems seen in our sample were annual reports on finances and activities, quarterly reports on finance and activities, annual audited accounts, and bi annual reports. The research also intimates that funders often have different reporting systems in place for the different funding streams that they operate. The funding agencies that are more accustomed to funding the community and voluntary sector were those that generally had the most in depth reporting and accountability systems.

The main strengths identified by organisations in these systems were shared or standardised systems, flexibility and personal communications with funders around reporting. The main weaknesses in such systems were insecurity of funding (including ongoing changes in systems and irregular transfer of funds following the submission of reports), overly complicated systems, inflexibility and, that the data produced by reporting mechanisms was of use only to the funder and not for the funded group.

We move beyond funding experiences of the sector now to turn to look at, in the next chapter, working conditions and HR practices in more detail.

Chapter 3

Working Conditions and HR Practices

3.1 Introduction

This chapter describes the experience and views of the C&V sector groups in the context of employment conditions and HR practices. We begin by exploring recruitment policies (3.2) and pay scales (3.3). We then examine the profile of staff in the bodies that took part in the research (3.4). This is followed by a number of sub-sections that deal with key aspects of employment and HR practices in the sector including: contracts of employment (3.5); terms and conditions in employment on the basis of funding (3.6); and, issues for the sector in attracting and retaining staff (3.7). The final sections deal respectively with comparisons between the C&V sector staff and the public sector (3.8), union membership (3.9) and employment legislation (3.10). Our overall purpose is to provide a summary of the experiences of the sector with regard to employment conditions and HR practices and this will be the focus of the concluding section of the chapter (3.11)

3.2 Recruitment Policy

Within the private, and more especially, the public sector there is normally a clear system of recruitment in place. Such systems will by and large detail the mechanisms, principles and standards that comprise the system at all levels. This is what we refer to here as a recruitment policy. In the public sector, this policy may change in its finer details between various state agencies, the core public and civil service. However, the principles – under which all operate - are similar and are usually in line with best practice and employment legislation. Policies of recruitment in the public service also are applied so as to ensure fairness and equality.

On the whole, a recruitment policy is good practice for both employers and employees. It is something that is official and formal: it is written down and sets clear guidelines for practices with regard to recruitment.

As part of the comparative approach in this study we asked C&V sector bodies if they had formal, written recruitment policies. All the respondents answered this question and of this number, 18 or 58% had written formal recruitment policies. This leaves 13 or 42% that had no such policy in place.

The recruitment policies were most often manifested in organisations as personnel guidelines and internal practices. Recruitment policies of the C&V sector organisations ranged from advanced to more minimal for those who had formal practices written and in place.

However, closer examination of the responses suggests that it is the larger, better-funded and longer established groups that were likely to have recruitment policies. This is in keeping with earlier findings which highlight the same trend towards the larger C&V sector bodies having more advanced HR practices than smaller, and normally community-based, bodies.

3.3 Pay Scales

As we saw in the opening chapter, pay scales are a mainstay of the system of employment remuneration in the public service. Public service pay and its constituent grades and pay scales have attracted renewed attention on foot of the initial implementation of the public service benchmarking. The opening chapter showed how the pay scales structure within the public service is highly complex. This is in part due to the diversity of employees in the sector distributed along different grades with their related pay increment scales.

The comparative nature of this research between the public and C&V sector required that experiences of the latter sector be explored in order to create a basis for an analysis of the contrast between the two sectors.

Accordingly we sought, from the groups, information regarding their experiences of pay scales across a number of questions. In total, 83% of groups stated that they do - while the remaining 17% stating that they do not - operate pay scales⁷³.

A minority of Dublin based community and voluntary organisations, 34%, stated that they operated pay scales that were determined by the funder. However, the majority of groups taking part in the survey, 65%, stated that it was the C&V organisation alone that dictated the pay scales used for their staff⁷⁴. An interesting anomaly here is that some of groups answered both questions suggesting that some funders dictated the use of pay scales which others did not, leaving this decision ostensibly to the body themselves.

The rationale advanced by those who indicated that pay scales were determined by the funder can be condensed to a small number of reasons. Many bodies were part of national programmes of funding which set down pay scales guides for those employed in organisations funded under the programme. In some cases, interim agencies managed these programmes and set down guideline for salaries and pay scales. Another aspect was where the funder was a substantial public body and set down scales that it expected funded bodies to operate regardless of the purpose of the funding. A similar approach was where funders - as part of the agreement to fund specific bodies - asked that staff be placed on scales that were operated by the funder. In both of these cases, the scales were similar to those operating within the funding body itself and were usually of a general rather than specialised nature. This of course leads to a situation where those bodies that receive multiple funding, have their staff on a range of pay scales that bear only mild resemblance to each other.

We also asked those who determined their own pay scales to indicate the extent to which they were related to those in the public/statutory sector. 71% of the respondents stated that this was the case⁷⁵. This is a high figure and underlines the perception (and practice) in the sector of the close relationship, on the one hand, between the staff pay and working conditions in the public and community/voluntary sectors and, on the other hand, public sector funding and employment in the C&V sector.

Community and voluntary groups that determine their own pay scales suggested that scales were based on general public and civil service prevailing scales. Derivatives of this approach include where, in addition to being linked to civil service pay scales, experiences and qualifications were also taken into account. In a

⁷³ Based on 30 responses.

⁷⁴ Based on 34 responses.

⁷⁵ Based on 28 responses.

minority of cases, larger groups contracted consultants to develop scales based on a comparison to those in the public and others like-bodies in the community and voluntary sector. Another minority reason was the development of pay scales that were competitive in the labour market. A background theme noted by many of the respondents was that pay sales were very often dependent on the availability of funding and this was the critical start point for the use of pay scales.

The main public sector scales referred to were as follows: the general administrative grades in the civil service; health board general administrative scales; specific health and social care scales; FAS scales; and, scales and grades utilised in local authorities.

3.4 Staff Profile

The staff profile of the groups that took part in the research is summarised in table 3.1. The distribution of staff is broken down according to a number of ranges. This shows that there is a broad spread of staff sizes within our sample. This is a good reflection of the overall C&V sector’s diversity in terms of staff numbers. The two highest ranges seen are for organisations that have between 1 and 5 (23% of our sample) and 11-20 (27%) staff members. These two ranges account for almost half of all the groups in our sample. The variety in the numbers of the staff employed is also evident in the high percentage of groups that employ over 100 staff. The low proportion of groups who have over 50 but less than 100 staff members contrasts sharply with the relatively high proportion of groups that employ over 100 staff.

The peak staff numbers are for groups with less than 5 staff, those organisations that have between 11 and 20 staff and those that have over 100 staff. In general, low staff numbers are seen in community based groups and large staff numbers are seen in national voluntary organisations. This is to be expected. The middle ground is populated by both types of bodies.

This is in keeping with the pattern or continuum seen in the findings where the community and voluntary sector ranges from smaller, more recently established community groups to better funded, larger and longer established voluntary groups.

Table 3.1: Number of Staff Employed in C&V Sector bodies ⁷⁶

No. of Staff:	1-5	6-10	11-20	21-50	51-100	100+
No (%):	7 (23%)	5 (17%)	8 (27%)	4 (13%)	1 (3%)	5 (17%)

We also explored the total numbers of staff by fulltime, part time and employment scheme. We then analysed these on the basis of gender.

The data suggests that there were 1,444 full time staff employed in the 30 groups answering this question. The average number of full time staff employed is just over 48.

A lesser number (26) of groups broke this figure down to gender; the groups who employed more staff were less inclined to set down the gender split of their employees. Of the groups that answered this question, women made up 75.8% of full time staff compared to 24.2% for men. This demonstrates that C&V sector

⁷⁶ Based on 30 responses. This question was based on all staff employed but not included those staff employed under the aegis of the Community Employment, Jobs Initiative Schemes and the Social Economy Programmes.

differs from overall national employment breakdown with women making up, in this case, the vast majority of full time paid staff in the sector. In the State in contrast, women are concentrated in part time employment: 111,100 women, according to one study, were engaged in part time work compared to 37,100 men⁷⁷.

For the purposes of the research, we defined part time work as less than 30 hours per week and not including those employed through labour market and other related schemes. There was 913 staff employed by the groups on a part time basis, which averages at just over 30 per group⁷⁸. This figure is 63% of the number of full time staff. Of the organisations that offered a gender split of their part time staff, 91% were female and a corresponding 9% were male. This is in keeping with national employment trends where the vast majority of women make up the ranks of part time workers.

Community Employment (CE), Jobs Initiative and the Social Economy Programme are labour market schemes operated under the aegis of FAS. Each scheme places the participants of these schemes in jobs in the community and voluntary sector. The CE scheme in particular has been the subject of ‘roll back’ in recent years due to the relative buoyancy of the labour market and the historically low rates of unemployment. The results here show that 985 staff works for C&V sector groups under one or more of these schemes. This equates to an average of just below 32 staff per all groups in our sample. If we only take those groups that had this type of staff working for them, the average figure rises to just under 53 staff per project. The range of those working in groups was from 1 to 340 with the higher numbers working with larger national voluntary organisations. The gender split of those employed under the schemes and working in the sector was 72% and 28% in favour of women. The gender split is in keeping with that seen above and also that for these schemes nationally. This suggests that these schemes are an important resource in the sector and the delivery of services.

3.5 Contracts of Employment

Employment contracts are central to good employment practice as well as being a legal requirement of most employment. The employment contract is an interesting method for providing insight into employment conditions in the C&V sector on account that employment in the sector is often contingent on the receipt of funding. This is the concept that the research investigated.

Community and voluntary organisations in, not surprisingly, 100% of cases use employment contracts. However, when asked what proportions of employment contracts for staff were contingent on the securing of funding each year, (table 3.2) the range of proportions indicated was from 10% to 100%.

Table 3.2: Proportion of Employment Contracts Contingent on the Availability of Funding Each Year.

Proportion of Employment Contracts	No (%)
100%	21 (72%)
90%	2 (7%)
80%	3 (10%)
40%	1 (3%)
20%	1 (3%)
10%	1 (3%)

⁷⁷ National Women’s Council of Ireland, 2001:14 citing Ruane and Sutherland, 1999:34.

⁷⁸ Based on 30 responses.

72% of groups stated that all of their staff positions were contingent on the receipt and continuation of funding. The findings also indicate that for 90% of the groups that took part in the survey, 80% of their employee’s contracts were dependent on the continuity and the availability of funding. From the perspective of employment security, this contrasts markedly with the security of employment that is seen within public sector employment.

The organisations that had between 0-40% dependency on receipt of funding being available each year were those that had income from donations, subscriptions and other fundraising. These groups were for the most part national voluntary organisations that were well-established, comparatively large and working on single issues through both service provision and advocacy.

The insecurity of funding in the sector and its impact on employment conditions and thus livelihoods of those employed in the sector is a key finding illustrated by the above data.

3.6 Strengths, Best Practice & Weaknesses in Funding Practices for Terms & Conditions

It is clear from the findings in the study to this point that the processes, understood broadly, that influence the employment conditions of employees and/or HR practices in the C&V sector are widespread and complex. With this in mind, the research sought to examine what the respondents felt were the positive and negative aspects of funding and the manner this impacted on the terms and conditions of employment. In other words, the strengths – best practices – and/or weaknesses in funding mechanisms in the context of employment conditions and HR practice in the sector.

These are set down in the tables below along with the funding body or stream that was most associated in the feedback with the strength or weakness in terms and conditions for employees. We have also a ‘general’ category in each of the tables where no direct reference was made to particular funders. It should be noted that all of the issues set down in both tables can be applied to most funding streams.

Table 3.3: Best Practice/Strengths in Funding and Terms and Conditions of Employment⁷⁹

Best Practice(s) Allowed for	Funders Named most often
Wages based on national pay scales	<i>General</i>
Minimum pay levels set	<i>City/County Council</i>
Pensions; 3-year contracts; increments; staff development; minimum pay levels set.	<i>Dept. CR&GA</i>
Similar terms and conditions for teachers employed by C&V groups	<i>Dept. E&S</i>
Childcare	<i>Dept. JE&LR</i>
Pensions; increments	<i>Dept. S&FA</i>
Staff development; training	<i>FAS</i>
Increments; pensions; set terms and conditions for section 56 funded bodies.	<i>Health Boards</i>

⁷⁹ This table provides an illustration of what the respondents to the research suggested were best practice in funding terms and conditions of employees in relations to specific funders. However, some of the categories are questionable, i.e. childcare, in that it is part of a programme which is outwardly focused on increasing childcare provision. Thus the facilitation of childcare in this instance is the service being provided by the C&V sector group and is not necessarily therefore best practice in the terms and conditions of employees as facilitated by the funding stream..

The best practices listed by the C&V sector are manifold. There is a consensus around pay rates, increments, and pensions. Also listed are related areas of staff development and training.

Generally, these areas can be understood as those that are absent when compared to employment in the public sector which the C&V sector models or relates it to. In other words, the perception of a 'strength' in terms and conditions is based on comparative best practice among all funding streams that C&V sector organisations experience.

Table 3.4: Weaknesses in Funding and Terms and Conditions of Employment

Weaknesses	Funders Named Most Often
Lack of guidance; training budgets; overall uncertainty; agreements not always honoured; no annual increase in funding to take account of national pay agreements.	General
Insufficient funding for administration positions; inflexibility.	Dept. CR&GA
Part time teachers not given terms and conditions	Dept. E&S
No funding for administration support; no training budget; short term contracts	Dept. JE&LR
No pensions allocation for staff on labour market scheme programmes; annual funding only	FAS
No guidance given; short term contracts; no staff training and/or development.	Health Boards

The main weaknesses are listed in the table above. Chief among these are: uncertainty with funding and low levels of funding (for terms and conditions), lack of funding for administration, no pension entitlements for scheme workers, and short term contracts.

In tandem with the findings elsewhere, there is a sense that where one funder is cited for good practice in one case, it can be cited also for bad practice in another case. This is a central vein seen throughout the study.

There is a clear overlap between the areas cited as strengths in some funding and as best practice and others as weaknesses, examples here are training, contract length, staff development, increments.

An all-encompassing theme here seems to be that to do with insecurity of funding. The varying standards across the community and voluntary sector are also evident. It is reasonable to assume that these may relate to the findings seen earlier in the report on the differences for employment conditions between core and project based funding even in cases where both types of funding come from the same overall funding source such as a government department or other government agency.

Notwithstanding this, these themes, individually and collectively, are important findings due to the insights they provide us with to the main concerns of the sector with regard to deficiencies in terms and conditions for their employees.

C&V sector groups were asked to list what they considered to be best practice in their own HR and employment practices. The responses varied but can be gathered under the following areas:

- *The provision of in depth personnel and employee handbooks, guidelines and policies;*
- *Contribution to pensions;*
- *Appraisal, review and staff performance mechanisms;*
- *Use of pay scales, increments and renewable contracts;*

- *Linkage of pay to the public sector;*
- *Time off in lieu and annual leave/leave flexibility;*
- *Working from home;*
- *Career breaks;*
- *Health schemes;*
- *Paid study leave.*

These issues should be seen as the apex of the best practice noted by those in the C&V sector. It is mainly the larger and established community and voluntary organisations that offered these as best practice. Again, the findings indicate that the smaller, modestly funded and recently established groups are those that are less likely to have many of the listed best HR practices in place.

One implication of the findings is that the most established C&V bodies consider as best practice are those employment conditions and HR practices that prevail in the public sector. This again underlines the very close relationship between the public sector and the C&V sector at the subjective level. This is accompanied at the objective level by the inextricable link between employment conditions and HR practices in the sector and their dependency on funding from statutory purposes.

3.7 Attracting & Retaining Staff

One factor behind the structure of pay grades, guaranteed annual pay increases, employment benefits, job security, promotion and career paths etc., in the public sector is to make employment in the sector attractive and worthwhile relative to the private sector. The public sector can be said therefore to provide not only pay but also general employment and conditions so as to firstly, attract and secondly, retain staff. One of the suppositions in our comparative approach to the research is that the absence of a similar pay and employment system in the community and voluntary sector may make it difficult for the sector to both attract and retain staff. This topic has to be seen through the lens of the current societal context. This context includes the economic growth of recent years, high price inflation and increases in the cost of most if not all aspects of living (especially in Dublin in which this study is focused) and therein the cost of accommodation and job security. With these caveats in mind, we measured the views of the C&V sector on the challenges that they faced in attracting and retaining staff.

We turn first to the main challenges that organisations experienced in recruiting staff. There was a very high response rate to this question but there was nevertheless a clear consensus around 8 areas that acted as challenges to C&V bodies in staff recruitment. These interrelated 8 areas are⁸⁰:

- *The lack of a clear career path in individual organisations and thereafter in the sector as a whole;*
- *Allied to the point above is the lack of long-term contracts and the over reliance on short-term contracts for employment;*
- *Due to short-term contracts etc, there is a perception (which in comparison to the public sector is not misplaced) that employment in the sector is insecure.*
- *Low comparative salary levels;*
- *Constraints in funding with which to allow employers in the sector to compete on the labour market and moreover with societal changes and the cost of living. This issue has been exacerbated in recent months by the cutbacks affecting the sector as a result of the weak state of the public finances;*

⁸⁰ These consensus themes are, in keeping with previous sections, in no order of importance.

- *Many of those taking part in the research suggested that they found it difficult to find qualified staff to work in the sector due to many of the reasons above;*
- *Difficult and stressful working condition in the sector, which can lead to a high turnover of those working in the sector. The physical and geographic areas of work was also seen as a negative factor here as was the difficult client groups and issues that those working in the sector often had to confront;*
- *Finally, the poor non-pay benefits, such as lack of pensions, health schemes etc was also seen as impediment to work in the sector.*

The main challenges in retaining staff had many of the same themes in common with those acting to constrain the recruitment of staff to the sector in the first instance. In general the issues mentioned were in keeping with those above, however the incidence in the feedback of four broad themes increased in respect of retaining staff in organisations and ultimately in the sector:

- *Low salary levels;*
- *Poor career and promotions prospects;*
- *General insecure nature of funding in the sector and therefore within organisations (with a particular emphasis on current cutbacks);*
- *Poor non-pay benefits especially pensions.*

These clearly indicate the types of issues the sector faces in recruitment and retention of staff. This is in contrast to the general picture in the public sector. In the following chapter, the qualitative findings of the research add to the data presented here.

3.8 Staff Profile in Comparative Context

Under this heading, we were interested in looking at the relationship in practise between the employment positions in the C&V sector with those in the State sector. In so doing, we posed a number of frames for the organisations to consider the way in which, or not as the case may be, the employment positions in their organisation related directly and indirectly to those in the public or statutory sector.

The comparative frames used were:

- *Funders of specific positions or job categories;*
- *Number of employees within each job category or staff position;*
- *Number of staff funded by respective funders and funding streams;*
- *Number of full and part-time employees by funder;*
- *Number of staff at each position who were employed under short term contracts or seconded;*
- *Roughly equivalent position in statutory sector in terms of function and role for each position;*
- *Whether pay was related to the equivalent position in the statutory sector.*

This method generated a very wide range of responses. The depth of the information provided by the respective groups taking part in the research also differed widely. For these reasons, we detail the broad findings under each of these frames collectively in a number of tables so as to ease explanation and we follow this with an analysis of the findings.

The first table in this section below details the numbers of staff that are employed by various funders throughout all the organisations that responded to this question. The table also collates this information in terms of firstly, the funder as named by the respective C&V sector groups and, secondly, according to the origin of the funding source whether government department or other source.

This table covers slightly less than the total number of employees referred to for each organisation above. The number referred to are nevertheless substantial.

Table 3.5: Staff Numbers by Named Funder & Funding Origin⁸¹

Parent Department/ Funding Origin	Named Funder	No. (% of Response) ⁸²	No. (% of Response)
Dept. CRGA	Dept. CR&GA	48 (5%)	77 (7%)
	Partnership Company	17 (2%)	
	Local Drugs Task Force	12 (1%)	
Dept. ES	VEC	7 (<1%)	70 (6%)
	CDYSB ⁸³	43 (4%)	
	Dept. E&S	26 (3%)	
Dept. EHLG	City/County Council	13 (1%)	56 (5%)
	Homeless Agency	43 (3%)	
Dept. ETE	FAS	187 (18%) ⁸⁴	187 (18%)
Dept. HC	Health Board	518 (50%)	520 (50%)
	Dept. H&C	2 (1%)	
Dept. JELR	Dept. JE&LR	35 (3%)	39 (4%)
	Equality Authority	1 (<1%)	
	Reception & Integration Agency	3 (<1%)	
Dept. SFA	Combat Poverty Agency	4 (<1%)	24 (2%)
	Dept. S&FA	19 (2%)	
	Comhairle	1 (<1%)	
EU	EU	3 (<1%)	3 (<1%)
Fundraising & Donations	Fundraising & Donations	78 (8%)	78 (8%)

The obvious finding is that half of the positions funded in the sample are by health boards. The huge input of the health boards to the C&V sector is accounted for by section 65 grants to larger voluntary organisations for the provision of services. Examples here would be in the area of disability. As noted earlier in the section the policy remit - or area that the health boards are statutorily responsible for - encompass the voluntary sector mainly but also to a greater extent than other funded organisations at the community end of the continuum. FAS are the other substantial funders of positions in the sector. This may of course include staff employed

⁸¹ In most cases we use the funder as named by the C&V group. The only exception here is ADM. As mentioned earlier, throughout the research ADM are mentioned by some bodies and in other cases the parent government department is cited depending on whether the programme is social inclusion or childcare. For this reason, where ADM is mentioned we have put these entries in under either DJELR or CRGA, depending on context of work of the group.

⁸² The percentages used in this column are rounded to the nearest whole percentage point. Where a percentage was below 1% we have used the symbol < to denote this. Consequently, the total for this column will add up to over 100%.

⁸³ Some funding provided by CDYSB may come from the Young People's Facilities and Services Fund. This Fund is under the aegis of the National Drugs Strategy but is channelled through the Dept. of Education and Science and onto VECs in the relevant areas. In the case of City of Dublin VEC, CDYSB is a sub committee of the VEC with remit for youth work and youth affairs.

⁸⁴ This figure includes in some places those employed through Community Employment, Jobs Initiative or the Social Economy Programme.

under labour market schemes though the tables below suggest that many of these positions are full time, which would exclude CE.

Other funders do not fund the same level of staff as the former bodies and this is especially seen in the case of community-based groups. Notwithstanding this, funding of staff positions by these bodies account for more organisations than the health boards. Health board funding along with that emanating from the Dept. of JELR has a wide spread across organisations in terms of positions which is in keeping with earlier findings about the distribution of funding across all groups by these two funders.

The table also addresses the origin of funding for staff positions according to government department etc. This suggests, in keeping with the left side of the table, that the Dept. of H&C accounts for 50% of funding for staff positions and the Dept. of ET&E accounts for a further 18%. The Depts. of CRGA, ES, EHLG are the next largest funders of positions in the sector. Each of these makes up about 5% of funding overall. In tandem with the finding above, these sources of funding account for staff across a significant number of organisations. The numbers employed in these organisations however is typically lower than in those organisations with staff positions funded by health boards/Dept. of HC and Dept. of ETE/FAS. The implication here is that although the Dept. of CRGA is the overseer of the implementation of the White Paper, it is only directly responsible for a small proportion of the funding of those employed in the sector overall. This suggests that the input of the health boards and FAS are crucial to any discussion on the future funding relationship between the sector and the State.

One further issue arising here is that in respect of policy areas. The table suggests that seven government departments fund positions in the C&V sector but most of these, as expected, are related to the policy responsibilities of the respective departments. This may mean that C&V sector groups may not all identify themselves with the sector as much as they do with their area of policy. The funding of positions in numerical terms is skewed toward the voluntary sector with a clear emphasis on health related areas.

Fundraising of various types covers 8% of employment positions in the sector. This is heavily skewed however toward the larger and/or national voluntary groups.

Table 3.6: Number of funders funding staff positions in C&V orgs.

No funders in Each Organisation	C&V	(%)	Cumulative %
1		11.5	11.5
2		46.2	57.7
3		15.4	73.1
4		11.5	84.6
5		7.7	92.3
6		3.8	96.1
8		3.8	99.9 ⁸⁵

The research has previously established that many groups in the sector receive funding from a range of sources simultaneously. Table 3.6 above elaborates on this finding and shows the number of funders for all staff positions within organisations. Only 11.5% of groups receive funding for their staff from one funder.

⁸⁵ The percentage figures are rounded to one decimal point that skews the overall total so that it is just under 100%.

The most common number of funders for staff within organisations is 2. This is the case in nearly half of the groups.

Table 3.7: % Full and Part time Staff Employed Under Funding Streams⁸⁶

Named Funder	No. Full-time(% of total)	No. Part-time (% of total)
Dept. CRGA	71.4	29.6
Partnership Company	77	23
Local Drugs Task Force	100	-
VEC	83.3	16.7
CDYSB	72.1	27.9
Dept. ES	78.6	21.4
City/County Council	84.6	15.4
Homeless Agency	93	7
FAS	79.7	20.3
Health Boards	84	16
Dept. JELR	73.5	16.5
Dept. SFA	85.7	14.3
Fundraising & Donations	93.6	6.4

Table 3.7 summarises the proportion of staff that are either employed in a full time or part time capacity that can be attributed to one or more funding streams. The level of detail provided in this question varied according to the respondents. Overall, the ratio between those employed in a part-time and full-time capacity is much less than 70.4% suggested in table 2.8 in the previous chapter. The number above differs however as they are measuring the actual number of staff that either work in a full or part time capacity according to funder rather than whether the funding stream specifically allows for part time work. In other words, we are looking at the actual rather than the potential. The high incidence of part time staff across the funding streams suggests that the earlier measure in chapter 2 is valid. The measures in the table above are by and large bunched between 14% and 30% of staff employed in a part time capacity under the various funding streams. Indeed the similarity across the range is striking.

This topic of the research – Staff Profile in Comparative Context - also enquired into the number of staff employed on short-term contracts or other forms of contract such as through secondment. However, it was not possible to come to clear conclusions due to the low number of groups that answered this question in appropriate detail. The related findings suggest that only those groups who receive multi annual funding as part of a programme however are those that will offer longer-term contracts. One implication that can be drawn here is that there is a low level of secondment from public service to the community and voluntary sector.

Finally, we investigated whether the organisations considered that staff positions or job categories in their organisation were firstly, broadly equivalent to those in the public service (in role or function) and secondly, if these positions were also related to the pay scale of the equivalent position in the public sector.

⁸⁶ A smaller number of respondents answered this question than the earlier question about number of full and part time staff. The number included for health board supported positions does not include some large employers, as this question was not answered in some of these cases. This table is based on funders who funded more than 10 positions. This was done so as to allow for the proportions to be more representative as lower numbers were less likely to be representative.

The most striking aspect of the answers was the diversity in and between them. The answers were detailed in places, while not detailed in others. What is evident is the absence of a clear pattern in how this was worked out by the various groups.

The implication for the research was finding a suitable way to explain the results and maintain the comparative theme both between the positions and the public and community and voluntary sectors. The table chosen presents the core information in respect of each of the groups under the headings of job categories, whether these positions can be related to a roughly equivalent role in the State sector and finally the pay scale in the public sector that each job category is based on, where applicable. The table follows closely with the understandings contributed by the organisations. In keeping with confidentiality, we have allocated a number for each of the organisations that completed this part of the study. The results are summarised in table 3.8⁸⁷.

Table 3.8: Job Categories in the C&V sector and their Relationship to Position and Pay Scales in the Public Sector.

C&V Sector Organisation	No. of Job Categories/ Staff Positions	Equivalent Position in Public Sector	Relationship to Pay scale of Public Sector Position
1	2	No	No
2	2	Yes	EO & HEO in general civil service
3	15	7 Yes/8 No	No
4	8	Yes	Clerical Office to Principal Officer grades in general civil service
5	13	Yes	FAS Officer Grades
6	5	Yes	Health Board grades: Clerical/Administration, Social Worker(s), Project Workers.
7	22	Yes	Health Board grades: Clerical/Administration Grades, Social Work, Childcare Work.
8	7	No	No
9	10	Yes	FAS Officer grades
10	11	Yes	No
11	2	Yes	CDYSB guideline scales
12	4	Yes	General civil service grades
13	5	4 No/1 Yes	Clerical Officer in general civil service grades
14	5	No	No
15	6	Yes	FAS grades
16	6	Yes	ADM guideline grades
17	6	Yes	Health Board Social Work
18	12	Yes	Health Board grades: Social Work, Clerical Administration grades, Dept. S&FA guideline grades, CDYSB guideline grades.
19	3	No answer	No answer
20	7	No	No
21	5	4 Yes/1 No	Health Board grades: Clerical/ Administration grades, Community Welfare grades, Social Work grades.
22	3	Yes	Health Board: Clerical/ Administration grades III & IV
23	8	No answer	No answer
24	10	Yes	Local Authority Grades: SEO and CO grades. Health Board Nursing Grades.
25	3	No	No
26	4	Yes	General civil service grades
27	23	13 Yes/10 No	Health Board grades: Clerical/ Administration grades, Community Welfare grades, Social Work grades (Principal SW, Team Lead SW, Basic SW)
28	13	Yes	Health Board grades: Clerical/ Administration grades

⁸⁷ Public service grades are listed and updated in the Report of Public Service Benchmarking Body (2002) and the most recent Annual Report of Impact etc.

The table shows that the range of job categories or positions in the organisations surveyed was from 2 to 23. The number of categories increased in line with the size of the organisation. In the larger organisations, the number of staff was considerable at the lower levels in line with the hierarchical line management seen in medium sized organizations. The groups with the smaller number of job categories were normally community based and were also those community groups that had been established for a shorter relative time scale. The average number of categories of staff was 8 and the modal figure was 6 job categories.

Excluding the groups that did not answer and including combining the number of job categories, 162 or 78% of these job categories were regarded as similar in role and/or function to those in the public sector. In other words, 22% of positions were not seen as being equivalent to one in the public sector. This was normally seen in the case where no similar position existed in the public sector and where the position in a C&V sector body was specialised. This pattern was also true of those groups that had proportions of their job categories both related and not related to those in the statutory sector. Overall, however a significant majority (8 out of 10) of job categories or staff positions in the sector were considered equivalent in role and function to those in the public sector.

The equivalent pay scales that staff positions were compared to most often, directly and indirectly, within groups was as follows: health board (9); general civil service (5), FAS (3), CDYSB (2) and one each for ADM, local authority general grades and Dept. of SFA guideline scales. Within the health board scales, there were altogether 16 job categories referred to by the 9 groups citing these scales. These were divided almost equally between the clerical/administration grades⁸⁸ and the social and health professional grades such as those for social work, childcare etc. This high proportion of job categories that are related to those in the health services is in keeping with the number of such categories funded through health boards.

The findings suggest that the main pay scales that C&V sector jobs are related to are health service and the general civil service. There are two trends apparent apart herein. Firstly, these two broad pay scales are the two best-known pay scales and this is probably that rationale in choosing these to benchmark positions against. The second trend is where the pay scale that a C&V organisation utilises in the public sector is the one which is used internally by the core funder or the guideline scale issued by the funder. Along with the health boards, this is true of groups, and their staff positions, funded by FAS, CDYSB, DSFA, and ADM.

The findings in this section allow us to understand the pay scales and pay levels that are operated in the community and voluntary sector. These pay scales are easily accessible and show the close relationship between staff pay in the sector generally and then staff pay relative to the funder of staff positions.

3.9 Union Membership

The opening chapter pointed to the high membership of unions for those employed in the public sector. The high level of union membership in the public sector far outweighs that seen on the whole in the private sector. Membership of unions for those employed in the community and voluntary sector is therefore a good subject to address in terms of comparisons in employment between it and public sector.

The results in the table below (3.9) indicate that half of those surveyed do not know whether, or State that none of, their staff are members of unions. Of those whose staff are members of unions, the proportion of

⁸⁸ Community Welfare Officer pay scales have been included in the clerical/administrative grades for the purposes of explanation.

staff is generally quite low. Nevertheless, a not insignificant number of groups stated that all or most of their staff are members of unions. There was no clear pattern emerging in terms of the type of groups that had high or low union membership. One finding is that the union membership profile of the C&V sector is less like that of the public sector and more like that seen in the private sector.

This finding may have implications for the ability of those employed in the sector to act collectively in respect of pay and conditions. This collective action would of course go beyond interactions with employers in the sector but with the source of funding which is the State in nearly all cases.

Table 3.9: Union Membership

Proportion of staff in Unions	(%)
Do not know	24
1-20%	28
21-40%	21
41-60%	10
61-80%	0
81-100%	14

3.10 Legislation Governing Employment

One area that influences all employment sectors equally is the legal requirements and statutes that govern employment, termed here employment legislation. The questionnaire phase of the research addressed firstly, the extent of knowledge of employment legislation in the sector, secondly, whether the C&V sector felt adequately informed of employment legislations and finally, whether employers in the sector felt adequately resourced to meet the requirement of the employment legislation. These three subjects are dealt with in turn in the following paragraphs.

The main employment legislation that groups felt were relevant to them varied greatly. Groups listed every main piece of employment legislation. There were some interesting trends that emerge on closer examination of the responses. Some group types were more likely to mention some legislation than others. The nature, focus and size of groups seem to dictate which pieces of legislation are regarded as most relevant to them as employers. Before outlining which groups cited which legislation, it is worth keeping in mind that most, if not all, employment legislation is important. The smaller community based groups mentioned, to a greater comparative extent, companies legislation and the implication this had for them as employers, while groups at community level and those larger ones dealing with the area of social exclusion tended to note the Employment Equality Act. The more established voluntary groups, and especially those with a HR function, normally referenced a broad and encompassing range of employment legislation. The employment responsibility of these groups tended to, in the feedback in the research at least, be better understood than by community-based groups.

This trend was also seen in the extent to which organisations felt adequately informed about employment legislation. 60% felt well informed, 33% did not feel well informed and 7% stated that they did not know.

Similar proportions were seen in the extent to which groups felt appropriately resourced to meet the requirements of employment legislation (62% and 28% answered yes and no respectively, 10% stated that they did not know). Of the groups that answered ‘no’ most were smaller groups that did not employ large

numbers and were less likely to have a HR function or a responsible staff member. The areas in which these groups felt they required additional resourcing and support were in the main the following: updating their knowledge of the legislation; accessing affordable HR expertise; and, increased training in HR.

3.11 Summary & Conclusion

Following chapter 2, this chapter also presented the findings from the questionnaire stage of the research. While the focus of chapter 2 was primarily on the relationship of the C&V sector and employment conditions with funding, the focus of this chapter was to look in more detail at employment conditions and HR practices within the C&V sector. A key aspect of this chapter was to look at these issues in the context of a comparison with those in the public service.

We began by looking at the extent to which C&V sector organisations have formal, written recruitment policies. We found that only 58% of the bodies have such policies in place. Thus over 40% of groups did not operate a formal recruitment policy. The groups that had recruitment policies in place were the larger voluntary groups. Those that did not have formal recruitment policies were the smaller community based groups with comparatively low numbers of staff and with more limited funding.

Pay scales provide a valuable insight to the practice of community and voluntary organisations in comparison to the statutory sector. As we have seen, pay scales are intrinsic to the remuneration system of grades within the public sector. Our analysis of the use of pay scales in the C&V sector indicates that 83% of organisations use pay scales of one form or another. This is a high figure and again underlines the way in which the sector mirrors practices in the public sector. We have established earlier in the report that the sector is extremely reliant on public funding. In this context and in respect of pay scales used by the sector, we found that only one third of the scales used are determined directly by the funder and two thirds are determined by the organisations themselves. In the former cases the groups typically received funding as part of a national programme or that the funder stipulates or expects the group to take on grades used by the funder internally or as part of the funding agreement. We see also from the findings that this can lead to a situation, for some groups that have multiple sources of funds, whereby staff may be on different pay scales within the one organisation. Of the two thirds of groups that determine their own pay scales, over 70% of these based them on general civil service pay scales or those in the public service such as health board pay scales. The less significant rationale in determining pay scales in the sector included labour market competitiveness, qualifications and education, and comparison with other scales used in the community and voluntary sector in Dublin. Overall, however, even in cases where pay scales are determined solely by the C&V organisations, these are overwhelmingly related to public services scales. This underlined the close relationship between pay in the C&V sector and the statutory sector.

In this chapter, we looked at the staff profile of the groups in our sample. We found great variety in the total staff number employed across the range of groups. One quarter of the staff numbers fall respectively in the 1 to 5 and 11 to 20 staff number categories. Just below 20% of the groups surveyed have over 100 staff. These three peak ranges is consistent with earlier findings of the existence of a continuum in the sector. This continuum veers on one side from smaller community groups to relatively large voluntary organisations at the other end of the continuum. There is a defined middle ground of larger community groups and smaller voluntary organisations. The staff numbers generally fall in line with the characteristics of the continuum.

Women make up nearly 76% of the staff numbers in the sector. This is an interesting finding and contrasts the gender profile of staff in the sector with that prevailing in the public but especially the private sector. The average number of staff in organisations is 48 and the average number of part time workers in groups is 30⁸⁹. Part time workers in the sector account for, as a proportion, about 60% of the full time staff numbers. Women make up 91% of part time workers in the sector, which is keeping with national trends. The average number of CE and other social economy scheme workers per organisations was 53. This is skewed somewhat by the range of such workers in organisations (1-340) but the number confirms the overall significance of scheme workers to the sector and its work.

As one would expect, the findings show that 100% of groups in our sample employ staff under contracts. The main finding in the present context is that 72% of the annual renewal of contracts is dependent of the receipt of funding. A further dimension to this finding is that all of the employment contracts in 9 out of 10 groups are dependent of the receipt of funding annually. This illustrates in clear terms the relationship between funding and employment in the sector and also the insecurity of employment from year to year.

We asked groups also to outline the main strengths (best practice) and/or weaknesses in funding with regards to terms and conditions for employees. Best practices referred to included pay rates, pay increments, pensions and training/development. The weaknesses cited by groups were generally the inverse of best practices and included insufficient funding, uncertainty of funding, lack of pensions and short-term contracts. The data also showed how the one funder might be named as providing best practices and worse practise for the same issues simultaneously. The pattern that most often dictates good terms and conditions for staff is whether the funding is core or project based, regardless of the individual funder. The best practices and weaknesses noted by the organisations go some way to highlighting however the main concerns that the sector has for terms and conditions. These include contract length, training, pay increments, the insecurity of funding and the varying standards that are applied by funders in respect of staff across the sector. We can add to this list the best practices that groups cited in their own terms and conditions for staff: the use of pay grades, provision of benefits, job security, promotions and a career path. The terms and conditions mentioned by groups in the C&V sector are largely modelled on, or more precisely aspire to, those in the public sector.

Within the broad themes that the study is exploring, we tested the supposition that the sector is at a disadvantage, relative to the public and private sectors, when it comes to recruiting and retaining staff. Our findings suggest that the main challenges the sector has in recruiting and retaining staff are low pay, poor career and promotion prospects, insecurity, poor non pay benefits (including pensions), short term contracts and comparatively difficult working environments.

We also looked at who funds staff positions in community and voluntary organisations. The findings demonstrate that half of the staff in the sector was employed through funding provided by the health boards. This is accounted for, to a large extent, by Section 65 funding but also by the wide policy remit of the health boards - which takes in the work area focus of both voluntary and community groups. FAS is the next largest funder of staff positions, this can be accounted for also by the wide remit that FAS has in the sector and

⁸⁹ It has to be kept in mind when looking at these figures that we are dealing with a limited sample which aimed to capture a range of groups of various sizes in the community and voluntary sector in Dublin. As such, some groups had hundreds of staff and others only one or two. This has the effect of skewing the figures somewhat and cannot, for this reason, be seen as fully representative of the sector nationally or C&V groups in Dublin.

particularly with employment generally. The funder with the widest distribution of funding positions across the C&V sector, that is across the continuum from community to voluntary groups, are the health boards and the Dept. of JELR. This is consistent with findings in chapter in respect of the wide distribution of funding from these sources across the sector. The Departments of CRGA and ES funded less positions overall but were more likely funder of staff within organisations who receive funding from one source only. One implication of the findings is that any future dialogue on working conditions in the sector should, in view of the numbers of positions funded, involve the health boards and FAS and not just the Dept. of CRGA in which the White Paper implementation unit is situated. It may be the case too that some groups have a stronger identification with a policy area, funder or service sector than they do with the C&V sector. This is most probably the case for groups funded by health boards under section 65 which may be more oriented to their service delivery and clients rather than to the more advocacy characteristics of the organised C&V sector, typified by the Community Platform.

In this section of the chapter, we also found that 11.5% of staff in organisations are funded by one funder, nearly 50% receive funding from two funders for staff. This suggests that in 50% of cases, funder related and different pay scales may be used within the one organisation. The study was inconclusive in providing clear information about contract length and type. But the implications of earlier findings, including the duration of funding, suggests that most contracts will be related to funding and will be in general of a short term nature.

This chapter also looked at the direct relationship and linkages between staff pay and conditions with those in the statutory sector. Herein, we were concerned with the extent to which staff in the sector can be considered to be similar, in role and function, with positions in the public sector and thereafter, if the pay for these positions are related also to the corresponding position in the statutory sector. The responses to this topic identified a good deal of diversity. This variety was seen both between and within groups. The number of job categories or positions in the organisations that answered this question ranged between 2 and 23. Typically, the larger the organisation, the larger the number of job categories that were present. The larger organisations were also those that were more likely to have a hierarchical, pyramid line management structure in place which exhibits a greater number of staff at the lower job categories along the pyramid than at the top. 8 out of 10 (78%) of all job categories identified were seen as relating, in role and function, to one in the public sector. Thus only 22% of positions in the sector were not seen as equivalent to one in the public sector. In the latter case, this was normally based on the specialisation of the job category and the lack of an equivalent position in the public sector.

Where it was stated that job categories in the C&V sector (78%) was equivalent to one in the state sector, the pay scales used for these positions were assorted. The scales most commonly used were the health board and general civil service grade scales. To a much lesser extent, FAS, CDYSB, ADM and local authority pay scales were also used. The health board scales were divided between those used for the general administrative grades and the social and health professional grades. The high propensity of job categories using health board scales is in keeping with the high proportion of job categories (and positions) that are funded by the health boards.

Overall, C&V sector groups stated that their job categories related to one in the public service and in nearly 80% of cases. The findings also show these job categories were linked to the pay scale of these public service job categories in over 70% of cases. The grades (and pay scales) cited most often are those that are used by

health boards and the general civil service. In the main, these pay scales are used because they are the two best known, easily identified and thereafter, because they are related to those of the main funder.

Half of the groups in the survey do not know whether, or stated that none of, their staff are members of a union. In cases where there is union membership, the proportion of an organisation's staff that are union members is low. It is also the case that a minority of organisations in the sector suggest that all of their staff are union members. The findings suggest that union membership in the community and voluntary sector is closer to that in the private sector and further from the high union membership in the public sector.

Finally, we looked at employment legislation and its understanding by community and voluntary groups. It is not surprising given the breadth of legislation that a very wide number of acts were referred to by groups. There were, nevertheless, some interesting findings. The level of understanding and knowledge of employment legislation changed depending on the interests, size, and number of staff employed by, groups. For instance, the smaller community groups tended to refer to company law responsibilities as the main legislation that was of relevance to them, the groups working in the social exclusion area cited the employment equality legislation and the larger voluntary groups referred to a wide gamut of the legislation as being of relevance to them. Within these patterns, 60% suggested they were well informed of the legislation and a similar proportion felt adequately resourced to meet the requirements of the legislation.

This chapter has thrown light onto the experiences of community and voluntary sector organisation's HR and working practices. We have seen the close relationship of most aspects of this to public sector funding and to public positions and their respective pay scales. We have also seen how the trends in funding and the size of groups, seen in the previous chapter, also came to the fore in this chapter. The next chapter moves beyond the feedback from the self-completion questionnaires and looks at qualitative data generated during the course of the research.

Chapter 4

Case Studies of the Experiences of the C&V Sector in Dublin

4.1 Introduction

This chapter builds on the findings of the questionnaire stage of the research and presents a summary of the findings from a number of case studies that convey the experiences of some community and voluntary groups under a number of key themes. The aim of the chapter is to add a practical dimension to the findings of the previous two chapters. The findings in this chapter are based on 5 case studies. The case study groups were chosen so as to be representative of the research sample overall. The groups who took part in the case studies, in all but one case, were in addition to the organisations that completed questionnaires. This has the effect of further broadening the scope and objectivity of the study.

4.2. Summary of Findings and Conclusion

Before looking at the main issues emerging from the case studies, it is important to note that we are looking at only a few cases and they cannot on their own be taken to be representative of the experiences of the majority of the community and voluntary sector in Dublin or indeed nationwide.

Notwithstanding this, the case studies corroborate, by and large, the findings in the previous chapters. This is the most striking aspect of the case studies and from the perspective of the overall study, underlines the validity of the earlier findings.

In conjunction with this, the case studies illustrate that the perceptions and experiences are obviously quite different among the groups. That is, the organisations that comprise the case studies seem to characterise the continuum that is evident in the sector overall. For instance, there are two small community based groups that operate in a defined geographic area, two relatively large national voluntary organisations and a medium sized organisation (in financial terms as opposed to staff numbers), which operates in a sub-county but multiple community area.

In respect of funding, the trend seen in the previous chapters is also evident. Some of the groups receive funding from one source while others have multiple sources of funding. The durations of the funding seen varies from annual funding to multi annual. In some of the case studies, groups received both annual and multi annual funding from different sources. It is worth noting that in cases where groups received funding on a multi annual basis this has become the subject of review in 2003. This is related to on going reductions or tightening of public expenditure in general.

The case studies suggest that funders in most cases do not directly provide for employment benefits (annual increments, pensions etc). The organisations tend to provide for these out of their own budgets but it is

evident that it is only the larger groups that are in a position to do this. We see also that core funding is more likely to accommodate for these costs with annual increments and pensions the most likely to be covered albeit indirectly, that is not through ring fencing of the overall allocations that the groups receive. There is a sense that funders, in their funding allocations, place a higher value on the delivery of services per se than on the employment conditions of staff in organisations funded to deliver services. This is understandable from the funder's perspective, and obviously in view of the fact that they are not the employer, but it does pose a question about the capacity of C&V groups to meet their obligations to be good employers in the absence of funding to do this. We will return to this point in the final chapters.

The case studies suggest that where groups are in receipt of only one funding source, they are more likely to be satisfied with the accountability and reporting mechanisms. The case study groups are positive in general about these systems, although the smaller groups suggested that administering the systems act as a drag on their core resources. The more negative aspects noted by the groups include the uncertainty of the funding and the time that is required to accommodate to a number of systems simultaneously. By and large, these experiences reflect the findings from the larger sample.

We see also variety in the use of pay scales. In two of the cases, the funder dictates pay scales. In one case, they are related to the funder's pay scale and in the other cases; the organisation develops the scales - although they were related to those operating in the public sector at a point in the past.

There are themes common in the case studies and the questionnaire findings also in respect of attracting and retaining staff, these include: lack of career progression, low pay, insecurity of employment (based on uncertain funding), and difficult working conditions. It is noticeable also that the service based voluntary organisation deviates from listing these issues and has had a more positive experience than the other case study organisations.

The views expressed in the case studies with regard to employment legislation and union membership are in line with those indicated in the chapter 3.

The case studies overall emphasise the diversity in the experience of the groups under the common themes used throughout the study. They also highlight the differences between smaller community-based groups and the larger voluntary organisations when it comes to HR practices and the coverage of employment conditions.

The next and penultimate chapter turns to look at funding and working conditions in the C&V sector from the perspective of the interim funding agencies.

Chapter 5

The Role and Experiences of Interim Funders

5.1 Introduction

As part of the research process, a number of interviews were carried out with, what we term here, interim funding bodies. These State agents are charged by one or more government departments with the disbursement and/or management of funding to C&V sector groups. This can be in one policy area such as youth work or as part of a national programme such as those in social inclusion under the auspices of the National Development Plan. In keeping with the previous chapter, the case studies that provide the findings for this chapter throw further light on the findings in the previous sections and therefore add further scope to the study.

The reasoning behind their inclusion in the research is twofold; firstly, they provide an insight to funding and employment conditions in the community and voluntary sector from the viewpoint of the public sector. Secondly, these agencies are more accessible than government departments due to their sole focus on the management and disbursement of funding to the C&V sector groups. A third, and side, reason in looking at interim funders is their middle role between the main government departments and C&V sector groups and the insight this affords them.

5.2 Summary of Findings and Conclusion

This section is based on the views of three interim funders which is presented case study format in appendix 2.

The interim funding agencies provide a middle view between the funder and beneficiary community and voluntary groups and for this reason provide a valuable perspective.

We approached the case studies under a range of themes explored through out the report. As one would expect, the issues presented in the case studies correspond to earlier findings.

These agencies manage funding for one department alone or for a number of departments but for similarly focused beneficiary groups. The duration of funding managed by the interim agencies is multi annual in two cases and annual in the other.

As a rule, the guidelines for funds are set down at a macro level by the parent department and the interim agency interprets these and on this basis, puts in place systems that the beneficiary groups then operate under. This suggests that there is little standardisation across all groups in the sector due to the each policy area or programme having its own set of guidelines. There are differences in the extent that the parent funder interacts with the interim funder in devising these, but the result is a different system, with some

similar elements, for each funding stream. This shows us how the differences in funding in the guidelines and the specifications of the various funding streams can differ.

The interim funders do generally not set down pay scales as a part of the funding. There was one exception, where the interim funder operated a similar pay scale system across all the groups it channels funds to, regardless of source. This pay scale is based around that used within the interim-funding agency, which is a trend that was seen earlier in the report. The most notable finding here is that the funders see funding as grant in aid to community and voluntary organisations. The reference in the case studies to grant in aid also accounts for the lack of ring fencing of the funds for the purposes of the provision of employment benefits such as pensions, pay increments etc.

This is a critical finding and seems to go some way to explaining the funder's perspective on the community and voluntary sector. The concept of grant in aid is based on the principle that such community and voluntary organisations do not rely on such funding for the employment of staff or, more precisely, that funding is a contribution to the work of the group in the delivery of particular services. This is analogous to contracts with private firms and seems to advocate that groups do this work independent of public funding. As we have seen, this is only true in the cases of the very large national voluntary organisations. In these cases, such high profile and multi purpose groups receive the lion's share of fundraising and donations in the sector. This is patently not the case for the majority of groups who are dependent solely on public funding. The consequence of course is that staff positions and thereafter employment conditions in the majority of groups are also solely dependent on public funding.

Although the interim funders recognise the importance of the employment benefits and in some cases, they are seen as eligible expenditure items, the stipulation that the funding is grant in aid only mitigates against these costs being covered directly unless the grant funding is sufficient to cover such costs. We have seen from earlier that this is not normally the case. The exception here is where the Dept. of ES increases part (60%) of its funding each year in order to cover the costs of annual pay increments. This is an interesting approach, which we will discuss later.

The weaknesses in the funding systems mentioned by the interim funders are also in keeping with earlier findings. They include the differences in the way groups operate funding with respect to staff and working conditions under the one funding stream due to the lack of direction for the funder, lack of pensions and the lack of separation between staff and non staff costs and allocation for administrative costs.

The interim funding agencies suggested that, from their perspective, the main challenges for the C&V sector in attracting (and retaining) staff were limited current resources, lack of security and low pay.

The next chapter draws on the previous chapters and summarises the main points made throughout the study in order to reach conclusions and make recommendations for moving forward.

Chapter 6

Summary & Conclusion

6.1 Introduction

This chapter draws together the key findings of the study and presents them generally in the order in which they appear in the body of the report. We start this section by summarising the review of the literature on the community and voluntary sector and the role of the State in funding, and its relationship to employment conditions within, the sector (section 6.2). We then describe the profile and funding experiences of the Dublin based C&V sector bodies that took part in the research (section 6.3). This is followed by a summary of the findings of working conditions and general HR practices in the sector (section 6.4). The findings of the case studies of the experiences of 5 community/voluntary sector groups with respect to HR practices and employment conditions are summarised in section 6.5. Section 6.6 provides a summation of the perspectives of interim statutory funding agencies on the role and impact of funding on employment and HR in the C&V sector. Finally, in section 6.7, we build on these findings to draw our conclusions and make a number of recommendations that emanate from the research.

6.2 The Community and Voluntary, State Funding and Comparative Employment Conditions

C&V Sector

The community and voluntary sector plays an integral role in the civic life of the State. This is recognised by, and is the basis of, the government's White Paper on supporting and enhancing the role of the sector and its relationship with the State. The substantial funding level that is seen between the State and community and voluntary organisations underscores the role of the sector in services provision in the State. The White Paper estimates that in 1999 alone this amounted to almost €1.3 billion.

Corresponding to the significant fund transfers made to the sector, it has been estimated that there are almost 7,000 organisations in the wider non-profit sector. In view of the extent of resource transfers from the State to the sector the number of groups operating in the sector, it is not surprising that the sector is responsible for a significant delivery of public services.

Due to the large number of groups that make up the sector and the evident diversity in their focus, defining the sector satisfactorily is difficult. The wider non-profit sector can be described as the sector between public and private sectors. This has sometimes been termed the third sector. The non-profit sector can include voluntary hospitals, voluntary run schools and sporting organisations, all of which are non-profit and essentially voluntary. However, the term 'community and voluntary sector' has come to describe a distinct group of non-profit bodies. The various methods of defining the groups can be in terms of their structure and operation, their area of activities, their client groups or the various programmes they operate under. In

reality, there is a continuum of characteristics that can be attributed to organisations that make up the sector and the most common aspects in defining these groups is that they are not privately owned, profit making or part of the statutory sector.

The makeup of the organisations in the C&V sector is best understood as existing along a continuum. At one end of the continuum are the larger voluntary organisations that focus on service delivery and are in receipt of relatively large amount of public funding, donations and fundraising. At the other end of this continuum, one can find the community organisations that tend to be smaller in size with a focus on geographic communities or communities of interest. The groups at the latter end of the range tend to be less involved in service delivery and are in receipt of more limited public funding.

We explored how the development of the sector in Ireland has been along two parallel currents. The first of which is the voluntary organisations and second is the community self help tradition. The voluntary side of the sector developed independent of the State up to the 1950s and usually on the basis of services provided by religion-based organisations. The development of voluntary services is associated with Catholic social teaching and particularly, the principle of subsidiarity. This principle maintained that services and supports should be delivered at the lowest level beginning with the family, followed by the church and ultimately, and as a last resort, by the State. From the 1950s onwards, the State became more involved in the voluntary sector and in services to promote the welfare of the most deprived. The involvement of the State in social service provision is epitomised in the 1953 Health Act. Section 65 of the Act allowed for the State to fund voluntary organisations whose services were ancillary to those that were the responsibility of the State. This type of arrangement increased substantially in the following decades as the State took on increased responsibility for social policy and social services.

The second and parallel current that contributed to the development of the sector is community-based activities founded on the tradition of self-help that commenced in rural areas and was characterised by the Muintir Na Tire movement. The community side of the sector proliferated in the 1960s and 1970s, when concepts of participation and empowerment began to take root. This period witnessed the onset of community organisations in urban areas such as tenants organisations and women groups.

A shared trait of both streams in the sector was one of an increasing incorporation into statutory policy. This can be seen as the beginning of interdependent relationship between the C&V and State sectors.

In more recent years, the community and voluntary sector has played a role in the provision of services and advocacy in the context of structural socio-economic problems and issues of equality. To some extent, the community and voluntary sector remains the driving force on social justice and equality issues in the State.

The activities of the sector are manifold and convey the diversity that we talked about in the sector. One commentator suggests that the activities of the sector can be covered by one or more of the following: health; social services; development and housing; law, advocacy and politics; and, international focus such as aid. Within each of these broad categories of activities, it is possible to list a further number of sub categories.

In tandem with the diversity in focus and activities that we find in the Irish C&V sector, the organisations work with and for one or more of a broad range of client groupings. At a minimum, we can include here the

elderly, designated communities in general, unemployed, people with disabilities, children and families, ill persons, carers, woman, people with mental health difficulties, young persons, the homeless, minorities etc.

What is clear is that the C&V sector in Ireland is variegated in size, focus, history, activities and the groups it works with and for. The sector should be seen as a reflection of society and especially those that live at its margins.

The role of the sector at the policy level is twofold. Since 1997, the community and voluntary sector has been constituted as a legitimate actor in its own right in social partnership. This has resulted in the sector contributing - along with the State, employer and union groupings - to the last three national agreements. The sector is also a contributor to national policy through aegis of fora such as NESF, NESC etc. The sector, in its various guises, is also active in departmental policy development and now at the local level through County/City Development Boards and Local Authority Strategic Policy Committees.

We also noted that up to the publication in 2000 of the White Paper on supporting and enhancing the community and voluntary sector, no coherent policy framework was in place for the relationship between the State and the C&V sector despite the extent of the sector and its interactions with the State. The White Paper had been promised as early as 1974. The White Paper represents an important platform for the formalisation and standardisation of the role of the sector and its relationship with the State. To this purpose, the White Paper outlines an overall vision, a number of principles for governing the relationship with the sector and also initiatives for implementation for support and enhancement of the sector in the future.

The Role of the State in the C&V Sector

The most obvious characteristic of the relationship between the State and the community/voluntary sector is the significant transfer of funding from the State to the sector for delivery of services of various sorts. This has implications for those employed in the sector. Thus, we also looked at the role of the State and its rationale in the sector. This allowed us to draw out the implications of the State's role in funding the sector with its relationship to employment in the sector on the basis of this funding.

The official thinking of the State and its relationship with the State is outlined in the White Paper. The White Paper suggests that the sector occupies an important position in civic and democratic society. The White Paper maintains also that the community/voluntary sector has the capacity to respond to pressing social needs quickly and effectively, that it can pioneer new and innovative approaches to service provision and community development, create employment and contribute to social and community capital in the State. The White Paper suggests also that the sector fosters the principles of participation and empowerment in its approach and moreover, can tailor its methods to meet the needs of marginalised communities and communities of interest. Taken together, these can be seen as the official reasoning underpinning the State's involvement.

We looked at more analytical understandings of the State's motivation in its relationship to the sector. These views include the concepts of government and/or voluntary failure. These concepts are premised on the view that the State provides services based on a conception of society as homogenous, which in turn often leaves groups and communities that differ from the prevailing norm or the majority, not catered for and it is these groups of citizens that C&V organisations are charged with providing services to. The contrasting view turns this approach over and suggests that because C&V sector services are often highly targeted and specialised,

the State often has to provide services to other groups directly or provide additional funding to the sector to respond to the groups that it does not naturally cater for.

The economic explanation of State/C&V sector relationships maintains that the State's transfer funds to the sector for services is on the basis of cost and efficiency in delivering services relative to direct State provision. The corporatist model for the relationship suggests that the State incorporates the sector so as to develop consensus around policy goals towards implementation. The corporatist view is probably most apt in explaining the role of the C&V sector in national social partnership. The concept of 'legitimation crisis' is based on the view that the State has to involve community and voluntary organisations in service delivery, especially in respect of social inclusion, in order to offset a crisis in the State's legitimacy due to its inability to cope with such issues on its own. Each of these conceptions of State and community/voluntary sector relations is some way from the more neutral one outlined in the White Paper, nevertheless taken together with the White Paper's, these views probably go some way to explain the reasoning behind the State's involvement with community and voluntary organisations at different points in time and in respect to different issues or service/policy areas. These approaches also serve to support the ad hoc and unstructured relationship that has existed between the two sectors over recent decades.

As suggested above, funding is the most obvious facet of the relationship between the public and C&V sectors. Funding from statutory sources to community and voluntary organisations can be through government departments, state sponsored bodies or state agencies that act as interim funders of one or more of the former two. The funding can vary from long-term programmes to single purpose once off grants. It can cover staff, development, material and capital costs or a collection of these simultaneously. It was noted above (and in the body of the report), that nearly €1.3 billion was transferred to the community and voluntary sector by the State in 1999. The two major trends of funding identified by the White Paper are, firstly, funding for core services delivery on behalf of the State and, secondly, funding for services which are complementary and/or ancillary to those delivered directly or mainly by the State and its components. We also saw how these trends of funding correlate in the first instance (core services delivery) with voluntary organisations and with community oriented bodies in the latter case. The voluntary organisations are also generally better funded (receive greater sums of funding) than community sector groups. However, it was noted that across the entire C&V sector, most bodies live just within the level of funding that they receive.

State funding to community and voluntary groups, as acknowledged in the government's White Paper, has historically been through ad hoc grants rather than multi annual programmes over 3 years. The White Paper acknowledges that this dominant funding mechanism has been unsatisfactory and has led to difficulties for strategic and long term planning for the sector. Similarly, the informal annual grant approach has also led to significant time and administrative costs on the part of the sector in pursuing funding. In view of this, the White Paper makes a commitment to a move to three year multi annual funding as the preferred funding mechanism for the sector in the future.

The White Paper outlines that funding to the sector in the future will be of three main types: multi annual core funding; time limited per project funding; and, once off grants for specific purposes. This document also states that core funding will be the norm in the future for groups that focus on disadvantage.

The White Paper acknowledges that in similarity to the ad hoc funding regime that existed for the C&V sector, accountability and reporting mechanisms operated by the State sector also differed in method, details

and time frame. This creates particular difficulties for those C&V organisations that receive funding from more than one statutory source. In these cases, the administrative time input to accountability can act as resource constraint on the core work of organisation. This is noted by the White Paper and a commitment is made therein to standardising these systems across all statutory bodies, including systems for the timely and planned transfer of funding tranches.

The traditional methods of funding for the sector was also noted for its insecure nature and the effect this often had on the working conditions and morale of staff that are employed in the sector. In this regard, the paper observes that funding packages to the C&V sector had in the future to be 'complete' and 'comprehensive', which implied that funding had to go beyond service provision alone to embrace related costs such as those in respect of employing staff. This is one of one the central concepts that present study explored.

On foot of the White Paper, it was noted that an implementation unit has been set up within the government to oversee the implementation of these issues.

Employment and Working Conditions in the C&V Sector

It was estimated in 1996 that there were 32,000 (FTE) persons employed in the C&V sector. Given the increase in funding to the sector and the increase in State spending during this period, it is likely that this figure increased substantially to at least mid 2002. Notwithstanding this, the 1996 estimate accounted for over 3% of the non-agricultural labour force, which was greater than sectors such as gas, electricity and mining. If we include volunteers and those participating on social economy/labour market schemes, the community and voluntary sector is a significant employer in the State as a whole. In keeping with the earlier noted dichotomy in scale between voluntary organisations and community-based groups, the former category is by far the largest employer of persons in the sector.

Employment in the C&V sector is typically challenging, specialised and skilled. Given this, good employment conditions are key to the future of the sector and are a legal and moral obligation on community and voluntary groups. However, it was noted that due to the insecurity and scarcity of resources in the sector, employment conditions are often not prioritised and are generally less than those that would be the norm in the private and especially the public sector.

Employment and Working Conditions in the Statutory/Public Sector

Employment and working conditions in the public sector acts as the comparative frame to measure those that are prevalent in the C&V sector. In this regard, we looked at the State sector and identified a number of generic characteristics that are normal in most public positions.

The public service is comprised of a number of divisions and accounts for between 200,000 and 300,000 employees. Employment positions in the sector are highly diverse and include literally hundreds of grades and their related pay scales ranging across the core civil service, the public service (health boards, FAS etc.), local government (city/county councils), state agencies (Teagasc, IDA etc) and other state sponsored public sector bodies.

The pay scales for each grade within these bodies are based on a complex system of relativities to those originally in the private sector and, in recent decades, to those between public grades where no private sector

comparison is available. Recently, public sector grades have been 'benchmarked' against those in the private sector.

The main source of remuneration in the public sector is pay. In addition to pay, public sector jobs are, on the whole, permanent and a premium is set on security so as to allow for sustainability across the service. For this reason, the demographics of the sector indicate that almost two thirds of those employed in the sector are over 35 years of age while the comparative figure in the private sector is just below 50%.

Each grade has at least five increments of salary along which employees pass annually. There are also long service increments for those at the top of the pay scale for specific grades for a set number of years.

Those who have professional qualifications can gain entry to grades and pay scales at a higher level than those without qualifications. The vast majority of public sector jobs are pensionable.

HR practices are comparatively well developed in the sector. The public sector is the leader in work-time/life practices such as job sharing, flexi time and part time working. Public sector workers can in some circumstances avail of career breaks. Employees in the sector also receive generous travel and work expense allowances. Holiday entitlements in the sector are also comparatively generous compared to the legal minimum.

Due to the hierarchical nature of the grades within the sector, there is a clear progression path for public sector employees. In turn, wide-ranging promotion opportunities exist within the sector.

The above should be seen as the key generic characteristics of public service employment. There is of course variety in various positions with the public sector, but for our purposes, these should be seen as the main frames against which employment in the community and voluntary sector can be compared.

These findings highlight the context of the community and voluntary sector and its past and present relationship with the State. They also set down a frame in which to understand working conditions in the public sector, which acts as a backdrop for the findings from the research among community and voluntary organisations in Dublin.

6.3 Profile and Funding Experiences of Community and Voluntary Organisations

We analysed 31 questionnaires from community and voluntary organisations in the Dublin region. We looked at the profile of the groups as well as their funding experiences with the State sector.

In defining themselves, the most striking finding was that C&V groups saw themselves as belonging to a number of categories simultaneously. The most frequent of these multiple descriptions was where organisations cited their main focus or work – local development, employment services etc – while also noting their community-based identity. Our findings suggest that the community development ethos, understood here broadly, was a key defining attribute of some organisations in the sample. The larger voluntary organisations did, as one would expect, not describe themselves as community based but were more likely to view themselves as umbrella organisations as well as national voluntary body. The findings

suggest that the community and voluntary sector can be seen as a continuum from smaller community based bodies at one end of the spectrum to larger voluntary bodies at the other end of the range. This finding is consistent with that noted in our findings above in the review of the development of the C&V sector. This duality is, moreover, one of the clearest findings in the research and goes along way in explaining the different experiences of groups with regard to staff, funding and HR practices.

We also noted that the multiple identities of groups go some way to underline the multiplicity in the activities of the sector. We noted also that the wide range of activities that C&V sector groups undertake is in keeping with the similarly wide range of needs of their respective client groups and/or catchment areas.

Turning to the main work/focus area of groups, we found that the largest number of group's activities focus on advocacy and service provision to one client grouping or in respect of one issue only. By client groupings, we refer to social groupings such as Travellers, people with disabilities etc. The issues that groups focus on include literacy, homelessness etc. Beyond the focus in the work of groups, smaller numbers of the sample addressed social exclusion, employment and youth work. We suggested that often the divisions between these categories are by no means hard and fast and that groups in the sector may undertake a range of activities that relate in some way or are ancillary to their core work focus. Herein, we noted that as groups expand in size overtime, they are likely to increase the range of their activities or services which relate to their main area of focus.

Under funding, one of the central findings is that 8 out of 10 C&V organisations receive funding from more than one source. This funding does not necessarily support staff in all cases (although we return to this point below). This finding should be seen in the context of the multiple activities of the more established groups. In other words, there is high correlation between 2 or more funding sources and established groups who undertake more than one activity. We can presume that the additional funding sources support activities and services supplementary to the core activities (or area of focus) of groups.

The most frequently named (50% of all groups surveyed) funder across the sector was the Dept. of JELR. The other main funders seen in our sample are the health boards and the Dept. of CRGA. These last two funding bodies were mentioned by organisations in about one third of cases respectively. Following these, the main funders named were FAS and the Dept. of SFA.

The Dept. of JELR has the widest distribution of funding across the spectrum of groups in our sample. A similarly wide distribution is also seen in the case of the health boards, which is closely followed by FAS. The frequency with which the Dept. of JELR is cited is not surprising given the wide policy remit of the Department. This is also the case with the health boards. Health boards fund voluntary organisations through Section 65 funding but also a significant number of groups in the middle of the spectrum and also at the community group end of the range. However, health board funding is more likely to be seen in the case of voluntary organisations, while funding for community-based organisations comes most often from the Departments of CRGA and SFA. Donations, subscriptions and other non public sector sourced funds accounted for funding in about a quarter of the groups. However, we cautioned in the body of the report that this figure is not representative and only applies to a limited range of voluntary organisations, which, on the whole, are large, well established and high profile. One conclusion we can reach therefore is that for the majority of groups, independent sources of funding such as subscription and other fundraising - that is

funding other than that coming from a public source – is not significant. The clear implication of this is that public funding is fundamental to the work of most groups in the sector and therefore to their staff.

We turned from exploring main funding sources to concentrate on the sources of core funding that groups receive. Whereas, main funding sources is self explanatory (the overall significant sources of funding for groups) core funding refers to the funding streams that support the core activities of groups including staff, management and administration costs. The chief source of this type of funding noted was from the health boards and the Dept. of CRGA. The distribution of core funding is closely related to the core activities of groups. It also correlates with the main policy focus and/or statutory responsibility of funders. As such, the health boards are the main core funders of voluntary groups and the Dept. of CRGA are the central funders of community-based groups. The analysis of core funding suggests that a significant number of groups in the study exhibited more than one core funder. Corresponding to earlier findings, it is the larger and long established groups who undertake multiple activities that were those who were most likely to have more than one core funder. Another interesting finding in this context is that, unlike its frequency as a main funder of groups, the Dept. of JELR is the core funder in less than 16% of the groups which is considerably less than 50% of groups which cited it as a main funder. Beyond the judicial/legal policy responsibility of the Department, it is also involved in childcare, equality and youth diversion. However, as the latter policy areas are not the core focus of the Department, they are manifested in funding as more project-based or secondary funding than core funding which explains the vicissitude between its status as a main and then a core funder.

Moving beyond funding receipts in groups, we applied this to HR practices and working conditions within groups. Specifically, we assessed the extent to which funding ring fences allocations for the following: HR practices and employee/staff benefits; annual increments in pay; pensions; recruitment advertising costs; training; and, supervision. The overall findings were as follows: 60% of the funding groups receive allows for annual increments; 40% for pensions; and one third each for the remaining three areas. These findings are striking when inverted. In other words, the experience of the community and voluntary groups in our sample was that 40% of funding did not provide directly for annual increments, 60% did not provide for pensions and two thirds of funders did not provide for recruitment advertising costs, training and staff supervision. This indicates clearly that HR practices and employment benefits are not factored into the funding of C&V sector groups by public sector funders.

These findings however hide more interesting trends: core funding is more likely than short term project based (or secondary) funding to accommodate for these costs. This pattern was also seen in the case of each individual funder. In other words, it was whether funding was of a core or project based nature, regardless of the funder, which best served to illustrate the extent to which the employment costs and HR practices of groups are catered for by funding. This suggests that whether funding is core or non-core funding is the key factor in the coverage of these employment practices by funding streams, and that the level of coverage is significantly higher in the case of core funding than in the case of non-core or project based funding.

The research suggests also that the mechanisms of how such costs are covered by funders vary. In most cases, no direction is given to groups as to whether these costs can be covered by funding or not. This leaves the decision to pay these costs at the discretion of individual community and voluntary groups. Notwithstanding this, the context reviewed at the beginning of the report stated that most –if not all – C&V sector bodies just live within their means. Taken together with our finding from above, without funding being specifically allocated for employment costs and HR practices beyond basic pay, it is unlikely for the large majority of

groups that such costs can be found within their existing funding. This is tapered further in view of our earlier finding that most groups do not receive non-public funds in the form of fundraising.

Following on from this, we found that where such employment and HR practises were not covered by public funds, these costs were paid for by groups in the following order: recruitment advertising; training; pensions; staff supervision; and annual pay increments. From our analysis, we noted that the extent to which public funding does not provide for these employments costs corresponds with the extent to which the deficit (in funding from Statutory sources) is filled by C&V groups themselves. This is skewed, however, towards what we have termed necessary or priority costs. Thus when we combined the public contributions to such costs with those made by C&V groups, we found that the highest combined percentages were for recruitment advertising and annual increments. The qualification here is that making up these deficits can only be achieved when alternative sources of funding is available, this means that, in most cases, the other employment and HR costs are not covered due to the scarcity of resources.

The two conclusions we can make based on the findings in respect to funding and specific allocations for employments cost are, first, that the availability of these employments benefits in the C&V sector lags somewhat behind that in the public sector and that this is a result of insufficient funding and support for these practices and directions. Second, the lack of support for these practices is at odds with the statement in the White Paper that funding for the sector will in the future be a more 'complete' and 'comprehensive' funding package.

The earlier finding on the differences between core and secondary or project-based funding is also seen in regard to funding's accommodation for work time/life balance practices. The former type of funding provides for a higher frequency of these practices. However, what was clear also is that there was no standardisation across the sector with respect to these practices. There is a sense that, as aforementioned, funders give no direction one way or the other to groups about whether such practices are acceptable and eligible under the funding provided.

The analysis found that two thirds received their funding –core and/or non-core – on an annual basis and one third received funding as part of a multi annual mechanism. The latter group typically are part of a national funding programme, which is set for a number of years. Herein, we found that voluntary organisations were those that were most likely to receive funding on an annual basis. The receipt and duration of funding is ad hoc overall and this seems to contrast with the White Paper's contention that these funding transfers would become more structured during the implementation of its recommendations.

Our findings suggest that there are numerous reporting and accountability systems in operation under the main funding streams. We identified 12 key elements to these systems; any one or more can be included in accountability and reporting systems. The central finding is that there exists considerable variety in these systems, even under the one funder in cases of separate funding streams and/or programmes. In view of these findings, 86% of the Dublin based community and voluntary groups surveyed felt that the standardisation of the accountability and reporting systems would be of benefit to them in their work. In line with the White Paper, the groups felt that the standardisation of the systems would lead to a better use of limited resources, increased efficiencies and the more coherent accountability in the sector.

Overall, we see that the funding experience of C&V groups limits their ability to provide employment conditions comparable to those in the public sector. The reason for this are varied as we have seen, but key themes here are the differences between community and voluntary groups along the C&V spectrum, funding levels and whether funding is core or non-core in nature.

6.4 Working Conditions and HR Practices in the C&V Sector

As part of our analysis of the questionnaire research, we delved further into the HR practices and employment conditions in community and voluntary organisations beyond the context of funding and the profile of groups in the sector. We looked at these issues in the context of comparison with the public sector and also drew out the relationship of employment positions and pay in the C&V sector with those in the state sector.

Unlike the public sector, less than 60% of C&V bodies surveyed in Dublin operate a formal, written recruitment policy. In the main, the organisations that had such written policies in place are typically the larger voluntary bodies. Naturally, these groups are those that are likely to have higher number of staff and in many cases, some semblance of a HR function. In contrast, the smaller bodies (mostly community-based) are those that do not have such policies in place. In one way this is understandable given the small number of staff employed by such groups however it begs questions about whether there is a minimum standard. The differences between the larger and smaller organisations in terms of recruitment policy are in keeping with our earlier findings in respect of the general disparity between the two.

Our analysis of the use of pay scales in the C&V sector was our first step in understanding the relationship between the public and community/voluntary sectors. 83% of groups indicated that they use pay scales of some sort or another. However, given the overwhelming public funding of staff in the C&V sector, only in one third of cases were the use of pay scales (and obviously the specific pay scale) determined by the funder. The remaining two thirds of groups that used pay scales did so at their own discretion. Since a good number of groups in our sample receive funding from more than one source, this has the effect of staff being on different pay scales within the one organisation, which is not a satisfactory regime in respect of HR practices. The most interesting finding for our purposes is that of the two thirds of groups who use pay scales at their own discretion, over 70% of this group base their pay scales on those used under the general civil service grades or health board grades. This underlines the close relationship, in the perception of community/voluntary organisations at any rate, between pay rates in the C&V and the statutory sector.

The staff numbers in the C&V bodies surveyed peak in the 1 to 5, 11 to 20, and the 100 plus categories. The range at its lowest level refers to community based groups and projects, in the middle range to large community based multi purpose groups and smaller/medium sized voluntary services, and in the 100 plus staff category to national voluntary organisations. This is a wide range and is compatible with earlier findings suggesting that community and voluntary organisation exist along a continuum of sorts. The staff profiles of the organisations surveyed indicates that women make up 76% of full time staff which is at odds with the national gender profile of the workforce and highlights, moreover, the unique gender profile of the C&V sector. However, the gender profile of part time workers in the sector (91% women) reflects that national gender profile of those in part time work.

100% of staff working in the sector does so under standard contracts of employment. This is as we would expect. However, in the context of the insecurity of funding for the sector in general, the renewal of 72% of

these contracts is dependent on the receipt of funding each year. In 9 out of 10 C&V organisations, this percentage rises to 100%. This contrasts therefore the insecure nature of employment in the sector with that in the public sector, which as we saw earlier, places a premium on secure employment.

This brings us to the relationship between funding and terms/conditions of employment in the sector. We saw above that funding does not easily accommodate, for a variety of reasons, HR practices and non-core pay employment benefits in the sector (pensions, increments etc.). In this context, we assessed what groups felt were best practice and weaknesses in funding streams with regard to employment conditions and HR practices. The answers to both questions demonstrated consensus around the following issues: pay rates; pay increments; pensions; staff training/development; insufficient funding; insecurity of funding; and, insecurity of employment. We can add to these career paths, progression and promotion, which was cited by groups as the apex of best practices within the larger C&V bodies. Taken together, these issues help to highlight the main issues that, in the view of those working in the sector, need to be addressed. The conclusion we can reach here also is that the terms and conditions of employment aspired to in our sample of C&V organisations are modelled closely on those that exist in the public sector. This underlines the close subjective link between employment and working conditions in the sectors, but also the comparative disparities. In simple terms, while these employment benefits and HR practices are common place in the public sector they are, due ostensibly to a lack of funding, less prevalent in the community and voluntary sector.

We saw earlier that the pay and employment conditions in the public sector are in place, to a certain extent, to make employment in the state sector attractive in comparison to the private sector. The basis of this conviction is that pay remuneration in the private is considered to outstrip that available in the public sector. Using this analogy, we tested the anecdotal supposition that the C&V sector is at a disadvantage relative to the public sector when it comes to attracting and retaining staff. This seems to be the case and the main challenges that C&V groups cited here were low pay, limited career and promotion prospects, insecure employment, poor non pay benefits, short term contracts and a comparatively difficult working conditions. The resemblance of these issues with those outlined in the preceding paragraph is striking.

Our analysis also found that half of the jobs in our sample, which was representative of the C&V sector in Dublin, were supported through funding provided by the health boards. This is consistent with earlier findings indicating the large extent of funding that the health boards provide along the C&V spectrum. The health boards are particularly responsible, in funding terms, for large numbers of staff in the sector through Section 65 funding to voluntary organisation that, in turn, typically have large staffs relative to the C&V sector as a whole. The next largest funders of staff positions in our sample are FAS, which also has a wide remit across the sector and especially through labour market/social economy schemes. The Depts. of CRGA and ES fund less staff positions than other funding streams, yet they were more likely to be the sole funder of staff in organisations that they fund. The main implication of this finding is that any future dialogue on employment and working conditions in the sector should involve the health boards, FAS as well as the Dept. of CRGA, where the White Paper implementation unit is based.

Returning to linkages between C&V sector staff and pay scales with those in the public sector, we looked at the extent to which job categories in the C&V sector were seen by organisations as equivalent, in role and function, to positions in the public sector and the extent to which this equivalence also applied to pay scales. The first finding is that there exists a good deal of diversity in and between C&V sector bodies. We found that the number of job categories within organisations ranged from 2 to 23. 8 out of 10 (78%) of all these

categories were considered equivalent, in role and function, to one in the State sector. Where this was the case, it followed that the pay scale utilised by the C&V job category was that associated with the public sector position or job category in 70% of these cases. The pay scales noted by the bodies were assorted, however, the two main scales followed were those used by the health boards grades and the general civil service grades. In the case of the health boards, the scales were the general administration grade scales and also the social and health profession's grades. Our findings indicate that these pay scales were chosen as they were either the best known and/or easily accessed, or, because they were associated with those of the chief (core) funder of organisations in our sample.

Our analysis also found that the profile of union membership in the community and voluntary sector is closer to that of the private sector and less like the high union membership in the public sector.

The analysis indicates the level of knowledge and understanding of employment legislation varied according to the interests of, size of, and number of staff employed by, groups in the sector. The level of detail and comprehensiveness of this knowledge was lower on the community side and higher on the voluntary organisation side of our spectrum.

The findings in this section underline the close relationship between the community and voluntary sector and the statutory sector in respect of HR practices, employment conditions and pay. We can conclude however that although there is a close subjective or aspirational link between the two sectors, underscored most obviously in respect of pay scales, the C&V sector does not exhibit equal overall terms, conditions and HR practices to those that are generic to public service employment.

6.5 Case Studies of the Experiences of Dublin-based C&V Organisations

In order to add a qualitative or practical dimension to the questionnaire and literature review stages of the research, we undertook research with a number of groups about their experiences under the main themes of the research. This was presented in the body of the report in the form of findings from a number of case studies. The main text of the case studies is set out in the appendices sections.

The key findings to emerge from the analysis and synthesis of the case studies corroborate, on the whole, the findings emanating above from the questionnaire stage of the research. The case studies add additional validity to the earlier findings.

The case studies comprise organisations that closely resemble the continuum of community to voluntary organisations that characterise the sector. The trend of earlier findings is also evident in respect of funding.

The case studies indicate also that funders do not generally provide for non-pay employment benefits and HR practices. In similarity to the findings above, these are provided at the discretion of some organisations but only in cases where the groups in question are large enough in funding terms to do this. Core funding of these organisations is more likely to accommodate some of these costs although, as we have seen, these may not be ring fenced in the funding allocations by the funders.

The case studies give a sense that funders, as a rule, place less value on providing for employment conditions and HR practices within C&V sector organisations than on the delivery of core or ancillary/complementary (to state provision) services. This is perhaps the main finding here.

The case studies correspond with the pattern seen above also in respect to pay scales, where there is a relationship to the pay scales of funders and also pay scales are decided at the discretion of the C&V group, with a looser link to those in the public sector.

The case studies demonstrate similarities also in the findings regarding the challenges in attracting staff: career progression; low pay; insecurity of employment; and, difficult working conditions.

Finally, the experiences outlined in the case studies emphasise the diversity, under the common themes of the research, in the experiences of the groups. Overall, the case studies of a sample of community and voluntary groups in Dublin complement the key findings that emerged from the analysis of the questionnaire stage of the research.

6.6 The Perspectives of Interim Public Funders

As part of the research, we conducted interviews with three state sponsored agencies that act as interim funders for one or more government departments respectively. In similarity to the case studies with community and voluntary groups, the interviews were presented in the report's body in the form of a summary of findings and conclusions from the case studies. The text of the case studies was placed in the appendices section of the report. The purpose of these case studies was to add a further practical dimension to the research. The themes used for analysis throughout the research also applied in the case studies.

Because of their position between funders and community and voluntary groups, the interim funding agencies give an interesting viewpoint on working conditions and HR practices in the sector and also on the comparison with the statutory sector.

The findings in the case studies are in keeping with those seen in the research overall. They do however add some notable depth to our findings. They suggest, for instance, that the main funding department sets guidelines for the operation of funds with the interim agency mainly, and it is the interim agency that interprets these and creates the main operational frames of the funding stream. This has the effect of altering further the funding streams as the final beneficiary groups, the C&V sector, experience them. What this suggests is that the various funding streams, to begin with, do not have the interests of community and voluntary bodies to the fore but are more closely aligned with the macro purpose of the funding in terms of the policy responsibilities of the department. This accounts for differences in funding streams and also constitutes community and voluntary groups solely as delivery agents. This also helps explain the apparent disinterest on the part of funders to working conditions in the sector. We should state here that there is nothing new here but it helps contextualise our earlier findings.

This assists us also to account for thinking behind the concept of 'grant (in) aid'. While the interim agencies accept the need for the inclusion of pay increments and pensions, they note that the funding that they manage is grant aid and does not naturally account for these costs. Grant aid is based on the principle that

the State is financing the delivery of a service by a group who have the capacity to do so. This is the main underlying principle in the State's funding to community and voluntary groups. This is muddled somewhat by the concept of core funding and funding programmes. In this case, the State makes a more complete contribution to groups for the delivery of services that are also more likely to take account of staff costs. As we have seen however, this is sometimes still insufficient and applies, at any rate, only in a minority of instances.

Overall, the findings from the case studies of the interim agencies imply that there is no standard mechanism in place with respect to the funder's input to working conditions and HR practices in the C&V sector. If anything, the findings confirm the trend seen earlier, whereby funding does not in general place a premium on staff issues internal to community and voluntary groups. The understanding of grant in aid in public funding suggests that a premium is placed at the level of service delivery only. This is clearly the practice and contrasts with the rhetoric of providing complete and core funding as maintained in the government's White Paper. One example of where a funder takes account of staff issues internal to the C&V body in addition to funding the delivery of a service is where the Dept. of ES recognises staff costs, and the some the annual changes associated with them, and so increases the staff portion (60%) of annual funding to youth groups.

Apart from the points made above, the findings of research with the interim funding agencies sustain our earlier findings.

6.7 Conclusion and Recommendations

At the outset of this final section, it is worth returning to the core themes and therefore the questions that the study has set out to answer.

Given the important role that community and voluntary organisation play in Irish society, the crucial services its delivers, the significant amount of public funding that is transferred to the sector annually, and the equally significant number of employees that work in the sector, it is striking that there has been to date no systematic research into working conditions and HR practices in the sector. As noted at the beginning of the research, anecdotal evidence from those who work in the sector suggested that employment conditions and HR practices lag somewhat behind those in the private and, more crucially in view of the origin of funding for the sector, the statutory sectors. This is the context of the study.

Within this context, this study has tried to shed light on two core issues that are central to the focus of Equal at Work's Community and Voluntary Site: (1) the perceived inequalities for staff employed in the community and voluntary sector as compared to those who undertake equivalent work in the public sector, (2) develop a picture of the C&V sector workforce with respect to wages, contracts, training, pensions, staff make up and progression.

Further issues that the research set out to explore included the main sources of funding, main differences between funding streams, systems that the C&V sector finds suitable, weaknesses and difficulties in funding streams. These insights provided by the research are outlined above are covered in more detail above, and will not be dealt in this final section.

With these two core issues that the study has set out to shed light on in mind, we present our answers in simple, non-technical terms.

(1) The perceived inequalities for staff employed in the community and voluntary sector as compared to those who undertake equivalent work in the public sector

Staff pay, working conditions and benefits in the C&V sector are closely modelled on those in the public service. This is seen in 8 out of 10 cases. In practice however, this link is more aspirational than tangible. Staff in public sector employment generally has superior generic pay and working conditions to staff in the C&V sector regardless of whether specific job positions are perceived to be equivalent.

Staff employed in community and voluntary organisations, on the whole therefore, do not experience equal pay and working conditions in comparison to those that do equivalent work in the public sector. We use the term 'on the whole' here as there is a good deal of variety in the comparable experiences of staff working in the C&V sector vis-à-vis of public sector employment due to whether an organisation is community based or a larger voluntary organisation. In other words, the situation of staff within an organisation on the continuum or spectrum of community to voluntary organisation (and vice versa) dictates the extent of inequalities between C&V staff and those in the public sector. The other contributing factor - along with whether groups are small, modestly funded community groups or larger, better-funded national voluntary organisations - is whether staff positions are funded through core or non-core (secondary or project based) funding. Core funding is more likely to better provide for staff than non-core funding. However, overall our original comment is true in the vast majority of cases.

The inequalities between the staff in the two sectors are most noticeable when we consider the following factors, each of which favour the public sector: pay scales and rates (including annual increments); benchmarking; pensions; permanency; job security; HR practices; recruitment practices; work/life balance; career progression and promotion; and, the difficulty working conditions.

The mechanism that account for these differences are complex and manifold. Nevertheless, there are a number of broad interrelated contributory factors that this research has noted. First, C&V sector organisations do not have the resources to pay for these employment costs. This is due to the insufficiency of funding from public sources, which leads to a prioritisation of development work and some staff issues by groups to the detriment of other staff and employment benefits.

Second, due to the limited extent of core funding provision and the higher emphasis on annual funding under the ambit of 'grant in aid' type-funding, State funding to the sector places an increased emphasis on the delivery of services which effectively relegates staff and employment issues.

Third, the internal operations of community and voluntary organisations, despite the 2000 White Paper, are not naturally to the fore in the State's, and its various parts, motivation in working with the C&V sector. Rather, the overall policy responsibility and the delivery of services, in lieu of or ancillary to those of the State, is the main factor in individual funder's thinking.

Overall, even where staff in the community and voluntary sector are placed on pay scales for equivalent positions in the public sector, they are most likely to be on the lower rungs of such scales and will not - due to high turnover, lack of career progression, limited and insecure funding for staff positions and organisations etc - be in such positions long enough to move up the scale to the long service increment point. Thus, in practice, basic pay between employment in the public and private sector favours those employed in the public sector. If we factor in also the relative paucity of non pay employment benefits and HR practices in the C&V sector compared to the public sector, it is evident that staff in the C&V sector are considerably disadvantaged compared to workers in similar positions in the State sector. This overall conclusion is reinforced further in the following paragraphs.

(2) Develop a picture of the C&V sector workforce with respect to wages, contracts, training, pensions, staff make up and progression.

Job categories in community and voluntary organisations are related to ones in the public service in 8 out of 10 cases. Wages and pay in the C&V sector relates in 70% of these instances to pay scales and their associated grades in the general civil service and health boards. Pay rates are nevertheless low in comparison to those in the State sector as noted above. 6 out of 10 C&V sector jobs receive annual pay increments but this is only in the case where staff positions are funded through core funding.

The use of employment contracts is unanimous in the sector, as one would expect and in keeping with legal obligations. The length of contracts was not clear from the research however, the fact that funding is received on an annual basis in most cases suggests that staff contracts are one year or less in length. In 9 out of 10 instances, staff contracts are 100% dependent on the receipt of funding each year.

The availability of pensions in the sector is limited in comparison with the public sector: 40% of organisations offer pensions to their employees. This is mostly seen in the larger voluntary groups who have sufficient funding with which to provide for pensions.

76% and 91% of the full and part time staff respectively in the sector are women. The proportion of women that make up the full time staff in the sector, contrasts strikingly with the profile of employment nationally. The part-time gender profile of the sector is in keeping with national trends of part-time work. The number of staff in the C&V bodies reaches its peak for organisations with 1 to 5, 11 to 20 and the 100 staff plus categories. The range at its lowest level in our Dublin only sample refers to community based groups and projects, in the middle range to large community based multi purpose groups and smaller/medium sized voluntary services, and in the 100 plus staff category to national voluntary organisations.

The lack of career progression is a clear feature of employment in community and voluntary organisations. This contrasts with the public sector and is also one of the more challenging aspects for the sector in both recruiting and retaining staff.

6.7.1 Recommendations

In this sub section, we lay out a number of recommendations for future actions that emerge from the findings of the study. The recommendations should be seen as macro in nature and each should be developed through firstly, discussions and secondly, the development of specific plans of action. The global nature of the recommendations is consistent with the wide-ranging focus of the subject.

1. The first recommendation is that the Community and Voluntary Site of Equal at Work set about developing a platform of community and voluntary groups around pay and working conditions in the sector. This can be based in Dublin initially and can be extended nationally in the medium term. The rationale here is to develop consensus among groups in the sector on these issues so as to enhance the prospects of collective negotiation with statutory sector funders and the White Paper unit in the Department of Community, Rural and Gaeltacht Affairs. As noted in the research, there is a sense that not all community, but more so Voluntary organisations, identify themselves with the 'C&V sector'. These groups may identify more with their client groups, policy area and/or responsibility areas of their main funders. Of course, the funding regime that operates around the C&V sector groups is not standardised and this serves to soften a sense of collective identity. In similarity, some funders (health boards, Dept. of JELR) fund organisations across the spectrum, which highlights the need for such a collective approach. Equal at Work plan to hold a conference on foot of its work and this study and this would be a good starting point for this process.
2. Following on from the recommendation above, a coalition of interests in the C&V sector should begin a dialogue with the funders around the issues of pay and working conditions in the sector. This process should begin with the Dept. of CRGA, where the White Paper implementation Unit is based, but also include other mainstream departments and departmental agencies such as the health boards and FAS, which are significant funders to the sector. This dialogue should focus on ameliorating the issues identified in the study in the context of the White Paper and its implementation. It is of note that the Dept. of CRGA has recently asserted in its Strategy Statement that it will shortly open channels with other government departments (and presumably their agencies) in respect of the implementation of the White Paper.
3. It is also worth arranging meetings with the various interim funders and government departments to assess their familiarity with the White Paper and its implications for the work and workings of the Department. In essence, the focus of these meetings and contacts would be to explore what changes, if any, the various agencies and departments are planning in respect of funding on foot of the White Paper. These meeting would also afford the opportunity to discuss changes from multi annual to annual funding by some departments and funders which is anathema to the White Paper's assertions.
4. In view of the findings in the research, there seems to be a need for the development of minimum standards and protocols around employment conditions and HR practices in the community and voluntary sector in the context of funding. In other words, all C&V groups could adopt such minimum standards and protocols and this should form the basis of all funding arrangements from the State sector that support the employment of staff. This might include clear linkages in pay scales, pensions and other employment benefits etc. In view of the diversity in the sector, these protocols should be flexible also in order to accommodate variety seen in various segments of the sector. This flexibility in

minimum standards and protocols should not however be permitted to dissolve a basic acceptable level of employment standards and conditions.

5. A dialogue should also be initiated with the main and/or appropriate unions on the basis of this report and in view of the negotiating and implementing the recommendations above. This dialogue should look at extending the unionisation of the sector in order to increase the collective bargaining power and representation of staff employed in the sector.
6. At a more practical level, efforts should be made to speed the standardisation of accountability and reporting mechanisms across the C&V sector and obviously therefore in the Statutory sector. This would have the effect of freeing up considerable resource both in the sector and for the State. The implication of this is that such resources could go to improving working conditions overall in the sector, as laid out in this study.
7. In cases of smaller employers in the sector who do not have HR functions, it is recommended that HR guidelines, which are generic to the sector, be developed and used as a minimum by such groups. It is the case that such guidelines are already in place with some funders, however, it is envisaged that these should be agreed and apply universally in the sector as a minimum.
8. In line with the benchmarking process between the Statutory and private sectors, it follows that a similar process is required for the C&V sector and the State sector. Such a process should set out to achieve equal pay and equal working conditions between employees in both sectors.
9. In a similar vein, employers in the community and voluntary sector have the same responsibilities as employers in all sectors. On this basis, training (along with other factors) is one element of this responsibility which, due to funding limitations, is not generally provided in the sector. This is one area that needs urgently to be addressed if C&V bodies are to fulfil their obligations as employers to their employees.

6.7.2 Final comments

The central topics this study set out to explore have been responded to in the main body of the report and in condensed form in this chapter. This sub section outlines a number of broad issues that are outside of the immediate scope of the study by which nevertheless emerge logically from the findings of the study. It should be noted that these are not intended to form, therefore, a part of main body of the study.

The research has shown that the relationship between the two sectors is not straightforward or standardised to any great extent. This is also the case on the impact of this funding relationship on the employment conditions of the staff working in the sector. This suggests that despite the vision and policy framework for the sector as envisaged in the White Paper, the practice has not changed significantly since 2000.

The motivations of the State in working with community and voluntary groups are not straightforward either. We noted earlier in the report that the White Paper conceives this motivation to be based on the innovation, efficiencies and independence of the sector. However, the more analytical explanations of the

relationships from the State's perspective – government/voluntary failure, corporatism, economic cost benefit analysis and the State's legitimation crises – all can be seen to play a role in the relationship in one way or another and to different degrees depending on the pressures on specific policy areas at points in time. In other words, the State cannot be seen solely as a neutral vessel in this relationship.

Regarding pay and working conditions in the sector, we noted that one of the principles underpinning public sector pay and more importantly, working conditions, employment benefits and job security, is to enhance the attractiveness of the statutory sector to talented personnel in comparison to the perceived higher basic pay that is available in the private sector. It is ironic therefore that the logic of this thinking, and in view of the relatively poor working conditions in the C&V sector, implies that basic pay in the C&V sector should therefore be higher than in the public service.

Many of the staff positions in the C&V sector exist solely on the basis of the transfer of public funding. However, it is community and voluntary organisations that are the legal employers of such staff. The insufficiency of funding for the provision of employment benefits in the sector, which are standard in the public service, poses a question about the capacity of C&V groups to meet their obligations to be good employers in the absence of funding to do this. In tandem, there is an increasing range of legal and moral responsibilities on C&V sector employers, such as pensions, annual increments etc, which more often than not cannot be fulfilled due to lack of funds. This suggests that statutory funding is somewhat oblivious to these responsibilities and at the extreme, negligent. This of course calls into question the commitment of the statutory sector to the community and voluntary sector in practice as opposed to rhetoric. It also casts doubt on the long-term sustainability of the sector in the context of current employment practices.

Taken together, these points make a strong argument for a more vigorous discussion of the real value of the so-called 'third sector', as opposed to its apparent rhetorical value. If indeed the sector is to play the type of role that is envisaged for it in society and especially for those that live at its margins, this study suggests that a more thorough practical structure– including employment and working conditions – is required for the State/C&V sector relationship than is seen at present.

Appendix 1

Case Studies on the Experience of C&V Sector Organisations in Dublin

This appendix presents the text of the case studies that form the basis of the Chapter 4. Chapter 4 presents a summary of the findings and the conclusions of the following case studies.

The themes under which each case study is presented here are broadly in line with the main topic areas outlined in chapters 2 and 3. They are: main area of work; funding (including a number of sub headings); pay scales; accountability and reporting; terms and conditions operated by funders; attracting and retaining staff; and, union membership. Each case study makes up an individual sub section of the appendix (sections A1.1 – A1.5).

A1.1 Case Study 1

Main area of work

The main area of work of this organisation is youth work in a defined region of Dublin.

Funding

The main funders of the organisation are the Dept. of ES, the local health board and the first and second rounds of the Young People's Facilities and Services Fund (YPFSF).

The core funder is the Dept., which funds three staff positions. The YPFSF – first round – was for three years. The Dept. of ES funding is provided annually and is for one year in duration as is the health board funding.

Funding receipts

The manner in which the group receives funding varies greatly. The Dept. of ES funding is transferred to the group in three to four instalments each year. The health board funding also arrives in instalments and the YPFSF has to be requested.

The Dept. of ES and YPFSF funding is channelled through the CDYSB. The remaining funding comes via the drugs unit in the group's local health board.

The procedures for drawing down the funding are based on the submission of quarterly reports and this is acceptable to the group as they combine the reports that they make to the monthly management committee of the group to those that the funders require quarterly. However, the group felt strongly that it was necessary to have in place a staff member with good financial skills and knowledge so that funding transfers are operated smoothly.

Funding eligibility and employment conditions

It was stated by the group that their funding did not accommodate for the payment of pensions. This was the case also for supervision and training. In contrast, the cost of recruitment advertising was not included as part of the overall allocation that the group received but as an additional source of funding for the specific purpose. The cost of paying annual increments to staff was normally accounted for in the annual grant aid received. The group noted that this year there was no such increase in the resources granted to the group for this purpose. The group's experience was that any of these costs would if possible have to be borne out of the overall grant aid. The group was not therefore in a position to pay for these employment benefits out of its own resources.

Pay scales

The pay scales used by the group were those that were set down by the City of Dublin Youth Services Board (CDYSB). These guidelines were used for all funding streams.

Accountability and reporting

The main strengths, in the group's experience of reporting systems was where reporting was followed by a quick and smooth transfer of resources. The main weaknesses revealed was the uncertainty around the amount of grant allocation from the Dept. E&S from year to year.

Terms and conditions operated by funders

The group stated that the most recent funding received does not take account of the national pay agreements and the pay increases outlined therein. This was seen as major negative aspect of the funding in respect of terms and conditions. This had the effect of making employment in the organisation uncertain. It was suggested also that the group had significant administrative work to complete, which deflected them from their core youth work duties. This was seen as a need to have some form of administrative support in the running of the project (this was currently provided by a CE participant). While it felt that pay scales operated by the CDYSB were among the best for youth workers, the group believed that these did not however reflect the level of work that the group and its staff undertook.

Attracting and retaining staff

The main problems that the group stated in relation to the retention of staff are touched on above, this was added to by the lack of career progression in the sector. The group felt that this had the effect of making it difficult to recruit experienced staff as many of those working in the sector felt the need to move out of the sector in order to progress their careers.

Union membership and employment legislation

All of the staff within the organisation were in the process of joining a union. Although the group felt they were aware of their basic responsibilities as employers, there was no mechanism in place for them to get the most up to date information on their responsibilities.

A1.2 Case Study 2

Main area of work

This group is a community development project under the national programme operated by Dept. CRGA. It operates in a geographically defined catchment area in line with the model adopted in the national programme.

Funding

The group is funded under the National Community Development Support Programme. This funding is received on a quarterly basis. The programme normally is operated for three years under multi annual funding. However, the group stated that the multi annual funding aspect of the programme was under review and that they believed that the programme would regress to annual funding. In practice, this would operate under one-year contracts as opposed to three-year contracts with the Dept. CRGA. There is two staff employed in the group. The National Community Development Support Programme is the group's sole source of funding.

Funding receipts

The group's quarterly funding is received following the submission of quarterly financial records. On receipt of these by the department, the next tranche of funding is transferred to the CDP's bank. The group feels that this funding mechanism is sufficient for their purposes.

Funding eligibility and employment conditions

Pensions are not covered in the overall funding that is provided to the community development projects. However, it was suggested that the project could apply to the department for additional funding for this purpose. There was no allocation made in the overall funding for recruitment advertising, supervision and training. The cost of annual increments was normally included in the annual allocation made to the project. In similarity to case study one above, the costs that were not specifically factored into the funding allocation had to borne out of the grant through the funding provided for overheads. The group normally tries to cover these costs out of their funds above and beyond core pay and overhead costs. The process involves the development of cost projections, which was in turn brought to project's management committee for approval.

Pay scales

The project operates under pay scales that are set down by the interim body that is responsible for the management and support for CDP projects in the region⁹⁰.

Accountability and reporting

This area is not seen as a major problem by the projects and is used as a management tool by the group. The main weakness in the accountability and reporting system for the group is that they are only ever reviewed in the event of anomalies.

⁹⁰ Under the National Community Development Support Programme, each region has a specialist management and support agency under contract from the Dept. of CRGA.

Terms and conditions operated by funders

The project staff felt the positive aspects of the terms and conditions under the funding stream were the opportunity to access pensions. On the downside, the administration of the project was time consuming and it was felt that more thought should be given by the funder to resourcing this aspect of the project.

Attracting and retaining staff

The main challenge the project experienced in recruiting staff was the lack of career progression. They suggested that working in similar projects were a 'dead end job' and that progression in careers required moving to other organisations or out of the community development field altogether. A further problem with retention and recruitment identified by the project was the intensive nature of the job and the high burn out involved, which was often mitigated when local people take up employment in community development projects in their local area that can lead to high levels of stress in work and at home.

Union membership and employment legislation

None of the staff member were members of a union and the project felt satisfied with their knowledge of employment legislation.

A1.3 Case Study 3

Main area of work

The third of our case studies is an area based partnership company that works to counter unemployment, social exclusion and poverty in a defined catchment area designated officially as disadvantaged.

Funding

The funding received by the group is in excess on €2million annually. The main sources of the funding are Dept. of CRGA through the interim agency ADM under the Local Development Social Inclusion Programme, and FAS (Dept. of ETE) for the Local Employment Service. The group obtains additional funding through ADM from the Dept. of ES as part of the millennium fund as well as administering some funding under the auspices of the Local Drugs Task Force.

Funding receipts

The partnership had traditionally (since 1991) received its core funding as multi annual funding usually corresponding to a strategic planning period. The present core funding was initially part of a six-year strategic plan to 2006 with a three-year budget agreed to the close of 2003. The organisation stated that this had changed in March 2003 to an annual allocation and that the unspent funding from 2002 had not been allocated to the group in a manner that was previously in keeping with the multi annual funding process. This had had the effect of the body being unable to fulfil its project and contract obligations beyond September 2003.

Funding was allocated to the project on the basis of 10-15% tranches of the annual agreed budget. The instalments were transferred by the funder to the group every two to three months when at least three quarters of the previous allocation had been spent.

The other main funding source of the Partnership, FAS, is an annual grant. This funding was also subjected to a 6% reduction in 2003. These funds are paid retrospectively in January of each year. There is a 'float' in place to cover the retrospective aspect of this funding.

Funding eligibility and employment conditions

The main funding schemes cover the cost of staff pensions and these are specifically included as part of the funding in the scheme that has been devised by the group. At present, under the funding that is received from FAS, there is no pension scheme in place.

The recruitment advertising cost is not outwardly included in the funding that is provided to the group. The group does include these as part of its overall budgets and the cost is eligible as a support cost for the two main funding sources. This is also the case with training and supervision where the organisation makes the decisions on whether to undertake this or not with the funds received from the funders. In other words the funds are seen by the organisation as including these costs while the funding streams make no clear direction although such costs are technically eligible expenditure.

The group noted, in particular, the contrast in their inclusion of annual increases in their budgets and the exclusion of annual increases in the funding that is provided. The group noted that it had spent in excess of €200k on pay increments over recent years in keeping with the stipulations of national pay agreements such as the Programme for Prosperity and Fairness. Conversely, the group noted that these pay increments were paid to staff without any compensatory funding being provided to take account of this expenditure.

The organisation noted also that once off or yearlong funding did not have any facility for the inclusion of these employee benefit and HR practice costs.

The group therefore covers these employment benefit costs from its existing funding streams without these streams making specific allocations for such employment benefits. The organisation also provides funding to a range of smaller community based groups in its catchment. However in this case, the responsibility for the employment benefits lies with the smaller body and the partnership organisation sees its role as one of investment in these organisations at community level and thus in community infrastructure.

Pay scales

The pay scales used by the organisation are independent of others. They were developed and agreed internally. They are however loosely based on those in the statutory sector.

Although the scales are loosely related to those in the public service, this link was set up some years back and the current scales have no ceiling due to the nature of the work and the fact that there is no promotion path. The fact that the organisation is an independent limited company also dictates that the decision around the use of pay scales and the levels these are set at are taken by the board of directors alone. The pay scales used also take account of the nature of the work, the outputs produced and longer hours that are often required by staff within the organisation.

Accountability and reporting

The organisation saw that the positive aspects of these systems include its provision of thorough financial accountability both to the organisation's board and external funders. A further strength was the quarterly basis of reporting which helped to keep track of developments, and the high level of trust that the system engenders.

The downsides of accountability and reporting systems in the view of the organisation included their lack of integration and connectivity, that the information (and time input involved) produced by some systems was of use only to the funder and the lack of capacity within such systems to capture non financial, process based and development work and progress.

It was also felt that the organisation of funding was based on criteria relating to eligibility for 'social inclusion' that had limited link to the issues arising at the local level.

Terms and conditions operated by funders

The strengths of the funding streams' impact on terms and conditions revolved around the autonomy that some funds allowed. This allowed for dynamism to be kept by the group in its core work rather than be constrained by regulations etc.

However, in a similar vein, the weaknesses noted here included the increasing regulation of pay by funders. Other weaknesses included the significant responsibilities that public funds placed on voluntary company directors overall and in particular as employers. This scenario suggested that due to decreases in funding, uncertainty of funding and the on going responsibility to meet legal requirements whether in company or employment law, the company directors were being left personally vulnerable to insolvency. This group felt that, in respect to funding provision, there was a sense that the State was gaining important services at minimal cost and in so doing, was abdicating responsibilities for the staff and volunteers operating in the community and voluntary organisations. In other words, community and voluntary sector bodies are being asked to undertake their core activities by funders while simultaneously complying with important regulations including those in HR and employment conditions nationally without being sufficiently resourced to do so by the State sector funders.

Attracting and retaining staff

The main areas that acted as impediments to the attraction and retention of staff to the sector as a whole were low wages, difficult conditions, employment and organisational insecurity.

Union membership

Half of the organisation's employees were union members. The group observed that it was satisfied with its knowledge of employment legislation and that there was a dependence on specialised staff in this regard within the organisation.

A1.4 Case Study 4

Main area of work

The organisation, which is the subject of this case study, is a national voluntary organisation providing services to persons with a physical disability.

Funding

The organisation's main funders are the health boards. The length of the funding differs as to whether the purpose is development work or for staff positions. Funding for staff positions is usually for periods beyond one year while development work funding is usually for one year.

Funding receipts

The organisation's mechanism of funding works in two main ways. For development type work, the health boards may issue a request for tender, and on this basis, the organisation would submit a tender for the required work. The alternative mechanism was where the health board approaches the organisation directly and contracts them to deliver a particular service. Often funding for staff positions is built into these processes and the relevant health board may, for example, commit to expenditure of €50,000 in addition to funding three posts.

Funding eligibility and employment conditions

As part of the organisation's funding from health boards, pensions, employers PRSI and annual increments are all included. However, the organisation and not the funder cover the costs of advertising positions. The organisation provides, within local structures of the national organisation, for training.

Pay scales

The organisation used the general administration pay scales of the health boards.

Accountability and reporting

The organisation was well satisfied with the reporting and accountability system that operated between it and the health boards. The funding comes to the group directly at regular intervals and is managed internally by a number of management personnel within the organisation.

The reporting system was not seen as problematic and the organisation felt it was 'direct' and reported on the grassroots-type services provided by the organisation.

Terms and conditions operated by funders

The funding relationship between the group and the funder is expansive in comparison to others. In this respect, funding allows for the group to provide the following to its staff members: pension scheme, training, sick pay scheme, good annual leave and concession days. In addition the group is able to offer its employees flexible working hours, reduced hours, term-time contracts, time in lieu for late night working and flexi-time.

Attracting and retaining staff

The main challenge for this group is attracting health professionals in the context of the skills shortages in the current labour market for these staff. The organisation emphasised that its problems in attracting staff therefore was not related to the terms and conditions they offer or to funding issues.

Union membership

An estimated 80% of the staff members of the group are members of unions. On the whole, the organisation felt well informed about employment legislation.

A1.5 Case Study 5

Main area of work

The group that is the subject of the final case study is a national voluntary organisation that provides services to people affected by problem drug use and homelessness. The group employs 80 full time salaried staff and 80 CE scheme workers. The group also has volunteers, thus the total staff complement is 200 people, working across five service locations.

Funding

The main funders of the organisation are the health boards, The Homeless Agency, the Dept. of JELR and FAS through the CE Scheme. These funding streams represent approximately 75% of the group's total funding and the remainder is comprised of voluntary and fundraising contributions.

Funding receipts

The health board provides funding on an annual basis. This is paid quarterly and is based on the submission of a service plan at the end of each year. However, the organisation does not know the budget that has been approved for the year until at least six months into the year.

The group noted however that the health board mechanism, while unsatisfactory in the time lag between the submission of the service plan and the approval of funding, has improved in the transfer of funds whereby these are received at the start of each quarter.

The Homeless Agency has provided funding to the groups on an annual basis recently. The group is currently in the process of developing a three-year plan, which will form the basis of a more secure and effective multi annual, funding mechanism over a three year period.

Dept. JELR funding is provided annually. The group receives FAS CE funding annually, and this funding is on a year-to-year 'roll over' basis.

Funding eligibility and employment conditions

The organisation submits a budget to its funders that includes an annual increase of 17%, which takes account of PRSI, tax, pension costs and annual increments. The annual increment component of the budget factors in a cost of living increase as well as the national pay agreement. To date, this has been the basis of the funding that the group has operated under. In the case of the health boards, it was necessary for the group to negotiate for the cost of living increase components of the budget, which were ultimately paid retrospectively.

The health boards do not provide advertising costs for staff positions. This cost is therefore funded from within the organisation. These advertising costs are accommodated by the Homeless Agency. The Homeless

Agency also provides for staff training as a percentage of the overall allocation. The group's training section submits budgets for training to the health boards and some funding is received as a result from this source.

Pay scales

The organisation operates pay scales that are the result of work carried out by management consultants that benchmarked all positions in the group. The pay scales therefore took into account public/statutory sector scales, although the actual scales used by the organisation are not absolutely comparable to these.

The current pay scales used by the organisation have 9 points, and there are 3 zones within the nine points. The group's submissions for funding are based on placing all positions in the middle of the scale, which acts to average out differences in funding for individual positions. The organisation suggested that in the past it based some of its pay scales on those used within the health boards.

Accountability and reporting

The organisation has been in existence in excess of 10 years and they expressed the view that the longer a relationship of funding is set up with the statutory sector the more likely the C&V body is seen as a legitimate actor by the funder. The group also feels that the strength of funding from the statutory sector as a result is an increase in security in contrast to smaller funding sources and that the reporting for such secure funding is more accountable.

The negative aspect around the funding is seen in terms of the different reporting formats and requirements of the different funding agencies. Each of these systems, it was noted, has to be prepared for and reported separately. This was seen as time consuming and creates a draw on financial and administrative resources

Terms and conditions operated by funders

The group felt that most funders are interested in direct service development only. The issue of HR development needs to be addressed, but as the growth of the group and the sector continues the organisation felt that this area was one that would require additional attention. At present, this group noted that funders were not interested in being seen to fund the HR development of C&V sector organisations.

Attracting and retaining staff

To date, retaining staff has not been a significant issue for the group. The main movements of staff seen are where part-time staff move into full-time employment. Another trend that the group noticed was where some workers moved to employment in the statutory sector, not because the terms and conditions were necessarily better, but mainly due to the greater security and a career progression pathway within the public sector.

Union membership

A small proportion of the staff were union members. IMPACT is the union that the management of the group negotiates with normally. The organisation has an internal HR function that they are also looking to expand.

The group felt that it has a good understanding of employment legislation and this was outlined in their procedures such as a staff handbook and various policies such as staff induction, all of which are also proofed with the union.

Appendix 2

Case Studies on the Role and Experience of Interim Funders

This appendix presents the text of the case studies that form the basis of the Chapter 5. Chapter 5 presents a summary of the findings and the conclusions of the following case studies.

There are three case studies presented in this appendix. Each is structured by the following themes, which are in keeping with those used throughout the study:

- *Channelling of Funds;*
- *Allocation Period*
- *Guidelines for Funds;*
- *Specific Criteria;*
- *Accountability and Reporting;*
- *Pay Scales;*
- *Ring fencing of Employment Benefits;*
- *Determination of Staff Contracts;*
- *Strengths and Weaknesses of funding Systems;*
- *Attracting/Retaining Staff.*

The case studies are presented separately across sections A2.1 to A2.3.

A2.1 Case Study 1

The first case study is of an interim funder that has responsibility for the funding of a number of national advocacy community and voluntary sector groups that work in the area of combating poverty with respect to specific client groups such as Travellers or people with disabilities.

Channelling of funds

The agency channel funds from the Dept. of SFA to national networks with an advocacy role in respect of social groups that are likely to experience poverty.

Allocation period

Funding is allocated bi-annually and the networks are funded for a three-year period and therefore on a multi annual basis.

Guidelines for funds

The agency undertakes this work under contract from the government department. The criteria for allocation are largely drawn from the White Paper (for the C&V sector). The main criteria or guidelines for funding of projects is that they are consistent with the aims of the National Anti Poverty Strategy, that is, using a community development approach and that anti poverty work is its main focus.

Specific Criteria

The agency and not the government department put monitoring and evaluation procedures in place. These are comprised of the submission of bi annual reports to the agency by the funded networks. An annual report and the projected expenditure for the following year are also required each year.

Pay scales

The funding provided to the various networks is grant in aid only and does not therefore include any specific costed elements. The agency does offer advice to the funded groups on pay scales. Most of the funded projects however tend to follow the general civil service pay scales.

Ring fencing of employment benefits

The funding that is provided to the groups is grant in aid only. It is normally a matter for the group to dictate how the funding is divided including its use for staff and employment conditions. The initial application submitted by the groups could include pension costs for main staff and also facilities for annual increments. These costs are recognised by the agency but are not specifically ring fenced in the funding. If requested this interim agency also gives general guidelines to projects on issues of pay, pensions and overall good practice in HR. Beyond pensions and annual increments, no funding is specifically allocated for recruitment costs. A funded project's policy on recruitment must be submitted to the agency and notification of recruitment should also be passed on to the funder by the project when this is about to take place.

Determination of Staff Contracts

As part of the funding programme, this interim-funding agency stipulates that all staff must have employment contracts, however the content of contracts are a matter for the funded projects.

Strengths/weaknesses of funding systems

This interim funding body suggests that the strengths of the funding systems is its ability to give individual advice to projects and hold seminars to support and disseminate best practice.

From the funder's point of view, the main weaknesses of the system are the different practices across the networks themselves. Other weaknesses include the lack of guaranteed pensions, increments and the necessity to negotiate with the department around these issues.

Attracting/retaining staff

From the agency's perspective, the main issues here were the lack of resources on the part of groups, that their existing staff are often overstretched. The current nature of funding often acts to stop groups from being able to plan strategically over time. As a result, it was likely that for employees there was often more employment security elsewhere.

A2.2 Case Study 2

The second case study is of an organisation that manages a large array of funding for dissemination to the youth work sector. This includes both voluntary youth clubs and more specialised projects dealing with youth disadvantage.

Channelling of Funds

In the main, this interim-funding agency channels funding from Dept. of CRGA and the Dept. of ES to youth services and projects in the Dublin City area

Allocation period

The funding is allocated on an annual basis and the duration of the funding is normally also one year.

Guidelines for funds

The interim body itself is governed by guidelines as to how it is accountable in terms of finance and programmes to the governmental sources of funding. This is in contrast to the lack of stipulations by the government department on the relationship between the interim agency and beneficiary groups. In this case, no conditions are attached by government for financial and programme reporting for the beneficiary youth groups.

Specific Criteria

This interim agency has put common terms and conditions in place which apply across almost all projects and services in receipt of funding, these are not as we have seen mandated by the overall government department. This includes guidelines on reporting procedures, financial accounting and staff conditions. Although there is broad accountability procedures in the contract between the government department and the interim funding agency, these do not as aforementioned apply to the beneficiaries. In this regard, comprehensive reporting and evaluation guidelines for projects/beneficiaries are developed and set down by the interim-funding agency.

Pay scales

The interim agency has developed a set of pay scales for use by the beneficiary projects. Some of the scales – those for senior staff in the projects - are linked to a staff position in the interim body's pay scales. The interim funder also provides a pay roll system for projects which includes calculating increments and their due date. The interim agency noted that the funding is understood by the government departments concerned as solely 'grant in aid'.

Ring fencing of employment benefits

Following on from the reference to 'grant in aid' in the previous paragraph, none of the funding is ring fenced for the purpose of employment benefits. This means that the funding is not provided with the allocations for pensions, recruitment costs, annual increments, supervision and training. As these costs increase, the beneficiary or project is required to reach into its programme (or development work) budget to finance such costs.

Determination of Staff contracts

All staff that are employed by the beneficiary groups under the funds managed by this interim funder must have contracts. These are developed by the interim agency and they usually cover a period of one year.

Strengths/weaknesses of funding systems

From this agency's perspective, the main strengths of the system are:

- the ability to apply consistent systems across projects regardless of which department is the funder;
- the dept. of ES have recognised in a small way that pay is a larger part of the budget and have agreed to give a percentage increase on 60% of each project's overall allocation. In this instance, although the programme costs may remain static, a percentage increase is applied each year for staff costs.

The main weaknesses cited by the interim agency are the lack of pensions, a national pay scale for youth work and the consequent lack of commitment for youth work and its staff. This is accompanied as a weakness by the lack of separation and/or recognition between pay and non-pay costs.

A2.3 Case Study 3

The agency that is the subject of the third case study has responsibility for a number of national programmes from different government departments. As such, the organisation is broken down into different internal divisions with sole responsibility for the management of these respective national programmes. The case study is based on the part of the agency that deals with childcare.

Channelling of funds

This agency manages funding mostly sourced from the EU and directed through the Dept. of JELR. Like all EU funds, this is matched to a lesser extent by exchequer funds. The main elements of the programme that funding is provided for are:

1. Capital projects in the community and the private sector;
2. Staffing grants to the community and voluntary sector with a focus on disadvantage;
3. Funding for quality improvement measures – through the auspices of the County Childcare Committees and support agencies.

Allocation period

The staffing grants that are provided to the C&V sector are allocated for a three-year period. Sometimes, where there are issue in the development of a particular project, the allocation may be for one year. This funding agency underlined however that three year or multi annual funding was more common when the funding came from the EU.

Guidelines for funds

The main guidelines for reporting and accounting are set down as part of the National Development Plan. These guidelines, or principles, are very broad and the interim agency interprets these for the programme and reaches agreement with the Dept. of JELR, which is the responsible (sometimes referred to as 'lead') department for the childcare programme for NDP and EU purposes.

Specific criteria

The criteria for reporting and monitoring was developed by the agency, as mentioned, through agreement with the fund's parent government department. The criteria developed include evaluation, financial accounting and draw down of funding. Employment practices are outlined in Clarke's⁹¹ publication on good employment practice in the C&V sector and this is passed on to funded bodies.

⁹¹ 2002

Pay Scales

There are, in most cases, no pay scales operated by the funded projects. If asked, this interim agency forwards to funded projects pay scales of similar staff in other sectors. The agency observes that there is no one reference point for childcare staff. Nevertheless, the allocation that is made is, as referenced above, 'grant in aid' and is not intended to cover the total cost of the salaries. A contribution to such costs is expected to be made by the funded project itself. In the case of childcare, the agency suggested that many groups would have an income to allow for such contributions.

Ring fencing of employment benefits

The funding for the programme does not ring fence funds for employment benefits. There are no guidelines provided either way by the parent department for these purposes including pensions and salary increments. Nevertheless, in applying for funding to this agency, pensions, pay increments and training are all eligible for funding as part of the programme. There is however a cap on the maximum of funding to childcare facilities, therefore benefits have to be paid – in the absence of other sources of income – out of the overall funding amount.

Determination of staff contracts

The management of the funded project generally draws up staff contracts. The agency however does provide sample contracts, which can be adapted for the project's individual purposes. The parent department does not issue any direction in this regard.

Strengths/weaknesses of the funding systems

The main benefit of the funding is the role of the interim funding body and its ability to develop best practice and guidelines which may be absent in the case of funding coming directly from a government department.

The weaknesses noted by the interim funder in the system were the lack of budget allocation for the financial administration of funded projects. This is one area that the interim agency felt should be ring fenced, as it was not realistic for specialist childcare workers to undertake financial administration.

Attracting/retaining staff

The main problems here were the low paid nature of employment in the sector although most of the employees have professional training; work in the sector was not seen as a profession in the formal sense.

Appendix 3

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