

# NATIONAL RESOURCE AND UMBRELLA ORGANISATIONS

## Numbers and types

The Deakin report's recommendation that there should be a forum for national resource and umbrella organisations has led to three national conferences and ongoing discussions. One by-product is a list of 113 national umbrella and resource organisations for England; this includes many UK-wide organisations, but not national organisations for Scotland, Wales and Northern Ireland. Three sub-types have been identified, and I have revisited the list to provide a rough count of the relative numbers:

- Umbrella organisations – providing generic services to a membership comprising voluntary organisations (91)
- Professional organisations – providing generic services to people with specialised roles (7)
- Resource organisations – providing a support service (usually quite specialised) to the sector or part of it (15).

The relative numbers, though approximate and involving some educated guesswork, are significant, in that the 'umbrellas' – with their formal rather than 'market' accountability, and their mixed governance by trustees and staff of members - are much the most numerous. Some umbrella organisations have a significant statutory as well as voluntary component in their membership. Most resource organisations do not have a membership, or have one purely for governance purposes rather than accountability. Some essentially professional bodies also have a membership category by which organisations can affiliate. The list includes (perhaps wrongly) some campaigning organisations with an affiliated membership of organisations to which special expertise is provided – these have been counted as resource organisations. The list is pretty good, but not complete, not least because new organisations are constantly being created. The Charity Commission has recently said that it has 81 organisations on the Register that state explicitly that they are set up to '*promote the efficiency and effectiveness of charities and effective use of charitable resources*'. These presumably would count as 'resource organisations', and would include many 'locals' and Welsh organisations.

## Functions

Summaries of umbrella/resource functions were central to the Wolfenden report (1978), and were developed a little further in Deakin (1996), and by Ball and Unwin for the Baring Foundation (1998). Susanne Rauprich's paper contains a typical short list. Another recent Charity Commission paper – recommending for the first time that umbrella bodies that '*promote the voluntary sector for the benefit of the public*' should be recognised automatically as charitable – contains a longer one. These lists – typically with four to six items - all seem to me to suffer from being over-summarised, and tend not to reflect adequately the full complexity and richness of the work that many of us do. One can spend too long playing with definitions, but I've had appended an expanded list – running to 17 functions - that I hope is compatible with all the others and recognisable by colleagues. Not all the organisations perform all the functions.

## Are there too many umbrella and resource organisations?

Each organisation has its own history, but there are common themes. It is 'normal' for organisations of similar type to be unenthusiastic about creating an 'umbrella', until an

external threat or challenge forces the creation of a common lobbying function. The emerging common ground may then bring recognition that there are indeed shared interests in good practice, standards, and internal/external information – and thus the basis for a permanent umbrella is laid. The combined set of core functions is however difficult to raise funds for. Funders are often more interested in supporting particular technical services, which are consequently hived off or set up independently to provide/deploy/develop very specialised skills. Disaggregation is thus often forced by lack of funding and management capacity at the core, and by practical limits such as the size of premises to house sub-projects and specialist functions.

Some technical services are developed on an entrepreneurial basis in the private sector and can be self-sustaining with fees and charges. This is the basis of a growing array of consultancy services run by former voluntary sector personnel and others. It is also the pattern for most voluntary sector resource agencies, and for some support services (such as audit and legal advice) which have *always* been run privately. But *some* support services need long-term subsidy.

Umbrella organisations often find it difficult to run (but, again, easier to raise funds for) common funding programmes and projects to create new organisations that fill gaps. This is because they do not like to make judgements and choices between members with equal rights to services, and because an existing memberships and staffs are often ill-equipped in the skills of running ground-zero start-ups in new areas.

The development of sub-sectoral umbrellas can be less problematic. They are often born when an informal groupings within a more generalist network reaches critical mass for independence.

### **What are the strengths and weaknesses?**

The most obvious strengths lie in the sector's capacity to develop services that grow in response to needs and are provided on a basis that is likely to be viable both for the number of users and financially.

There are however significant weaknesses, some quite subtle:

- Umbrella organisations can have memberships that are too small to sustain a minimum range of services and/or to provide adequate representative governance, and a reluctance to merge or 're-aggregate' to provide the necessary critical mass or economies of scale
- Patchy provision of support services by geography, type of membership, and function - often driven by eclectic availability of funding, and by short- or medium-term responses to demand and financial viability rather than long-term need
- Lack of 'venture funding' for national organisations to run developmental projects in underdeveloped fields and geographical areas, lack of skills in such developmental work, and fear of 'parachuting' (or being accused of 'parachuting')
- Poor provision of 'one-stop' advice and weak capacity for 'overview', forcing newcomers and non-voluntary sector enquirers to 'shop around' in an unfamiliar, undeveloped and unmapped market-place - exacerbated by weaknesses in inter-agency knowledge and capacity for cross-referral
- Lack of sources of 'level playing field' advice about how to choose between providers of services (whether commercial or voluntary sector); bodies choosing to develop

income streams by selling services, thus 'playing on the field' rather than giving advice

- Poor capacity for cross-fertilisation between providers of different types of services and between service-providers and policy specialists, and a tendency for competition to emerge between 'entrepreneurs', consultants, independent specialist services, and generalist organisations who sometimes reinvent specialist services.

There are other weaknesses, too, in rivalries and policy clashes between resource and umbrella organisations. Though worth acknowledging (and not without the positive benefits of encouraging debate), these are probably not relevant to a 'capacity building' agenda. They are traditionally expressed by:

- umbrella organisations accusing resource organisations of speaking without a mandate, of failing to consult, of peddling crude populist complaints, and of promoting obviously non-viable ideas and projects
- resource organisations accusing umbrella organisations being over-defensive of their members, of failing to rise to challenges, and of being incapable of imaginative thinking.

### **What is needed for improved capacity?**

Some ideas:

1. Positive recognition of the value of multi-disciplinary agencies, especially when the context involves new and developing types of user organisation that themselves lack organisational capacity
2. Development of an assessment tool to evaluate development plans and business plans for umbrella/resource organisations, including notions of minimum critical mass of user/member numbers and minimum resource levels for viability
3. Encouragement of multi-occupier premises (perhaps with pro-active 'social investment' landlords) to ease the processes by which organisations can devolve/disaggregate services or (re-)merge in response to changing resources and user needs
4. Easier availability of funding for new ventures and feasibility studies, to enable generalist organisations to investigate and develop responses to new needs, disadvantaged user groups, and geographical and other patchiness.

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**This paper and the following appendix were written for H M Treasury's Cross-Cutting Review working group on Infrastructure.**

## **Functions of umbrella and resource organisations**

### Internal networking and good practice:

- Encouraging good practice, providing training, and facilitating sharing of techniques
- Developing and distributing ‘Tools of the trade’, handbooks, and self-evaluation frameworks; documenting and promoting standards of practice
- Providing intelligence/information about the sector/sub-sector in context, and about developments in government, wider voluntary sector, corporate sector, regulatory bodies, new publications
- Providing advice about law, governance, tax, accountancy, management, etc, and advising objectively about access to higher level professional advice/services: eg legal, accountancy, investment, computerisation, recruitment, consultancy
- Facilitating links among organisations of similar types or which operate in the same geographical area – through meetings, conferences, internet links, magazines
- Assisting national-regional-local interfaces within the network, and nationals acting as a voice for under-represented groups, regions and localities, UK organisations doing ‘four nations’ work
- Organising bulk purchase and discounted supplies

### External representation and information

- Facilitating inter-sector links: ie voluntary-statutory, voluntary-corporate, and across sub-sectors within the voluntary sector
- Organising and preparing collective responses to consultations, and representing the sector/sub-sector to government, corporate sector, regulatory bodies, funders
- Conducting pan-sector research and providing generic information to other sectors, members of the public, journalists and the media, students and researchers
- Generating generic publicity, and organising ‘trade fairs’
- Making international links, through conferences, visits, receiving delegations

### Funding

- Improving the funding base of the sector/sub-sector
- Running collective fund-raising programmes
- Acting as re-granter of funds and co-ordinating funding programmes run by and through members
- Advising funders about prospective programmes and grants

### Development

- Knowing the real size and scope of the sector/sub-sector, and being aware of needs and gaps
- Initiating and contributing to ‘blue skies’ thinking
- Promoting/running development projects/programmes and new organisations in the (sub)-sector

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