The Third Sector, regeneration and sustainable communities
"Rolling" with the New Labour agenda

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Abstract

Purpose – The purpose of this paper is to discuss the ways in which concepts of regeneration, sustainability and the Third Sector (TS) are understood and expressed in the policy priorities of the Labour Government in the UK. The paper locates this discussion in the context of a small community action group in Nottingham and seeks to explore the ways in which the experience of activists and practitioners see their "world" as being congruent with that of the "world" represented in the policy literature.

Design/methodology/approach – The paper combines an analysis of the policy literature and a discussion on the theoretical and conceptual ideas implicit in the programmes with data collected through observation and interview of key activists involved in the group.

Findings – The paper suggests that while small-scale TS organisations can play an important part in the regeneration/sustainability agenda as a result of their size, values and flexibility it is these values which are at risk given the underlying ideological approach of the reform agenda.

Research limitations/implications – The paper provides a snap shot of experience and situates that practice in the theoretical/conceptual literature and so raises some important questions for practitioners as well as researchers.

Practical implications – The paper has direct relevance for TS agencies and researchers.

Originality/value – The paper points to the conflict and tension between local/community-based organisations in which ideas of trust and ethical decision making are negotiated differently compared to public sector agencies.

Keywords Regeneration, Government policy, United Kingdom, Community planning

Paper type Research paper

Introduction

Since coming to power in 1997, the New Labour government has pursued a "modernisation" agenda, under the banner of the "Third Way" (Driver and Martell, 2000). This has included advocating joined-up governance, as opposed to controlling government (Bevir, 2005; Davies, 2002; Tiesdell and Allmendinger, 2001), bringing about a rescaling of the state, involving managerialism (Fuller and Geddes, 2008), and the adoption of partnership working to deploy New Labour's refashioned ideologies of social democracy (Whitehead, 2007). This has had significant implications for regeneration policy and practice and the "partners" involved. In particular, the Third Sector (TS)[1] has received sustained interest as a partner from the New Labour government and various policy makers (Chapman *et al.*, 2008). Shortly after coming to power, New Labour took an unprecedented step in announcing a *Compact*[2] between government and the TS. This represented the first attempt by any administration to mainstream the TS into central government's public policy agenda (Kendall, 2000).

As a result, the sector has become increasingly involved in the provision of public services to local communities, such as housing, social services and regeneration. In 2006 the government established the Office of the Third Sector (OTS) and in the budget of that year announced a consultation with the TS to explore how best the government

could work with the TS to "achieve the long-term goals of building a more cohesive society" (HM Treasury and Cabinet Office, 2007a, p. 5). The findings of the review were published in July 2007 by the Treasury and Cabinet Office in a final report: *The Future Role of the Third Sector in Social and Economic Regeneration*. This report set out common goals for future work with the TS that reflected a number of key roll-out neoliberal New Labour discourses such as partnership, mainstreaming, transforming public services, encouraging social enterprise, enabling civic society and strengthening communities. Above all, the report and previous initiatives, such as the Compact, the Cross Cutting Reviews of 2002, 2004 and 2007, underlined New Labour's intent to "marshal the significant resource of the third sector to meet its social objectives" (Chapman *et al.*, 2008, p. 1). In particular, the specific focus of the report on "social and economic regeneration" has ramifications for those TS groups/bodies working at the local level towards regeneration objectives. In many ways the sector is uniquely placed to provide flexible and responsive services, engender trust to engage local communities and affect positive change in areas experiencing multiple-deprivation, however, by "mainstreaming" their activities the government may be in danger of losing some of the key elements of the sector that it so admires; and indeed, fostering a "shadow state".

In particular, it may lessen the impact of some bodies within the sector and their ability to respond to another, related, aspect of government policy – sustainable communities. Indeed, sustainability has become a key concept underpinning a number of major policy documents and dicta aimed at urban regeneration, such as the Office of the Deputy Prime Minister (ODPM) (ODPM, 2000, 2003, 2004a, 2005), Department for Environment Food and Rural Affairs (DEFRA), (DEFRA, 2005).

The aim of this paper is to consider the opportunities and challenges the TS faces in helping to deliver the interlinked policy objectives of regeneration, sustainable communities and the government's aims towards the TS, as set out in the July 2007 review report (HM Treasury and Cabinet Office, 2007b). The work of The Partnership Council (PC), a small-scale TS regeneration community action group in Nottingham, will be examined to illustrate key challenges and opportunities faced by such TS groups, and what lessons might be learnt from its work that are applicable to the pursuit of "sustainable communities". Evidence for this case study has been gathered over three years from auto-ethnographic experiences as a volunteer and, latterly, as a Director on the board of the PC. In addition, previous research[3], which included interviews with numerous key agents in Nottingham's regeneration and document analysis of key policies, is also drawn upon. The paper starts by placing New Labour's "Third Way" in context, with a focus upon roll-out neoliberalism. It then explores increased attention the TS have received from the government as an agent and mechanism for delivering regeneration. Moreover, the paper goes on to suggest that the recent sustainable communities agenda further complicates the policy situation and epitomises roll-out neoliberalism and that perhaps an alternative (more sustainable) approach can be found in a small-scale community based regeneration project.

New Labour, the "Third Way" and roll-out neoliberalism
Since being in office the New Labour government has pursued policy agendas and political ideologies that reflect their "Third Way" discourses. A number of commentators have pointed to exploring the "Third Way" in light of neoliberalism (Driver and Martell, 2000; Newman, 2001; Bevir, 2005; Tiesdell and Allmendinger, 2001; Peck and Tickle, 2002), whereby neoliberalism is underpinned by:

[. . .] the belief that open, competitive and unregulated markets liberated from all forms of state interference, represented the optimal mechanism for economic development (Brenner and Theodore, 2002, p. 2).

and reflects responses to the crises of Keynesian welfare policies, that have been occurring since the mid-1970s (Raco, 2005). Jessop (2002) suggests that Keynesian welfare structures transformed to new modes of Schumpeterian workfarist regulation, which included the subordination of social policy to economic policy, the promotion of new modes of entrepreneurial active citizenship and the re-scaling of the state (in light of a recognition of its limitations, particularly in the contexts of globalisation – Jessop has further characterised this as a "hollowing-out" of the state – see Jessop, 2001), with new forms of partnerships (Bevir, 2005; Rose, 2000). Furthermore, Peck and Tickle (2002) have argued that this represents a "rolling-back" of the frontiers of the (welfare) state, where the state is seen to shift allocation of decisions to markets and the provision of goods and services is shifted to the private sector. This was a prevalent stance of the Thatcher administration in the 1980s, and regeneration directions during this period reflected this "roll-back" with the focus on top-down property led regeneration delivered via autonomous partnerships, such as the Urban Development Corporations (see Brownill, 1990; Imrie and Thomas, 1993). Peck and Tickle (2002) further suggest that by the 1990s the negative externalities of such directions and policies were recognised and the nature of neoliberalism was contested, such that we began to see a phase of "rolled-out" reconstituted neoliberalism in:

[. . .] more socially interventionist and ameliorative forms, in order to regulate, discipline and contain those marginalized or dispossessed by the neoliberalization of the 1980s (Graefe, 2005, p. 3).

Newman (2001) argues that the "Third Way" as deployed by New Labour can be viewed as:

[. . .] a partial retreat from the ideological commitment to market mechanisms as the driver of public sector reform and a softening of the approach of competition (Newman, 2001, p. 2).

Such a "retreat" has involved a focus upon joined-up government, public participation and multi-scalar/multi-sectoral partnerships. Furthermore, the "Third Way" has:

[. . .] offered an unstable attempt to combine elements of neoliberalism with an emphasis on social renewal, and a shift from a focus on equality to a focus on social inclusion (Newman and McKee, 2005, p. 658).

There has been a new emphasis on citizenship, democratic renewal, social inclusion alongside the previous key priorities of economy and efficiency. Indeed, community empowerment and communitarianism (community) have become central tenets of the rolling-out of neoliberal relations under the "Third Way" (Rose, 2000; Cruikshank, 1999). The underpinning notions are of the breakdown of moral order due to decline in *social capital*, or cultural networks of civic trust (see Putnam, 1995), that can be addressed through communitarian responses, such as the re-creation of civic engagement (not necessarily with the need for a strong government), because:

[. . .] moral order cannot rest on legal codes enforced and upheld by guardians; it is embodied and taught through the rituals and traditions in the everyday life of communities (Rose, 2000, p. 1403).

Citizens are presented with opportunities to develop their own agendas via processes of devolution and re-visioned versions of democracy (often local level partnerships), particularly in the context of the erosion of the welfare state (Raco, 2005), and take responsibility for themselves. However, Newman (2001) questions this "devolution" and suggests that evidence exists which demonstrates that New Labour are essentially "governing at a distance", by steering local level partnerships through a series of performance management and policy guidelines. This is explored below in the context of the TS working towards regeneration and sustainability at the local level.

New Labour, regeneration and the Third Sector

In line with roll-out neoliberalism, New Labour places considerable faith in the role of civic action and civil society to "solve" social problems (Bevir, 2005; Tiesdell and Allmendinger, 2001; Hill, 1994; Foley and Martin, 2000), and furthermore, see a distinct place for the TS to help support "modern democracy". The rhetoric is to devolve power to citizens, who with the help of the TS (alongside the local state) will act as "neoliberal subjects" and address the tensions of neoliberalism, by promoting social capacity, cohesion and communitarian actions (Fuller and Geddes, 2008; Rose, 2000). For instance, in the recent government review of the TS the Prime Minister, Gordon Brown, confidently states:

> I believe that there is no problem in this country that can't be solved by the people of this country. Millions of people choose to bring about social change and to solve the problems we face through the third sector. [...] I believe that a successful modern democracy needs at its heart a thriving and diverse third sector (HM Treasury and Cabinet Office, 2007b, p. 3).

The recent review of the TS identified four major areas of common interest between the sector and government: enabling greater voice and campaigning, strengthening communities, transforming public services, and encouraging social enterprise. Again, reflecting key roll-out neoliberal ideologies. Thus, TS organisations are finding themselves under persistent pressures to respond to these ideologies and become increasingly involved in public service delivery. In doing so TS organisations may be pressured to change their organisational forms or even their goals in order to attain funding and meet performance targets (Carmel and Harlock, 2008; Brandsen and Pestoff, 2006).

Kelly (2007) suggests that the government's vision of the TS can be viewed as raising choice and voice by expanding the role of the TS in shaping, commissioning and delivering public services. The 2002 cross cutting review by government explored the "value added" aspects of the TS and suggested that the sector *may* have comparative advantage in terms of (HM Treasury, 2002), specialist skills/ knowledge:

- the ability to involve people in service delivery;
- their independence and ability to innovate;
- their lack of institutional baggage; and
- their flexibility, responsiveness and (again) their ability to innovate. (Osbourne and McLaughlin, 2004, p. 577)

Similarly, Kelly (2007) stresses the continued faith placed in sector to provide an antidote to the problems of professional rigidity in the public sector; open up cross-sectoral partnerships; and contribute to public value by promoting voluntarism, active

citizenship and helping to reduce social exclusion through civil renewal. Indeed, the recent government TS consultation paper stressed that:

[...] the active involvement of communities of place or interest, in improving the quality of life is critical to achieving the best outcomes in civil renewal and neighbourhood regeneration (HM Treasury and Cabinet Office, 2007a, p. 1, emphasis added)

Furthermore, David Blunkett, drawing on Putnam's (2004) notions of social capital, recently noted that it is important that the TS are:

[...] seen as partners in developing new approaches, creative and responsive solutions, and a restoration of the glue which holds society together (Blunkett, 2008, p. 5)

In addition, he suggests that the TS can help to re-enforce the relevance of civil society, engage people in informal politics and "underpin the role of enabling government" (Blunkett, 2008). He adds that:

Labour recognises the value of diverse Third Sector organisations in providing a voice for under represented groups; campaigning for change; creating strong, active and connected communities; and in promoting enterprising solutions to social and environmental challenges (Blunkett, 2008, p. 6)

The "enterprising", flexible nature of the sector is drawn upon to underline its role. Similarly, the recently published consultation paper on regeneration – Transforming places: Changing Lives (DCLG, 2008b, p. 59), also stressed a role for the TS, again as a "driver", but specifically noting the "not for profit element" of the sector:

The third sector – and social enterprise in particular – can be an engine for regeneration. The third sector have a clear role in increasing voluntary activity in making environmental improvements, which often builds a sense of community pride and ownership.

Moreover, the role of the TS in delivering environmental improvements and meeting environmental challenges is also being stressed throughout these discourses. The government has faith in the sector to not only deliver neighbourhood regeneration and civil renewal, but also sustainable regeneration, and the fostering of sustainable communities.

Sustainability, sustainable communities and New Labour's directions

The terrain of regeneration and public policy in general has been further complicated by the recent Sustainable Communities agenda, which attempts to pull together the economic, social and environmental objectives associated with sustainable development. A worthy task, however, sustainable development is itself a highly contested concept that has been chastised as a "cliché", "terribly versatile", "a truism", and "beguiling in simplicity" (Holmberg and Sandbrook, 1992, p. 20; Adams, 1990, p. 3; Redclift, 1987, p. 3; O'Riordan, 1981, p. 29). It is prey to differing interpretations for the support of various interested parties (Adams, 1995). Mainstream discourses of sustainable development have tended to follow from the (ambiguous) Brundtland Commission's definition, where sustainable development is seen as development that:

[...] meets the needs of the present without compromising the ability of future generations to meet their own needs (WCED, 1987, p. 8)

However, wider interpretations and discourses of *sustainability* are available. In many ways the equation, "sustainability *equals* sustainable *plus* development" is false. Sustainability is a far more complex concept than the mainstream interpretations of

sustainable development. It addresses additional ethical features, such as the appropriate management of nature, reflecting the more traditional concerns of environmentalism (Adams, 1995).

"Sustainability" in its strongest sense can be a highly biocentric, communitarian and ethical endeavour, whereas sustainable development tends to be a predominately economic and physical strategy, with some focus upon social sustainability. In its strongest more radical sense, *deep green*, sustainability challenges the economic growth model, and suggests that material wealth for its own sense is ethically, equitably, morally and environmentally wrong (O'Riordan, 1981). It places "limits on growth", which are based on providing for subsistence levels and maintaining or improving ecosystems, whereas the weaker version, *shallow green*, is more about the growth of limits, and places considerable faith in humankind and technology to meet any challenge (Raco, 2005). Furthermore, the deeper green approaches view the participation of communities and individuals as essential to understanding the problems at hand and providing solutions, placing considerable agency with the individual and community, where the community is small in scale. In contrast, the shallower version, advocates participation but the "centre" remains in control and relies on scientific information to make "justified" decisions, on matters such as public welfare and environmental concerns. It becomes clear then that the version of sustainability deployed will have impacts upon the way in which the roles of the state, communities, individuals, geographical scales, science and technology, and economic growth are viewed and as a result how policy is formulated and deployed. When set against the backdrop of roll-out neoliberalism, it is perhaps not surprising to find a sustainable development agenda in this country that is currently pursuing a version of "sustainable communities", which is littered with "shallow green" discourses and tempered by roll-out neoliberalism.

The publication of the document *Sustainable Communities: Building for the Future* in February 2003 represented a milestone in New Labour's ambition to promote regeneration that was underpinned by the central aims of sustainable development. The plan claimed that government was taking a "step-change" to tackle regeneration, but the focus of the document was largely upon housing issues and dealing with issues of growth in the south east and the lack of affordable housing for key workers, while conversely trying to address decline in the north and the issue of housing abandonment. The plan has been criticised for this overtly housing orientation, its focus on fuelling and inflating growth even further in the south east, and its lack of focus upon "community" and participation (see Raco, 2005). As a result, the publication of the five-year plan *Sustainable Communities: People, Places and Prosperity* by the ODPM in January 2005 demonstrated a discursive shift towards improving local governance and bringing about further devolution (and local government modernisation). For instance, in the Foreword to the plan the Deputy Prime Minister, John Prescott, stated that:

> [. . .] people live in neighbourhoods, not just in houses. So this plan sets out how we'll work at every level to improve the communities that people live in.

People, Places and Prosperity sets out a strategy to:

- Give people more of a say in the way places (both urban and rural) are run.

- Work through the Town, City or County Hall so that local authorities deliver excellent services, provide leadership for their areas, and empower their communities.

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• Tackle disadvantage, so that people are not condemned to lives of poverty, poor services and disempowerment by accidents of birth or geography. (OPDM, 2005, p. 2).

In the latest national Sustainable Development Strategy, the government has defined sustainable communities as:

[...] places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all (DEFRA, 2005, p. 121).

and attributes such communities with eight components:

(1) *Active, inclusive and safe* – fair, tolerant and cohesive with a strong local culture and other shared community activities.

(2) *Well run* – with effective and inclusive participation, representation and leadership.

(3) *Environmentally sensitive* – providing places for people to live that are considerate to the environment.

(4) *Well designed and built* – featuring a quality built and natural environment.

(5) *Well connected* – with good transport services and communication linking people to jobs, schools, health and other services.

(6) *Thriving* – with a flourishing and diverse local economy.

(7) *Well served* – with public, private, community and voluntary services that are appropriate for people's needs and accessible to all.

(8) *Fair for everyone* – including those in other communities, now and in the future.

These are a mixed blend of attributes, due to the very nature of sustainability (Hattingh Smith, 2005), but they reflect key New Labour discourses and roll-out neobileralism, particularly in terms of social democracy and modernisation. For instance, Raco (2007, p. 43) suggests that:

[...] sustainable communities are populated by self-reliant, active citizens who, in the longer term, provide for themselves and rely less on an active welfare state.

While participation might be an essential element of deeper green versions of sustainability, particularly in terms of education and political function (O'Riordan, 1981), the key message of New Labour's Sustainable Communities is again of "neoliberal subjects" acting to address the tensions of neoliberalism, by promoting social capacity, cohesion and communitarian actions. Indeed, Raco (2005, p. 339) suggests that:

[...] a sustainable citizen is one who actively contributes to the [economic] well-being of a community. Passive, dependent citizens [...] undermine community sustainability. It is assumed that by conforming to market principles such agents are fulfilling their social responsibilities and that it is incumbent on policymakers [...] to find ways of maximising choice.

TS organisations are increasingly being encouraged to work and empower citizens, while also addressing their own missions and core beliefs, which may not align them with New Labour ideologies. In order to explore this incredibly confusing set of policy dicta, roll-out neoliberalism and sustainability, the paper now turns to explore a

small-scale TS regeneration community action group in Nottingham, to illustrate the key challenges and opportunities it faces and what lessons might be learnt from its work that are applicable to the pursuit of "sustainable communities" and the role of the TS in social and economic regeneration under New Labour and roll-out neoliberalism.

Background to case study: The PC, Nottingham

The PC is situated within Area 4 of Nottingham[4], which encompasses the wards of Radford and Park, Berridge and Arboretum (see Figure 1), and contains a considerable number of Super Output Areas classed as being in the country's top worst 10 per cent in terms of multiple deprivation. The area reflects many of the problems associated with inner cities and deprived communities, such as high levels of crime, poor quality housing, low levels of economic activity, poor environmental fabric, fuel poverty and low educational attainment.
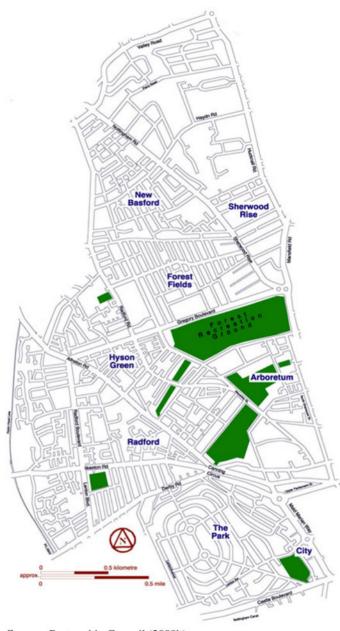
The PC was established in 1998 with a responsibility for developing and delivering the European URBAN Programme in inner city Nottingham (Ashworth, 2008). When that programme came to an end in 2001 the PC moved on to become a community action group, surviving solely on grant aid – whereas before it had relied entirely on URBAN (Greenberg, 2008). At present, the PC is run by a Chief Officer who reports to a Board, made up of local residents and volunteers from across the city. The PC employs five full time staff, 12 part-time and engages a considerable number of volunteers (17 on a regular basis). In 2008 the funding income was around £400,000. The principal objectives and activities of the PC are:

- to promote the benefit of the inhabitants of Nottingham and in particular the Wards of Radford and Park, Berridge and Arboretum; and

- to promote the involvement of different geographical, demographic and cultural groups in identifying solutions to problems specific to their community interests, and to encourage the development of a partnership approach where the strengths of individuals and organisations within the area of benefit can be brought together to mobilise coordinated and strategic actions to ensure that the benefits of regeneration reach the communities and individuals of greatest need. (Partnership Council, 2009a).

These objectives reflect the New Labour discourses of neighbourhood, partnership and civic action, but perhaps in ways that do not exemplify roll-out neoliberalism, as the following section explores. The range of projects that the PC undertakes are outlined in Table I, they represent a fairly holistic approach to neighbourhood renewal, grounded in the ideals of a sustainable community.

The PC and sustainable communities

The PC has pursued a number of regeneration projects (see Table I) that could be described as "filling-in"[5] and providing an alternative agenda and mechanisms for achieving sustainable communities, that do not involve creating *economically* active citizens and even contest the government's aims of bringing the TS more into the mainstream, and utilising them as a vehicle for roll-out neoliberalism, and particularly public service delivery. The aim here is to explore some of the work of the PC and focus on three key elements of a sustainable community[6], namely social enterprise, fostering environmental resilience, and community participation.

Figure 1.
Area 4 in Nottingham

Source: Partnership Council (2009b)

Social enterprise: "not for profit" and alternative economics
A *deeper green* sustainable community would inevitably involve social enterprise, where businesses/organisations do not seek to gain capital surplus, and even re-invest what surplus might be made (O'Riordan, 1981; Barton, 2000). However, under the

Project title	Description
Base Camp	Set up in 2006, originally funded by the Big Lottery, this is a project working with new and existing community groups without paid staff, to provide support, guidance, information and training to help them achieve their aims. The project is aimed at the Asian community, particularly Pakistani and Kashmiri. In 2008 the project supported 28 community groups, gave over 500 people from the South Asian community the chance to benefit from the Base Camp's community groups, from football training for girls to yoga classes, sewing, martial arts and so on. Furthermore, it helped community groups to access £65,000 worth of funding to launch or sustain their activities.
Children's Forum	The Children's Forum was established to give primary school aged children a voice and the opportunity to have a say in the decisions that affect their lives. The Children's Forum is about more than just giving children a voice – it brings children into contact with decision makers like Nottingham City Council (2009) and makes sure that adults act upon the children's ideas, opinions and concerns. This gives the children involved a real sense of empowerment, helping them to feel that they can make a difference to the world in which they live. In 2008, the Children's Forum produced three films written, directed, produced and starring children which tackled the issues that are important to them – including bullying and what it means to have fun. The Children's Forum also runs a Children's Grants Panel with children deciding which children's projects should be funded. The Grants Panel has £3,000 worth of funding a year to spend.
Older Person's Forum	The Older Person's Forum was established to give people over 55 a voice and a say about the local issues that are important to them. The Forum also provides people with information and brings members into face-to-face contact with decision makers and service providers including the Police, Nottingham City Council (2009), private and social housing providers and taxi companies.
Skills Exchange	The Skills Exchange is a Time Bank style project. Members volunteer to help other members and for every hour spent volunteering, members earn a Time Credit. These Time Credits can then be used to "buy" volunteer help in return. The Skills Exchange has close to 100 members including several organisations. As a result, the range of skills available to members is very varied. Members have helped each other with car and bike repairs, Do-it-yourself (DIY), gardening, dog walking, sewing, cooking, computer skills, lifts to hospital, guitar lessons, filling in forms, organising children's parties and shopping for instance.
TSM	TSM was set up to provide the charity and voluntary sector with an ethical and professional marketing and communications service. As a social enterprise, TSM's profits are re-invested back into the PC, helping to support many worthwhile projects. TSM has recently worked in partnership with the Youth Inclusion Project in Nottingham, helping three groups of young people at risk of social exclusion to produce their own publications.

(*continued*)

Table I.
A selection of the
PC's recent projects

Project title	Description
Sprout	Sprout was launched in 2008 to encourage young people to get involved in environmental volunteering. Funded by the national volunteering charity, "involved" the project works with people aged 16-25. Sprout has helped young people to start their own environmental projects; including a community forest garden and an i-pod recycling project. In addition, Sprout holds regular events aimed at getting young people involved in environmental volunteering. Recently, Sprout has opened two community gardens and allotments which are being developed by young volunteers.
Eco House	At present, the PC is working towards establishing a Eco House in a Victorian terraced house that will demonstrate and show how to carry out DIY measures in homes that reduce carbon footprints and lower heating and lighting bills. A number of community projects will also be run from the Eco House that will have a positive effect on the environment and save money. For example, a free shop, classes on repairing goods, free use of a sewing machine, help to apply for Home Front grants, classes on how to grow food in backyards and so on.

Table I.

Source: Partnership Council (2008a, 2008b)

government's Sustainable Communities agenda the pursuit of economic growth goes uncontested in the component of "Thriving Economy", perhaps not surprising given the "roll-out" nature of the policy agenda, and social enterprises are viewed more in terms of their ability to help fund TS organisations. The PC has established a social enterprise (Third Sector Media (TSM) – see Table I), in line with their key aims and objectives; however, it makes a very limited surplus for re-investment and relies heavily upon the "goodwill" and social conscience of those who work for it. This raises the perennial issue for the PC of funding. Their work in social enterprise will never bring about enough re-investment of surplus to fund the majority of its projects, so it remains reliant upon the state, the private sector and voluntary/charitable trusts for funding. The recent government review paper on the TS highlighted key measures that included:

> better mechanisms to drive best practice in funding the third sector, including in the expectation that when Government Departments and their agencies receive their 2008-11 budgets, they will pass on that three year funding to third sector organisations that they fund, as the norm (HM Treasury and Cabinet Office, 2007b, p. 15).

This promise of longer term funding for the TS has been circulating through the cross sector reviews since 2002, but the problem remains entrenched at the local level,

> Its been talked about for years "we'll give longer term funding to the third sector" [...] if you look at our funding situation we get funding through x [...] and every year you don't know if the funding is going to be renewed until the last minute (Greenberg, 2008[7]).

Other problems associated with funding included the amount of time it takes to complete bids for funding, the priorities of core funding not fitting the identified needs of the locality and the in-flexibility of the funding regimes, in terms of virement and flexibility between funding regimes. The PC has recently had problems attracting funding for their Skills Exchange project, as funding does not tend to prioritise this

type of project, where volunteers are essentially "working" in an alternative non-profit economy – trading skills (see Table I for examples). This form of alternative economy could/should form a significant element of a deep green sustainable economy. Yet, funding regimes tend to favour projects which enable individuals to attain paid employment, making them economically active citizens (neoliberal subjects). Thus, the very nature of the funding regimes can actually undermine the ability of the PC to respond to local economic sustainability issues, retain staff, and be flexible, responsive and innovative. Sadly, the recent TS review will probably not rectify this problem, even if it does recognise it, because the review sits within a wider policy ideology of New Labour's "Third Way".

Fostering environmental resilience: community responses to environmental vulnerabilities

An area of regeneration that is frequently missing in "social and economic" regeneration agendas is that of addressing environmental vulnerabilities and the ability of communities to respond to an increasing level of environmental vulnerabilities, such as addressing climate change and peak oil. The Sustainable Communities agenda attempts to address this and blends environmental concerns with social and economic, however, the approach is a rather shallow (green) one and articulated via the components: environmentally sensitive and well built and designed, which are about ensuring the provision of places for people to live that are considerate to the environment and are of a good natural and built quality (DEFRA, 2005). The TS can have an importance role to play in this component of sustainable communities, particularly in terms of grassroots responses that challenge the shallower green ambitions of government policy. The PC is currently working on obtaining funding for a community demonstration "Ecohouse" (see Table I). The aim is to establish a terraced Victorian house in the area as an example of how to employ low cost/low technology techniques to addressing the issues of fuel poverty and climate change/peak oil (transitioning to lower carbon lifestyles and economies). This is an ambitious and extremely innovative project for a small TS organisation, there are no other examples in the country at present.

The PC has been able to propose and pursue such a project because it is a small organisation and not hampered by bureaucracy, and more importantly because it has stuck to its core beliefs and is not seeking funding that might undermine what it is attempting to do. For instance, it is possible for the PC to apply for funding for this project from an energy company; however, several volunteers on the steering group for the project have stressed the *shallow green* nature of such a funding source and have requested that funding is sought from a funder with a *deeper green* ideological stance. The PC company board is supportive of this decision. The volunteers are a vital element of this project, and they are drawn from the local community. Their participation and knowledge (social capital) is essential to the project's success.

Community participation, voice, service provision and the "extra stuff"

Community participation is an important element of a sustainable community, as noted above, a deeper green approach to community participation is encouraged as a mechanism for developing education (by being involved, people will be better informed and enabled to make more informed choices) and politics (the greater the levels of equitable participation the better the representation of all interests, including the

marginalised). The Sustainable Community components stressed by the government are active, inclusive and safe; well run; and well served (see above for fuller definition). These components are laudable but perhaps seek to engage people as "active citizens" (neoliberal subjects), where:

> generating civicness is perceived as a panacea for numerous previously intractable social, economic and political problems: social exclusion, community cohesion, crime, democratic deficit, political apathy and disillusionment, and unresponsive and underperforming public services (Brannan *et al.*, 2006, p. 1005).

The core aim of the PC can be view as moving closer to the deeper green end of the spectrum, as the organisation aims to:

> work with our community to improve the area and the lives of people living there. We work towards ensuring that residents and groups within local communities feel a shared sense of belonging, and freedom to be proactive and take action to influence change within their own neighbourhoods (Partnership Council, 2009b).

Indeed, number of the PCs' projects specifically aim at enabling and supporting residents to take action within their own neighbourhoods. In particular, the PC has actively sought to define their "community" in the widest sense possible[8], and the organisation places an emphasis on groups that are often marginalised in "standard" participatory structures. For instance, the Base Camp project (see Table I) was partly devised to address the fact that the area has a large Kashmiri community, in which women were particularly marginalised from wider community structures and support,

> you get a lot of women that speak either none or very little English, and therefore unable to access other capacity building services, you know, like CVS or stuff like that. So that's kind of why we picked it up as a need, so we provide training support – sort of informal training support, advice, guidance in Punjabi [. . .] We also work with women who haven't been involved in anything, women who've spent the last seven years practically just in the house all the time since they came from Pakistan (Greenberg, 2008).

Other projects focus upon enabling children and older people to have "a voice" within their community, and set their own priorities for tackling issues in the area (see Table I). Both the Children's and Older Person's forums provide vehicles for expressing needs and views upon service provision, in settings that are appropriate for them. For instance, the PC frequently organises events that bring together these community groups with service providers, where the aim is for service providers to listen, exchange information and make necessary changes. Without the PC's intervention, by initially setting up the forums and providing the discursive space and confidence, important issues may have gone unrepresented. In many ways the PC is facilitating the building of social capital and involving people in service delivery, but perhaps not in quite the way the government has envision for the TS.

The PC remains sceptical of becoming service providers, and prefers the notion of enabling better delivery, or providing support where gaps exist,

> I see us more as filling where the gaps are [. . .] where are the things public services aren't or can't deliver? Some of that is us working in partnership with the public services to enhance their delivery [. . .] I don't really agreed with the government agenda of the third sector taking over the delivery of public services. I do think we should be about the extra stuff (Greenberg, 2008, emphasis added).

This is perhaps an extremely important issue where organisational boundaries between state and non-state actors are increasingly blurring. If the government continues to pursue an agenda of formalising and mainstreaming TS organisations, activities and relationships not previously considered an object of governance into a governable terrain, via formal dimensions such as partnerships, procurement and performance management, they are in danger of changing the very nature of those organisations (Carmel and Harlock, 2008). The TS could be viewed as *The Shadow State* (see Wolch, 1990), captured by the state while remaining separate from it; whereby the sector actually reproduces the aims of state being agents of state – the shadow state – and move away from their original missions or core beliefs. Furthermore, the ability of TS organisations to respond flexibly to local situations is called into question when the government is essentially "governing at a distance" (Newman, 2001). So while the government might be correct in its (normative) assumption that TS organisations are knowledgeable about their communities and can empower their communities to sustainable actions such as voicing concerns and helping to shape, monitor and plan public services, the government should also be careful to ensure that some TS organisations are not "co-opted" into co-production, where it would undermine their abilities to perform such functions (Kelly, 2007; Brandsen and Pestoff, 2006). Perhaps some TS organisations should be enabled to "fill-in" the gaps, where they identify them in their local communities' needs for regeneration and sustainability.

Concluding comments

This paper has argued that small TS organisations, such as the PC, have an ability to respond to local regeneration priorities and sustainability issues, such as transistions to lower carbon living, because they can foster community confidence, they work on a small-scale, they can be flexible and innovative and they can empower/activate people, who may be able to open up new ways of shaping, moulding and challenging emerging agendas for sustainable regeneration (Raco, 2005; McClymont and O'Hare, 2008).

Gordon Brown stressed the need for the government to be "good partners", with the TS in the recent review paper, and suggested that:

> Government cannot and must not stifle or control the thousands of organisations and millions of people that make up this sector. Instead, we must create the space and opportunity for it to flourish, we must be good partners when we work together and we must listen and respond (Gordon Brown in HM Treasury and Cabinet Office, 2007b, p. 3).

It would perhaps be pertinent for the government to heed its own advice and allow some TS organisations to "opt-out" of the attempts to mainstream their activities. But at the same time government must facilitate TS organisations in their ability to respond to "gaps" where they identify them locally, particularly in terms of regeneration and sustainable communities. This may require a closer inspection of the evidence of the impacts that the recent TS review might yield. But above all, it may require a repositioning of roll-out neoliberal approaches, funding regimes and discourses.

Notes

1. The Government define the Third Sector as "the third sector as non-governmental organisations that are value-driven and which principally re-invest their surpluses to further social, environmental or cultural objectives. It includes voluntary and community organisations, charities, social enterprises, cooperatives and mutuals" (HM Treasury and Cabinet Office, 2007b, p. 5).

2. The Compact was published in 1998 and provided a framework to guide partnership working between the state and the TS.

3. Interviews and document analysis where conducted in Nottingham as part of a research project examining sustainability within urban regeneration. Interviewees included the chair of the local strategic partnership (LSP), members of the community empowerment network, the chief executive of Nottingham voluntary and community (VSC) and neighbourhood managers.

4. For the purposes of neighbourhood management the city council has divided the city into nine "areas", made up of two or three wards, and assigned each a neighbourhood management team that reports to the Area's Committee, which includes ward councillors, local residents and other stakeholders. The government stress the neighbourhood level for governance as "it is primarily at the neighbourhood level that people interact with local authority services, and other service providers, and where community driven regeneration happens for real" (DCLG, 2008b, p. 49).

5. See Goodwin *et al.* (2006) for a discussion of state "hollowing-out" in the context of devolution and creation of various institutions/organisations as for of this agenda and how one might consider this as "filling-in" of the state.

6. See Barton (2000) for a discussion of sustainable communities that employ a deeper green perspective and addresses these key visions of a sustainable community.

7. Chief Officer for the PC.

8. The author is currently consulting with the PC to enable the organisation to put together a Big Lottery bid to conduct research into identifying their community, where gaps in representation may exist, how best these may be met and understanding the various "communities" needs. In addition, the research will evaluate the work of the PC and how they engage with their community, and how people who are "engaged" benefit from the experience.

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