

Current challenges and prospective analysis of the Third Sector of Social Action (TSSA) in Spain

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ABSTRACT: This paper analyses the current conditions and future challenges faced by the Third Sector of Social Action (TSSA) in Spain to consolidate itself as an institutional sphere of sustainable welfare and as a strategic actor in the development of social policies.

The empirical basis of this work has been obtained with the use of qualitative methods such as in-depth interviews, focus groups and the mixed method of Delphi. The use of these methods is aimed at interpreting TSSA leaders' discourses, the collective voice of Non-governmental organisations (NGO) managers and representatives, and the opinions of experts on: the nature and past development of the sector. This research was carried out under the support of the Mechanism of the European Economic Area 2009-2014, in the framework of the Active Citizenship Programme (Eea Grants) and by the PECOTSAS Project of the State Plan for Scientific and Technical Research and Innovation 2013-2016 of the Ministry of Economy, Industry and Competitiveness (ref CSO2017-85486-P).

The text is structured as follows. First, we analyse the institutional nature of the TSSA and how it has combined powerful organisational growth with an adaptation to what we define as the European logic of the Third Sector (TS) in recent decades. Subsequently, we examine the current conditioning factors of the TSSA's development in Spain including the impact of the 2008 economic crisis, financing capacity, modes of social action and relations with the State and the private sector companies. Finally, we assess the challenges faced by the TSSA in the coming years in terms of financial and institutional sustainability and its capacity to influence public policies. The results have been useful for the elaboration of the III Strategic Plan of the Third Sector of Social Action (2017-2021).

KEYWORDS: Third Sector, Welfare State, NGO, social base, Social Policy, European Union, sustainability, financial crisis.

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RESUMEN AMPLIO

Actuales retos y análisis prospectivo del Tercer Sector de Acción Social (TSSA) en España

El Tercer Sector de Acción Social se ha consolidado en España desde los años 80 del siglo pasado debido, entre otras razones, a la creciente incidencia de viejos y nuevos riesgos sociales, a la existencia de un contexto europeo favorable a una participación e influencia más activas del Tercer Sector en los sistemas mixtos de bienestar y al apoyo institucional y financiero de nuestro Estado de Bienestar.

Alguno de estos factores ha cambiado con la crisis económica iniciada en 2008. Se han agravado los nuevos riesgos sociales y el apoyo financiero público al Tercer Sector se ha visto debilitado por el proceso de consolidación fiscal. Ello ha supuesto para el TSAS un proceso de adaptación a este nuevo contexto que implica hacer más intervención con menos recursos, aplicar ajustes organizativos y financieros internos y abrir un debate interno sobre cómo compatibilizar sus funciones de prestación de servicios con su capacidad de movilización social y de discurso crítico hacia los impactos regresivos de la crisis. Teniendo en cuenta este contexto, el objetivo de este trabajo se ha centrado fundamentalmente en tres ejes:

- a. Explicar la naturaleza institucional y la evolución reciente del TSAS dentro del modelo español de régimen de bienestar en un contexto de convergencia hacia lo que sería el modelo europeo de TSAS
- b. Analizar si durante la crisis el TSAS ha ampliado su espacio institucional y operativo en España como consecuencia de los nuevos riesgos sociales y de los límites del Estado de Bienestar para responder a las necesidades sociales; también se analiza si la crisis actual del sector no sólo es una crisis de insuficiencia de recursos sino, sobre todo, una crisis de base social y de sostenibilidad a medio-largo plazo.
- c. Finalmente, se realiza un ejercicio de prospectiva sobre el futuro del TSAS valorando su marco actual de sostenibilidad, su conexión con la sociedad civil y la capacidad de generar alianzas estratégicas en su seno y con otros actores sociales.

Para desarrollar estos objetivos se ha recurrido al uso de las siguientes técnicas de tipo cualitativo: a) 21 entrevistas en profundidad a directivos de ONG, representantes del sector público, movimientos sociales y expertos; b) 6 grupos focales en los que han participado una muestra de 43 ONG de diferentes sectores de actividad; c) estudio Delphi con dos rondas a una muestra de 49 directivos y expertos. La utilización de estas técnicas se ha orientado a interpretar los discursos de los líderes del TSAS, la voz coral de los directivos y representantes de ONG y las opiniones de los expertos sobre los siguientes aspectos: la naturaleza y desarrollo pasado del sector, los condicionantes actuales (económicos, organizativos e institucionales) generados por la crisis de 2008 y las vías probables de su sostenibilidad en el futuro a corto y medio plazo.

Esta base empírica se complementa con otra fuente de información cuantitativa reciente como la encuesta panel a una muestra de 962 organizaciones sobre un universo estimado de 29.739 ONG realizada en 2015 por la Plataforma de ONG de Acción Social. La investigación ha sido cofinanciada por el Mecanismo del Espacio Económico Europeo 2009-2014, en el marco del Programa de Ciudadanía Activa (Eea Grants) y por el Proyecto PECOTSAS del Plan Estatal de Investigación del Ministerio de Economía, Industria y Competitividad (ref CSO2017-85486-P).

Como principales **resultados** destacamos los siguientes:

1) el TSAS en España ha tendido a converger con los modelos nacionales de la UE en los siguientes aspectos: la creciente colaboración con los gobiernos; la importancia central de la prestación y gestión de servicios sociales que ha supuesto un retroceso relativo y selectivo en el desarrollo de las funciones cívicas de movilización y reivindicación de derechos; la especialización funcional en la práctica entre organizaciones prestadoras de servicios y entidades de abogacía social si bien dichas funciones son combinadas sobre todo por una parte de las grandes entidades; la creación de plataformas y el recurso progresivo a la economía social como fuente de financiación.

2) La crisis ha puesto de manifiesto unos límites que afectan a su desarrollo futuro y que no son resultado únicamente del crecimiento desigual y dependiente del TSAS sino, también, de su propia naturaleza constitutiva. En particular, nos referimos a los siguientes: a) La atomización y dualización del TSAS donde conviven grandes entidades gestoras de servicios públicos con un universo muy amplio de pequeñas organizaciones que dependen muy intensamente de la financiación pública y que intervienen en el ámbito local y regional; b) Un modelo de colaboración interna entre las entidades que ha sido más puntual y de naturaleza económica, que institucional y estratégico; c) Su consolidación organizativa e influencia creciente en las políticas sociales se ha llevado a cabo a costa de una creciente desmovilización y de una relativa pérdida de capacidad de crear tejido social y de representación y defensa de los intereses de los colectivos a los que se prestan servicios. Con la crisis, esta desmovilización ha sido asumida por los movimientos sociales que aparecen a partir del 15 de marzo de 2011.

3) Desde una perspectiva prospectiva (horizonte de 2025) no destaca ninguna estrategia integral o mínimamente articulada desde el TSAS para adaptarse a los cambios en su base social aunque aparecen algunas propuestas concretas orientadas a establecer conexiones más profundas y estables con la sociedad civil, con la intervención social a nivel local y con la participación activa de los voluntarios en la toma de decisiones de las organizaciones y en sus estrategias de desarrollo. Existe un alto nivel de consenso en que para la "reconciliación" del TSAS con su base social es necesario un equilibrio entre las necesidades de la misión (defensa de derechos, apoyo a la participación social, mayor incidencia política, implicación del voluntariado con la misión de las organizaciones) y las necesidades de la organización (trabajo en red, innovación y transparencia). Según el estudio Delphi, a largo plazo las entidades del TSAS tendrán un papel más activo en la articulación de la participación social a nivel local y fortalecerán su base social siendo más democráticas, creando redes relacionales de proximidad y sólidos vínculos con el territorio.

En su relación futura con las administraciones públicas los resultados apuntan a que se consolidará una relación estable de cooperación que no exigirá necesariamente una alianza estratégica ni que las relaciones sean simplemente instrumentales. Más bien se contempla como una relación estable, flexible y sobre bases de independencia. Con la esfera mercantil, existe un amplio consenso en que tenderá a crecer a largo plazo el interés del TSAS en colaborar con las empresas, sobre todo en proyectos de inclusión social. Los directivos y expertos opinan que el TSAS tenderá a un mayor crecimiento de la financiación privada aunque la fuente más importante de financiación del TSAS seguirá siendo la que procede del sector público.

La sostenibilidad financiera del TSAS a largo plazo pasaría por superarse el actual modelo de subvenciones y de concurrencia no ajustada a las necesidades del sector y buscar la suficiencia, estabilidad, control de resultados y la mejora en la valoración del impacto de la actividad del sector. Existe un amplio acuerdo en el TSAS en que la colaboración con el sector público debe continuar y ser más estable en la provisión de servicios, en la aplicación de programas conjuntos, en la financiación y en la colaboración en las políticas públicas. La extensión de cláusulas sociales en la contratación pública es una de las herramientas necesarias para garantizar la presencia del TSAS en proyectos sociales de inclusión. Expertos y directivos sociales comparten la opinión de que la sostenibilidad del sector no es sólo un problema financiero, sino que también, y al mismo tiempo, implica tanto una mayor conexión con la sociedad civil contribuyendo a crear base social y tejido asociativo como la mejora de la capacidad institucional interna. Esto último supone desarrollar formas de colaboración estable entre entidades (compras, formación, gestión de proyectos...), compartir buenas prácticas de gestión y desarrollar el trabajo en red aunque sin descartar fusiones puntuales que añadan valor organizativo y permitan disponer de tamaños organizativos con los que poder desarrollar economías de escala.

La investigación presentada, empero, no ha podido reflejar el impacto de otras normativas que al haber sido aprobadas con posterioridad no han podido ser analizadas por los agentes entrevistados en nuestro estudio. En particular, nos referimos a la aprobación de la Ley 9/2017 de Contratos del Sector Público, al todavía incompleto desarrollo de la normativa sobre acuerdos sociales en las regiones para adaptarlos a las nuevas Directivas de la UE, y al impacto de la descentralización del 0,7 del impuesto sobre la renta de las personas físicas. A pesar de esta limitación, la originalidad del trabajo en cuanto a combinación de diversos métodos cualitativos entre colectivos muy diversos junto a su carácter prospectivo han permitido triangular información y puntos de vista diferentes y a la vez extraer opiniones y tendencias convergentes cuyos resultados han tenido una dimensión práctica para el TSAS en la medida en la que han servido de base para la elaboración de su III Plan Estratégico 2017-2021.

PALABRAS CLAVE: Tercer Sector, Estado de Bienestar, ONG, base social, política social, Unión Europea, sostenibilidad, crisis financiera.

1. Introduction

From the mid-1980s onwards, the Spanish TSSA consolidated itself as a set of organisations dedicated to the provision of services and the defence of social rights. Its growth was made possible to a large extent by the institutional and financial support of the welfare state.

Furthermore, its expansion was bolstered by so-called new social risks. These risks have emerged in Spain and in countries of its vicinity since the 1980s and have been exacerbated by the current economic crisis. The TSSA's increasing dedication to addressing these new risks has given it greater social visibility.

Meanwhile, the inclusion strategies promoted by the European Union (EU) fostered the TSSA's more active participation in and influence on the Spanish mixed welfare system. This converted the TSSA into a social actor with institutional representation (with a "voice") and increasing prominence in the design and development of social policies (European Commission, 2010).

At present, the TSSA finds itself at a crossroads. Since the economic crisis of 2008, it has strengthened its capacity to respond to the social impact of the crisis. It has done so with fewer resources from the State by applying internal financial adjustments and reinforcing collaboration networks with other organisations of the sector.

In this process of adaptation to the crisis, the TSSA has partially sacrificed its capacity for social mobilisation and critical discourse against the crisis' social impacts. It has partially been substituted in this function by the new social movements (Alberich, 2012). This tension between the different functions of TSSA, already present but now sharpened by the crisis, has opened an internal debate on its future challenges, the analysis of which is a central objective of this study.

Our analysis follows two hypotheses that synthesise significant aspects of the TSSA's evolution in the last decades. It concludes with a recommendation derived from both.

The first hypothesis is that the TSSA has experienced in Spain an accelerated process of growth and modernisation in the last three decades. In this process, it has gone from occupying a residual institutional position in the Spanish welfare system to occupying a more central one. In this new position, it has unevenly developed functions of service provision, advocacy and promotion of social participation, while becoming a relevant actor in the design and implementation of social policies.

The second hypothesis is that the economic and organisational growth of the TSSA and its growing institutional influence have been characterised by several factors that condition its future: deeply uneven growth of its constitutive organisations, significant financial dependence on the State and increasing subordination of the functions of social mobilisation and defence of rights to the objectives of organisational growth and service provision.

The conclusion that emerges from these two hypotheses is that the central challenge of the future development of the TSSA consists in strengthening its sustainability, broadening its social base and creating broad strategic alliances with other social and institutional stakeholders.

2. Objectives and methodology

In carrying out this study, we have examined the evolution of the TSSA in Spain, guided by the aforementioned hypotheses. The objectives of the study are threefold:

- A. To explain the institutional nature and recent evolution of Spain's TSSA as an institutional space for the production of well-being within the Spanish welfare regime in a context of convergence towards a European model of TSSA (Kendall and Anheier, 2001; Evers and Laville, 2004, Osbourne, 2008).
- B. To analyse why the TSSA has expanded its institutional and operational space in Spain as a consequence of new social risks and the limits of the welfare state in responding to social needs. We also analyse why the current crisis of the sector is not only a crisis of insufficient resources but, above all, a crisis of sustainability in the medium to long term.
- C. Finally, we undertake a prospective assessment of the future of the TSSA on the basis of its current sustainability framework, its connection with civil society and its capacity to generate strategic alliances in its midst and with other social stakeholders.

The empirical basis of this work has been obtained with the use of qualitative methods such as in-depth interviews, focus groups and the mixed method of Delphi¹. The information was collected during the year 2014. The use of these methods is aimed at interpreting TSSA leaders' discourses,

1.- The research has been based on the information gathered ad hoc to address the objectives set: a) 21 in-depth interviews with NGO managers, representatives of the public sector and social movements as well as experts; b) 6 focus groups involving a sample of 43 NGOs from different sectors of activity in Barcelona, Bilbao, Madrid, Sevilla and Zaragoza.; c) Two rounds of the Delphi study including a sample of 49 managers and experts, in which a total of 32 participated. This research was carried out with the collaboration of the NGO Platform of Social Action (POAS: www.plataformaong.org) and the support of the Mechanism of the European Economic Area 2009-2014, in the framework of the Active Citizenship Programme (Eea Grants) and by the PECOTSAS Project of the State Plan for Scientific and Technical Research and Innovation 2013-2016 of the Ministry of Economy, Industry and Competitiveness (ref CSO2017-85486-P) (<http://www3.uah.es/pecotsasmineco/>).

the collective voice of Non-governmental organisations (NGO) managers and representatives, and the opinions of experts on: the nature and past development of the sector, the current constraints (economic, organisational and institutional) generated by the crisis of 2008 and the potential paths of its future sustainability in the short and medium term.

This empirical basis is complemented by recent quantitative data² and various secondary sources.

3. Overview of the TSSA in Spain: institutional framework, organisational growth and impact of the 2008 economic and financial crisis

3.1. Tradition, modernisation and crisis of the TSSA

In general, the TSSA has reconstituted itself in Spain through the confluence of three factors:

- a) An intense process of modernisation of pre-existing NGOs that provided care services. This process, which has lasted for over three decades, has led the TSSA to converge towards the characteristic features of the European model of the non-profit sector while retaining a differentiated development within the Mediterranean welfare regime.
- b) The reconstruction of Spanish civil society during the democratic transition and consolidation (approximately between 1977 and 1989). This process entailed the rapid creation and expansion of social organisations through the transformation of different movements of persons affected by different problems (disabilities, illnesses...) into stable NGOs with more organisational power than capacity for social mobilisation (Ruiz Olabuénaga, 2000; Pérez Díaz and López Novo, 2003; Revilla, 2002; Rodríguez Cabrero, 2003; Cabra de Luna and De Lorenzo, 2005; Casado, 2008).
- c) The configuration of a mixed welfare system in which civil society and NGOs with a social purpose have developed in parallel to the construction of the welfare state and as collaborators dependent on its social policies (Herrera, 1998). This collaboration has been strengthened by the creation of a regulatory and funding framework conducive to the integration of the TSSA into the welfare regime.

Prior to 1977, the TSSA was residual, very dependent on the Catholic Church and oriented to respond to groups in situations of severe social exclusion. From the democratic transition of 1977, a significant change took place that supposed a wide mobilisation of social groups claiming and

2.- Panel survey of a sample of 962 organisations out of an estimated 29,739 NGOs conducted in 2015 by the NGO Platform of Social Action (POAS-Système, 2015). This survey was conducted with the same sample in 2010 and 2012 by the Fundación Luis Vives. The qualitative research that supports this paper was developed in parallel and in coordination with the panel survey of 2015.

defending social rights in their broadest sense. The central objective of such mobilisation was to turn NGOs into a channel of social participation.

With the consolidation of a medium-sized welfare state model (in comparison to the EU-15), public administrations favoured stable collaboration with the TSSA for the provision of services and the management of social benefits. Such collaboration was a way to channel sectoral demands through public policies and to offer a space of representation and negotiation.

During the long period of economic growth in Spain between 1995 and the crisis of 2008, the TSSA benefitted from this environment as well as from the development of social policies in which this sector became an institutional system of stable collaboration with the State. At the same time, the TSSA had to compete selectively with the offer of private companies in the provision of social services (Fantova, 2005; Marbán-Gallego and Rodríguez Cabrero, 2008; Pérez Yruela, 2015). The result has been a process of institutional consolidation of the TSSA characterised by financial dependence on the state. This process has been further reinforced by the increasing regulation of the TSSA through laws on tax incentives for foundations (1994) and on the development of foundations (2002), on the development of partnerships (2002) and on volunteering (1996 and 2005). Since October 2015, the TSSA has also counted on a specific regulation aimed at consolidating its institutional role and its integration as a specific sphere within the welfare system.

This consolidation has not only been furthered by the cycle of economic growth but also by the definitive stability of a model of collaboration between the State and the TSSA within the welfare regime or mixed welfare model. The decentralisation of the State also favoured the development of relationships of NGOs and the regional and local public administration. Functional specialisation has also taken place in the sector through which umbrella organisations and large NGOs operate at the State level,³ and small and medium-sized NGOs do so locally. A relative specialisation has also been taking place between organisations centred on service provision and those focusing on social advocacy. The result of such specialisation has been a greater concentration of resources and corporate power in large organisations. In contrast, the role of small and medium-sized entities defending rights and providing services at the local level has increasingly been blurred.

Between the end of the twentieth century and the initial years of the present century, the TSSA consolidated its institutionalisation, modernised its management system (especially among large NGOs) and became a strategic partner of the State in the provision of social services.

This development has crystallized in a TSSA financially dependent on the State,⁴ as already mentioned, with a relatively limited social base, developing strategies of intense collaboration with the

3.- *Especially through State programmes such as the subsidization of innovative actions financed by 0.7% of the Personal Income Tax.*

4.- *In 2013, public funding accounted for 55.3% of total revenues, self-financing for 25.3% and private financing for 19.4%, according to the 2015 panel survey.*

State and of selective competition with the private sector companies. These problems have become persistent in the TSSA and constitute a challenge for the future, as will be seen in section 4.

This model of growth faces limits that affect its future development. These limits are not only the result of the uneven and dependent growth of the TSSA, but also of its own constitutive nature. Among such limits, it is worth highlighting the following:

- a) Internal atomisation, which has persisted over the last four decades. The TSSA is a dual and atomised sector in which large entities managing public services⁵ coexist with a very wide universe of small organisations that depend very heavily on public financing and that intervene at the local and regional level. However, in the last two decades, internal articulation has gained weight, both at the sectoral (with the creation of large platforms) and cross-sectoral levels (creation of common platforms for representation and interlocution with public administrations).⁶
- b) A model of internal collaboration among NGOs that has been more punctual and economic in nature than institutional and strategic.
- c) The organisational expansion of the TSSA and its growing influence on social policies has been accompanied by a relative loss of capacity to create a social fabric and to represent and defend the interests of the groups to whom services are provided. This explains, in part, the limited visibility of the TSSA, except in areas such as development cooperation or support for persons with disabilities. Political influence in the welfare state has its counterpart in a certain loss of identity and meaning in terms of its mission as a social agent for the defence of rights and the promotion of social participation. As stated by TSSA managers and leaders themselves, the social base of the sector has shrunk and organisational consolidation has taken place at the cost of increasing demobilisation. With the crisis, such demobilisation has been taken over by the social movements that emerged from the 15-M of 2011. In this sense, the creation of organisational platforms has had a greater utility as a tool for negotiation with public administrations than as an instrument for claiming rights.
- d) Financial dependence of the State in a context in which market competition has increased.

The great depression that emerged abruptly in Spain in 2008 and persisted until 2015 (Mora, 2013; Montserrat Codorniu, 2013; Rodríguez Cabrero, 2015) has multiplied the social demands that the State is not able to satisfy in a context of reduction of social spending. With the economic crisis, social action NGOs have had to do more with less. They count on 14% fewer resources⁷ to respond to an avalanche of demands and a 43.8% increase in direct interventions (POAS-Systeme, 2015).⁸

5.- An example of large entities is the so-called "singular" entities, which enjoy specific statutes and funding. In Spain, these are: Spanish Caritas, the Spanish Red Cross and the Fundación ONCE. These three NGOs accounted for 12% of all TSSA employment in 2013 (TSSA direct employment totals 644,979 persons) and 22.7% of all volunteering (over 1,272,338 volunteers in 2013).

6.- This is the case of the creation of the NGO Platform of Social Action (in 2000) and Platform of the Third Sector (in 2012).

7.- The TSSA's revenues declined from 16.824,50 billion euros in 2008 to 14.470,77 billion euros in 2013.

8.- From 36.8 million euros in 2007 to 53 million euros in 2013.

This response has been possible through three actions of financial and organisational adjustment: a) internal wage devaluation, given that with lower revenues the TSSA has had to face an increase in employment of 21.9% (from 529,029 persons in 2008 to 644,979 in 2013); b) internal management of a 45.7% increase in the number of volunteers (from 873,171 volunteers in 2008 to 1,272,338 in 2013); and c) by improving networking among social organisations (creation of purchasing centres, presentation of joint projects, shared training of staff, among others).

At the same time, the crisis has highlighted the tensions between the functions of service provision, social advocacy and criticism of fiscal consolidation policies. As the NGO managers themselves point out, there has also been a certain crisis of institutional identity and a concern for future sustainability, which were already simmering prior to the crisis. In a sense, the TSSA has not yet reacted to the blow of the crisis on the pre-existing social model.

The economic crisis has compelled social NGO managers to implement policies that reinforce networking and the connections between the TSSA and the social economy (Chaves and Monzón, 2012; 2018). They have also had to actively participate in job creation for those groups furthest from the labour market, to gain presence in environmental programmes and in rural areas and to rebalance the functions of advocacy, service provision and representation. Finally, the crisis has stimulated a debate on the possibilities and opportunities of the TSSA as a sphere of influence in the future configuration of the Spanish welfare system.

3.2. Convergence of the Spanish TSSA towards the European Union TSSA

The process of modernisation of the TSSA has not merely been influenced by the mixed welfare regime established in Spain since 1977. It has also been influenced, subsequently, by the so-called European social space.

The entry of Spain into the European Union in 1986 reinforced the constitutive logic of mixed welfare systems, in which the TS came to occupy a place of growing importance in the production of well-being and shared part of the management of social services and benefits with the welfare state.

In the European debate on social policies, the recommendations and communications of the European Commission have been oriented in two complementary directions: the modernisation of social protection systems and a greater role for civil society as co-responsible in the fight against social exclusion through civil society associations, foundations and networks (European Commission, 1997). More recently, the Lisbon Strategy established in 2000 and, in particular, the National Action Plans for Social Inclusion (NAPinclusion) have favoured a growing involvement of the TSSA in social and labour inclusion policies. The European Social Fund has also contributed as a support mechanism for the social intervention of social sector entities, as set out in the Operational Programme to Fight Against

Discrimination established in 2000, the first ESF Operational Programme in the EU to establish a public-private collaboration with large social entities. In the same vein, the Europe 2020 Strategy has emphasised a more prominent role for the TS and the social economy.

In this context, the different European welfare regimes have progressively shared common traits, both in the development of the TS in general and of the TSSA in particular. In the TSSA, applied social research has identified the following common features at the European level (Chaves and Monzón, 2012; Salomon and Sokolowski, 2015; Marbán-Gallego, 2015):

- A development model in which the provision of social services occupies a predominant place in the TSSA, due to its role as stable collaborator of the State and its financial dependence on the latter.
- The importance acquired by the previous feature has implied a relative and selective regression in the development of the civic functions of mobilisation and claiming rights. In practice, TSSA entities have specialised in service provision and social advocacy. As in the case of Spain, these functions are combined primarily in some of the larger entities.
- The TSSA of Spain shares, as we have seen before, the feature of intense internal differentiation in terms of organisational size, financial capacity and political influence. For this reason, the internal duality of the Spanish sector is similar to the duality of the European non-profit sectors. In the latter, there is an influential minority of large organisations, a very large sector of small organisations and a certain weakness of medium-sized organisations.
- The TSSA has progressively concentrated into sectoral and cross-sectoral platforms and networks, with the aim of increasing fund-raising and economic resources, of strengthening its capacity for dialogue with the public administrations, of accessing the European NGO space and of promoting joint action and work among NGOs.
- Finally, the new social risks and the requirements of more stable financing are orienting the TSSA towards the social economy. Social cooperatives and social enterprises are two examples of a relatively common development in the European social space (see Borgaza and Tortia, 2010; Trivedi and Stokols, 2011; Cooney, 2012; Defourny and Nissens, 2012; Battilana and Lee, 2014).

In summary, the TSSA of Spain has faced a process of modernisation, especially between 1995 and 2007, which has entailed an important development in its consolidation as a social sphere of well-being. However, it has also revealed shortcomings that were already present before the 2008 crisis. The economic and financial crisis has made the financial limits of the sector more visible, as well as its low political impact and limited capacity to articulate with other actors within the welfare regime. This opens up a horizon of uncertainties and challenges, but also possibilities for future development, which are outlined below based on the opinions of TSSA stakeholders.

4. Challenges and perspectives of the TSSA: social base, strategic alliances and future sustainability

4.1 Challenges raised by the crisis for the TSSA

To understand the future challenges of the TSSA, it is necessary to point out that the TSSA has consolidated itself as a sphere of well-being in an unbalanced, dependent way while facing a certain latent crisis of identity in relation to its social and institutional role.

The key challenges identified by NGO managers and experts are the following: addressing new social needs and risks, capacity for organisational innovation, adapting to changes in the social base of the TSSA, relationships with other institutional actors (State, market, social economy) and sustainability. These challenges are consistent with those highlighted by other international works (Anheier et al, 2014) which point to them as the driving force behind the capacity of the TSAS organisations to innovate socially (Rey, 2017; Rey, Felgueiras, Bauer, Einarsson & Cancellieri, 2019) and respond adequately to the crisis.

Of these five challenges, we focus here on the last three insofar as they directly affect the institutional dimension of the sector.

On these three challenges, it should be noted that the current crisis has generated a great deal of organisational tension within segments of the TSSA, due to growing social needs and limited economic resources. It has also highlighted the need to strengthen internal collaboration networks and forge stable external alliances. Responding to these challenges implies tackling the following institutional deficits: its limited capacity for advocacy of social rights, the weakness of its mission, its low influence on the design of public policies, the limited social visibility of the sector's activity and the constraints on the promotion of social participation.

4.2 The crisis as an opportunity to guarantee a TSSA with a broad social base, stable and variable alliances with other institutional actors and achieving sustainability in the long term

In social research, the debate on the challenges of the TSSA in Spain has important precedents, all of them generated by the economic crisis (Fundación Luis Vives, 2009 a and b, 2010, 2012; Pérez Yruela and Montagut, 2012; Pérez Yruela and Ardoy, 2013; Fundación Esplai, 2013; and Fresno,

2014, a and b). In this section, we analyse the challenges related to the expansion and renewal of the social support base of the TSSA, how to forge spaces of support and alliance, and how to achieve sustainability in the long term. To this purpose, we base our analysis on these precedents and on the information gathered from the qualitative analyses conducted.

A) Reconstituting the social base

"This crisis takes place in a sector without a social base, without mobilisation, but in a society that has found where to express itself: through social movements and tides of different types" (Interview 4).

"Reconnect with civil society and emerging forms of social organisation and contribute to its strengthening" (FG1).

Strengthening the social capital of TSSA entities is closely related to their capacity to connect, establish or renew commitments to their social base. We understand the social base in a broad sense, both in its internal and external dimensions. The internal dimension refers to the groups involved in the organisations (volunteers, partners, collaborators, etc.). The external dimension refers in turn to the citizenry as a whole, including social movements and primary networks of solidarity.

Part of the social base of the TSSA is that which accesses social services for the satisfaction of certain needs and demands. However, another part seems to have found its space of mobilisation not around the TSSA, but rather around certain social movements and the so-called "tides" (Platform for people affected by mortgages, movements of the 15M, green, white and orange tides, etc.).⁹ In parallel, the economic crisis has generated an increase in volunteering (POAS-Systeme, 2015).

In this context, we ask ourselves two questions: a) are changes taking place in the roles and commitment of the social base of the TSSA, especially in the field of volunteering? b) is the imbalance between service provision and the function of social advocacy distancing the TSSA from its social base?

The answer to the first question requires assessing whether the TSSA is reformulating its strategies to connect with the social base by generating new commitments of proximity. A review of the recent literature (Arnanz and Barba, 2015; Díe and Jaraíz, 2014; Fresno, 2014 b; Fundación Esplai, 2013; Vidal, 2013; Zuberó, 2014; Zurdo, 2007) and our primary sources (focus groups, interviews, Delphi)

9.- *Green Tide (education); White Tide (healthcare); Orange Tide (social services).*

corroborate the view that changes are taking place in the social base of the TSSA. These changes are reflected in new forms of participation in the solidarity and collaborative economy and in the increase of the volume and diversity of commitments of voluntary action, which coexist with a weakening of the traditional associative space.

In the case of volunteering, the proportion of entities relying on volunteers has increased in the wake of the economic crisis (POAS, 2015). The ambivalence between “task-based volunteering” and “mission-based volunteering” has also been accentuated. The former would have a more specific, less demanding and service-oriented commitment. The second would be interested in social transformation and in actively participating in the internal life of organisations.

Paradoxically, the growth in the number of volunteers in organisations, as validated by the POAS 2015 Survey (POAS-Systeme, 2015), has not entailed a strengthening of the TSSA's social base. In a way, this is because the social base with “transformative ambitions” needed by the TSSA to defend a model of social rights (Fundación Esplai, 2013), has been channelled through social movements rather than the TSSA.

Our analysis has not identified the existence of an integral or minimally articulated strategy from the TSSA to adapt to aforementioned changes in the social base. Neither is there a strategy to attract the growing body of mission-based volunteers linked to the economic crisis. However, some concrete proposals have emerged in semi-structured interviews and focus groups such as: establishing deeper and more stable connections with civil society (associations, social movements, social and solidarity economy, etc.); promoting the permanent linkage of persons (users, families, volunteers, civil society) with entities; and establishing closer links with the local space for social intervention. In addition, respondents have highlighted the need to promote the active participation of volunteers in the decision-making and in the development strategies of organisations. Finally, it has been proposed that the TSSA must promote more flexible forms of volunteering and foster the prominence of beneficiaries of the solidarity actions carried out by NGOs.

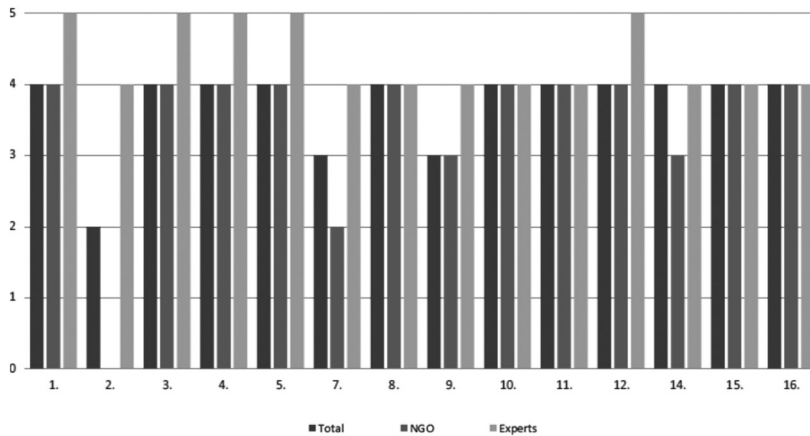
With regard to the second question, it is necessary to assess whether the organisational dimension (technical-economic, service-management) coexists or displaces the relational dimension (organisation's mission) and how this can influence the social base of the TSSA. Our response, based on the interviews and focus groups carried out, is that the TSSA's withdrawal from its social base is due to a number of factors, such as: the difficulty of adapting the TSSA to new forms of solidarity and collaborative economy, which have been blooming with the economic crisis; the limited permeability of the TSSA's organisational structures to new profiles of volunteering, which are more linked to the mission than to the support of programmes; and the unresolved imbalance between the weakening of the mission and the oversizing of the economic-organisational objectives.

It can be concluded from the analysis that, in order for the TSSA to “reconcile” with its social base, it is necessary to achieve a rebalancing between the needs of the mission (defence of rights, support for social participation, greater political impact, involvement of volunteers in the mission of organisations) and the needs of the organisation (networking, innovation and transparency).

However, this synthetic response requires nuances to make it understandable. We start from the fact that TSSA actors note that there has been an imbalance between the logic of the mission (the TSSA as a sphere with the capacity to defend rights) and the logic of the organisation (the TSSA as a sphere that satisfies specific needs). In other words, there has been an imbalance between the necessary civic function of defence of rights and the similarly necessary professionalisation of organisations to manage quality services. The weakness of the first function has entailed a loss of political leadership: *“forgetting the link with the neighbourhood associations, the real link with grassroots movements”* (GF2). On the other hand, the oversizing of the service delivery function has resulted in forms of work that foster *“job insecurity”, “the instrumental use of volunteerism or indebtedness”* (GF4).

In order to deepen the analysis on the prospective development of the TSSA’s social base, we have relied on the Delphi method applied to managers and experts of the sector. We deduce from the analysis the need for a greater “osmosis” between the associative fabric and the TSSA in order to strengthen civil society and to improve its impact on public policies.

According to the Delphi study, in the medium and long term TSSA entities will have a more active role in articulating social participation at the local level. They will also strengthen their social base by being more democratic, by creating relational networks of proximity and strong links with localities (Chart 1).

Chart 1. Future trends in relation to social capital (2025)

SOURCE: Elaborated by the authors.

Note: Median value = 5 totally agree; 1 totally disagree with the statement

1. Third Sector of Social Action (TSSA) entities will tend to increase the flexibility of the concept of volunteering to reconcile the instrumental needs of volunteers and the human resources needs of organisations [2025].
2. TSSA entities will tend towards greater depoliticisation (weakening political culture, timid defence of TSSA's political participation, and lower levels of specialisation in advocacy) [2025].
3. Increase in the participation of beneficiaries in the design of programmes of TSSA entities [2025].
4. Greater involvement of beneficiaries in the strategic decision-making of organisations [2025].
5. The TSSA will become a more active space for the articulation of social participation at the local level [2025].
7. The TSSA will consolidate itself as an instrument for lowering the cost of social action [2025].
8. The TSSA will consolidate itself as a manifestation of citizens' co-responsibility for collective well-being, with its limitations (voluntary nature) and as a complement (never a substitute) to remunerated staff [2025].
9. The social base of the entities will lose weight due to inertia in service provision and the predominance of the managerial character/nature of organisations [2025].
10. Develop a new, more democratic way of working [2025].
11. The TSSA will create greater links with localities [2025].
12. The TSSA will create relational networks in the community [2025].
14. The TSSA will consolidate itself as a manifestation of social movements [2025].
15. The TSSA will consolidate itself as an expression of the environments of beneficiaries themselves [2025].
16. The TSSA will consolidate itself as an expression of reciprocity, that is, being or having been beneficiaries of a project or programme [2025].

B) Relationships of the TSSA with the State and the private sector companies

"The TSSA forms part of the governance of social policies" and ... of "alliances to achieve key objectives in the fight against social exclusion" (E4) ... "working together on shared projects ... of a multiannual nature since the impacts are achieved in the medium and long term" (E11)

“A growing lack of accountability of the Public sector (which fosters) a growing commodification of social action” (E16)

Welfare regimes in the EU are mixed systems in which the spheres of welfare – state, market, non-profit sector and households – are articulated and institutionally related to each other according to different cultural and ideological patterns (Pestoff, 2009; Henriksen, Smith and Zimmer, 2015).

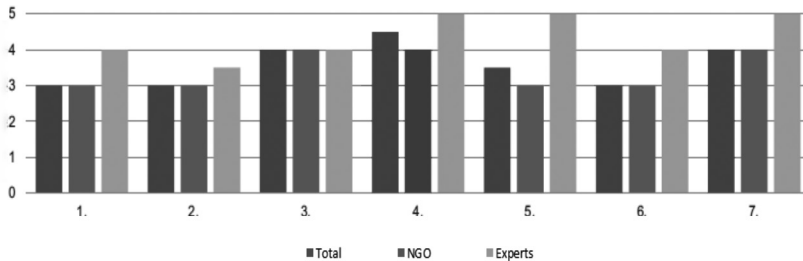
Over the last decades, welfare states have developed stable forms of cooperation with the TSSA. This cooperation has resulted in the non-profit management of public services and the participation of the TSSA in the design and implementation of sectoral social policies (education, healthcare, dependency, social services). In addition, the State and the TSSA cooperate through the development of the Civil Dialogue, which channels the dialogue between both actors, in parallel to the Social Dialogue that takes place between the State, trade unions and business organisations.

The TSSA has also been entering various forms of collaboration with the commercial sphere through Corporate Social Responsibility (CSR), economic cooperation between the private sector and the social economy (labour enclaves) and joint participation in the management of services and projects of labour inclusion (Valor and Merino, 2008). This has occurred relatively slowly and not without a lack of suspicion, especially among small NGO. These relations are developing within a general framework of selective competition between the commercial sphere and the social sphere for managing public services that are the object of public contracting. On the other hand, joint cooperation between the three spheres – State, TSSA and the private commercial sector – has gained ground in recent years, particularly in the field of labour insertion.

Here we ask ourselves three fundamental questions: a) whether it is possible to develop forms of collaboration between the TSSA and the private sector companies that are broader than current ones; b) whether it is possible to extend and deepen cooperation with the State through forms of more stable partnership; c) whether forms of joint collaboration between State, TSSA and private sector companies can be developed in concrete projects of labour inclusion.

From the perspective of the TSSA, the logic of the relationship between TSSA and the State in Spain in the last decades has been characterised by financial dependence and critical collaboration of the former in relation to the latter (Castro Sanz, 2009). This vision is not unanimous and varies between organisations and between managers and experts, as can be seen in Chart 2. One of the forms of collaboration is the management of services. The other form that has gained ground is the creation of institutional spaces of joint participation. In the case of Spain, they are concretised in the so-called State Councils of Disability, Third Age, Dependence, Drug Addiction, Roma People, among others. In these councils, the demands of NGOs are channelled and social policies relevant to each category are debated both at the State and local/regional levels. They constitute spaces of dialogue that, in turn, are subject to partial criticism by small organisations, as noted in the focus groups.

Chart 2. Relations between the TSSA and public administrations (PAs) in relation to claiming rights



SOURCE: Elaboration by the authors based on results of Delphi study (2nd round).

Note: Median value = 5 totally agree; 1 totally disagree with the statement

1. The TSSA is perceived more as a conservative sector than as a sector transforming social reality.
2. The TSSA has lost its complicity with civil society sectors mobilised by the problems arising from the crisis.
3. The TSSA needs to be more oriented toward a rights-based model, which is closer to reality.
4. The TSSA is highly dependent on the state in relation to funding.
5. TSSA entities are unable to be critical of PAs, owing to their financial dependence.
6. The TSSA has increased its complicity with the public sector and such complicity has impaired its capacity for political advocacy.
7. The TSSA is a very heterogeneous sector that lacks a common discourse on the defence of the public sector and public policies.

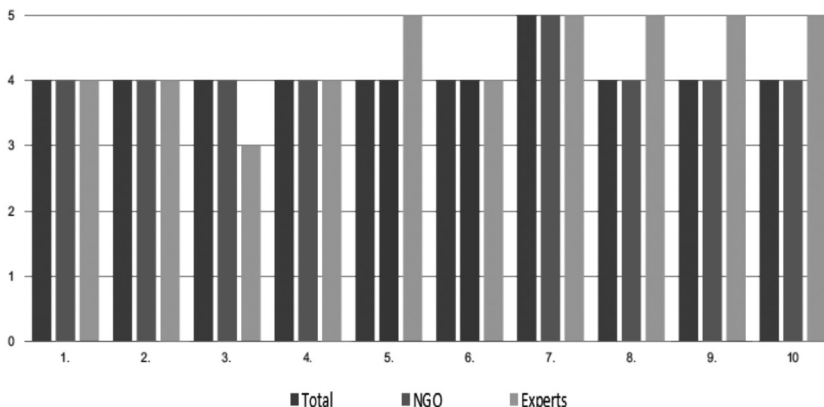
Although the fundamental partner of the TSSA in Spain is the State, collaboration with the private sector companies has been opening up unevenly and with resistance by a considerable part of the sector (López Rey, 2006; Nieto, 2002). Thus, in the POAS survey of 2015 (POAS-Systeme, 2015), only 20% of the entities consider such collaboration as positive. However, this assessment improved by three percentage points in comparison to the same survey of 2011 (17%). Collaboration has been unfolding in the fields of CSR and labour inclusion.

Applied social research has uncovered ample evidence confirming the stability of the cooperation between State and TSSA, as well as the recent development of relations of collaboration between the latter and the private sector companies and, in turn, between these three spheres jointly.

In all these relationships, respondents emphasise that it is necessary to define the role of public authorities, the market, the social economy and the TS in the welfare system. This entails contemplating a broader and more complex scope of collaboration, as gathered by the qualitative studies and the Delphi study on which the present research is based.

The border between all these spheres becomes more porous and even blurred (Fresno, 2014, a; López Rey, 2006). This is due to the orientation towards a market of social services at the European level and towards public sectors that reduce their functions of regulation and redistribution, even in contexts of crisis. The interpretation of how the relationship between the two spheres should develop depends on the position of NGO managers and experts. As can be seen in Chart 3 (relationship between TSSA and the public sector), the future relationship (by the year 2025) between the TSSA and the State or public administrations will be consolidated in facets such as: the management of social services; the development of projects and programmes; as a lobby, as an agent of social transformation; and participation in both civil dialogue and social dialogue. A stable relationship of cooperation does not necessarily require a strategic alliance or merely instrumental relationships. Rather, it is viewed as a stable, flexible relationship and on the basis of independence.

Chart 3. The relationship between the TSSA and the public sector will tend towards ... (2025)

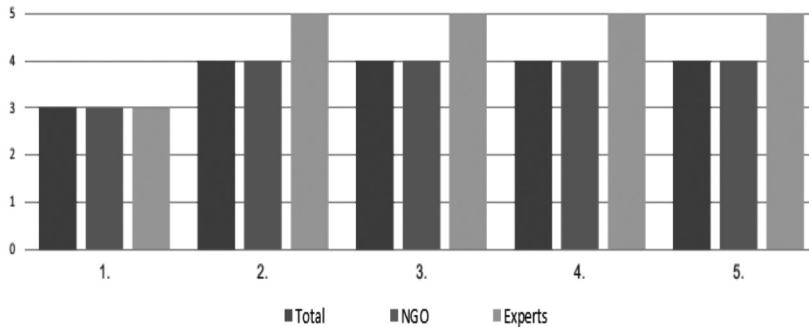


SOURCE: Elaboration by the authors based on results of Delphi study (2nd round).

1. The TSSA will form part of a general strategic alliance with the state and other PAs [2025].
2. The TSSA will build alliances with the state and other PAs only for specific projects and programmes [2025].
3. The TSSA will enhance its role as an instrument of the state and of other PAs [2025].
4. The TSSA will enhance its role as a lobbying body [2025].
5. The TSSA will enhance its role as an agent of change, advocacy and social transformation [2025].
6. The TSSA will strengthen its capacity to negotiate with the PAs and to acquire the status of agent in the social dialogue, along with trade unions and employers [2025].
7. The TSSA will strengthen its capacity to negotiate with the PAs through civil dialogue [2025].
8. Public-private partnerships will be strengthened, with the TSSA taking a more active role in the management of social services [2025].
9. The TSSA will form part of the public network of social services and will contribute to consolidating it through the provision of state-assisted services [2025].
10. The public-private partnerships involving the TSSA will be more flexible, constant and stable over time [2025].

Regarding the relationship between TSSA and the commercial sphere, it is clear from the Delphi survey that it will tend to grow in the long term (2025) (see Chart 4). There is a broad consensus that the TSSA will be increasingly interested in collaborating with private sector companies, especially in social inclusion projects. In this sense, managers and experts consider that the TSSA will tend towards the growth of private financing. This is without prejudice to the fact that the most important source of TSSA funding is likely to remain public.

Chart 4. The relationship between the TSSA and the private sector companies will tend towards ... (2025)



SOURCE: Elaboration by the authors based on results of Delphi study (2nd round).

1. Collaboration among TSSA entities will diminish due to increasing competition with the private sector companies [2025].
2. TSSA entities will advance in the measurement of the impact of their interventions in order to collaborate with the private sector companies in Corporate Social Responsibility projects [2025].
3. The TSSA will have more interest in collaborating with private companies through new forms of collaboration between companies and social entities (value chains, business at the base of the pyramid, social impact vouchers...) [2025].
4. TSSA entities should involve companies in social inclusion projects to a greater extent and provide more information to the companies with which it collaborates [2025].
5. The TSSA will tend to rely more on companies and their foundations and less on PAs [2025].

C) Achieving sustainability for the TSSA

"The TS has not yet reacted to the blow caused by the crisis to the existing social model" (E.20)

"(It is necessary) To advance towards a greater connection between the TSSA and the social economy, whose points of connection are multiple" (E.12)

The economic and financial crisis of 2008 and its social impact have led to an extraordinary increase in social demands on social action NGOs. This has entailed an increase in expenditure, while revenues from public administrations, the primary source of the sector's resources, have shrunk.

As demonstrated by the POAS 2015 survey, the TSSA has undergone a thinning process between 2010 and 2013. It has resulted in the disappearance or inactivity of numerous small social entities and in the reduction of the TSSA's budget by 17%.

Cutbacks in public funding have affected both the delivery of services and the development of social programmes, especially in the areas of awareness-raising and civic-political rights advocacy. The reaction of the vast majority of the social entities has been to apply internal adjustments and to resort to other sources of financing (companies, foundations, donations). These circumstances have also promoted a debate, although incipient, on the TSSA's sustainability in the medium and long term.

We understand sustainability as those strategies aimed at making a social entity or sector of activity viable in the long term through the combination of different sources of funding, the adoption of new forms of organisation and hybridisation, the internal strengthening of the cooperative sector and an improvement of the visibility and measurement of their social impact.

The question we ask is whether the TSSA is sustainable in the long term and what conditions are required for achieving sustainability.

In 2010, revenues from the public sector accounted for 60% of all TSSA resources, private funding 18.2% and self-financing 21.8%. This reality was confirmed, with slight changes, in the POAS 2015 survey with data from 2013 (POAS-Systeme, 2015).¹⁰ Thus, public funding between 2010 and 2012 declined from 60% to 55.3% as a consequence of the crisis. Self-financing increased from 21.8% to 25.3% in that period. Private funding increased slightly from 18.2% to 19.4%, although it did not reach the level of 2008 (23.9%). The most important change was the increase in self-funding from 14.8% to 25.3% between 2008 and 2013.

This dependence on public funding, albeit declining slightly, is a defining feature of the TSSA, which confirms the evidence from existing research (Fresno and Tsolakis, 2012; Montserrat Codorniu, 2009; Galindo, Rubio and Sosvilla, 2014; Pérez Yruela and Navarro Ardoy, 2013). At the same time, it is a sector with a low level of indebtedness (Montserrat Codorniu, 2013).

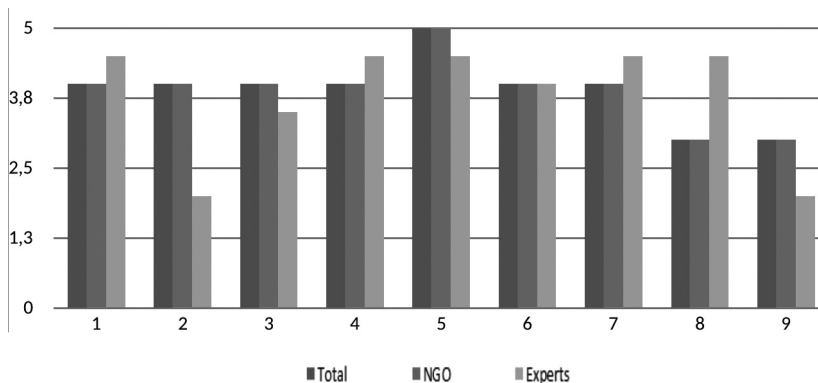
10.- The POAS 2015 survey is a continuation of the surveys carried out by the Fundación Luis Vives in 2010 and 2012, referring to data from the years 2008 and 2010 respectively.

However, the long-term problem is the sustainability of TSSA in its broadest sense. Fresno and Tsolakis (2012) assert that the current model of subsidies and competition that is not adjusted to the needs of the sector must be overcome and seek self-sufficiency, stability, control of results, regular access to bank credit and the possibility of making investments. Along similar lines, others have proposed the merger between organisations within the same sector, although it is a difficult measure to adopt (Montserrat Codorniu, 2013).

The aforementioned authors underline the need for a long-term strategy. Measures would be needed to expand the diversification of funding sources as well as more ambitious policies to render the sector sustainable and to improve the institutional and organisational capacity of social entities.

The sector managers and experts consulted using the Delphi method corroborate this diagnosis on the situation of the sector. Thus, there is a general consensus on the fact that the crisis has had a disproportionate impact on small entities and on those with a greater dependence on public resources. In addition, the crisis has implied staff reductions and has affected staff specialisation and quality, a point of view shared to a greater extent by experts than NGO managers (see Chart 5).

Chart 5. Impact of the crisis on TSSA entities

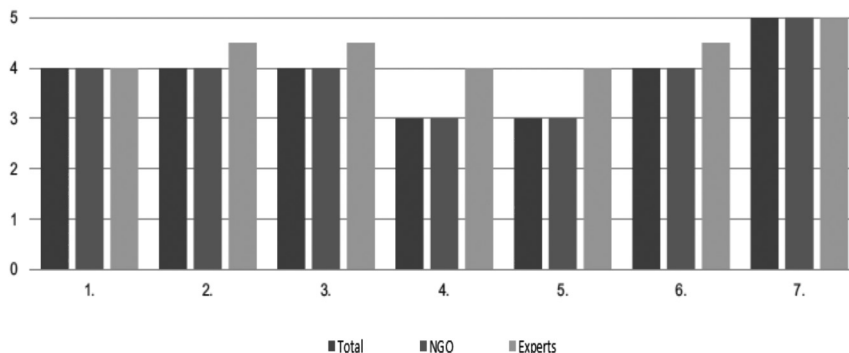


SOURCE: Elaboration by the authors based on results of Delphi study (2nd round)

1. The crisis has increased the visibility and political impact of the TSSA.
2. The crisis has restored the social credibility of the TSSA because it has been able to respond to greater and more visible social needs.
3. The crisis has fostered a greater degree of collaboration between the TSSA and private companies.
4. In the context of crisis, priority has been given to survival over adaptation to new needs.
5. The crisis has affected entities that are smaller and more dependent on public resources to a greater extent.
6. With the crisis, the social rights discourse has become more prevalent among TSSA organisations.
7. The reduction in staff and economic resources produced by the crisis has had a negative impact on the level of specialisation of the organisations' staff.
8. With the crisis, the quality of the TSSA's work has worsened.
9. With the crisis, many organisations have reinvented themselves.

This diagnosis on the impact of the crisis on social organisations is not limited to the economic dimension. On the contrary, the experts and managers consulted indicate that the sustainability of the TSSA is related, above all, to the capacity of the sector itself to create a social base and associative fabric. The latter is considered to be even more important than collaboration among entities, fidelity to the mission and the capacity to respond to social needs (Chart 6).

Chart 6. Essential aspects for the sustainability of the TSSA

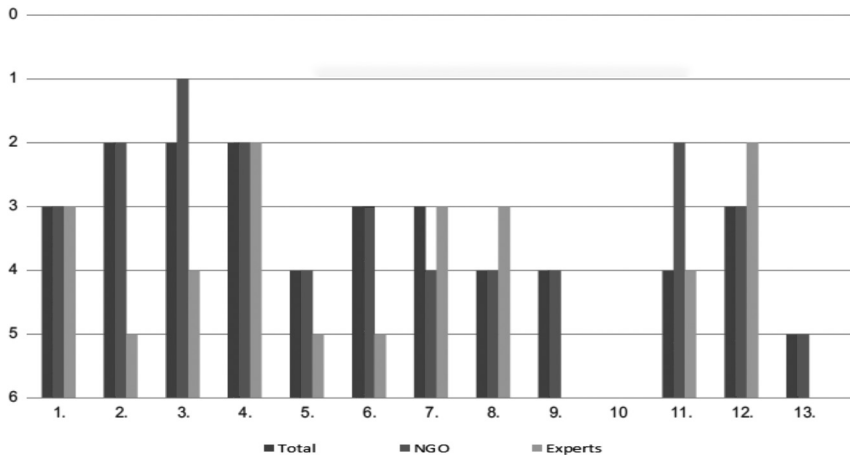


SOURCE: Elaboration by the authors based on results of Delphi study (2nd round).

1. The sustainability of the TSSA is primarily linked to the economic viability of its entities.
2. The sustainability of the TSSA is primarily linked to joint work and collaboration among TSSA entities.
3. The sustainability of the TSSA is primarily linked to its mission and values.
4. The sustainability of the TSAS is primarily linked to close cooperation with PAs.
5. The sustainability of the TSSA is primarily linked to greater cooperation with private companies.
6. The sustainability of the TSSA is primarily linked to its capacity for permanent adaptation to respond to the social needs to which neither the companies nor the PAs respond.
7. The sustainability of the TSSA is primarily linked to its ability to develop its social base and associative fabric.

However, there is no consensus on future trends. Thus (see Chart 7), experts assert that long-term sustainability (2025) lies in strengthening the provision of services in conjunction with an improvement in the assessment of the impact of the sector's activity. On their side, NGO managers trust the social economy and the improvement of the evaluation of impacts and results in the long term. They all share a common opinion: that the sustainability of the sector is not only a financial problem but also, at the same time, implies an improvement of the internal institutional capacity and a greater connection with civil society.

Chart 7. Key long-term future trends (2025) in Third Sector organisations to improve their financial sustainability



SOURCE: Elaboration by the authors based on results of Delphi study (2nd round).

Note: Median value = 1: most important; 5: least important (among the 5 chosen items)

1. Improvement of the TSSA's efficiency (reduction of overlaps and duplicate interventions...) through the co-development and presentation of joint projects centred on individuals (rather than social groups) with other organisations.
2. The social economy will be shaped as a development space of the TSSA.
3. Increase in the search for resources in civil society (donations, non-discriminatory co-payment of services according to resources).
4. Improvement of the evaluation of results and social impact in order to transfer the economic potential of TSSA interventions to private companies and the public sector.
5. Rethink the programmes that are expendable and focus on them.
6. Increase in patronage and economic collaboration with the business sector.
7. Adequate recognition of TSSA in the Law on State Contracts by reinforcing social clauses as a measure of positive discrimination and by giving priority to quality, to the technical conditions of services and to social criteria over pricing.
8. Greater stability and multi-annuality in calls for proposals for public subsidies.
9. Value-Added Tax reform with a more advantageous system for TSSA entities.
10. Development of pro-bono (free) advice from experts/consultants, enhancing partnerships with companies to achieve savings on management and representation costs (there were no answers).
11. Crowdfunding and other forms of microfinancing.
12. Strengthening the provision of services to public and private entities.
13. Reform of the 0.7% clause in Personal Income Tax Returns by including the option to choose specific recipient entities.

This said, short term concerns predominate among the majority of entities in responding to problems of sustainability. Only large organisations and some sub-sectors (disability NGOs) have sustainability strategies at their disposal. There is broad agreement in the TSSA that it is necessary to pursue and

improve forms of stable collaboration with the public sector with regard to three fundamental aspects: a) the provision of services and the implementation of joint programmes; b) as a source of funding; and c) as the axis of collaboration in public policies. The extension of social clauses in public procurement is one of the tools necessary to guarantee the presence of the TSSA in social inclusion projects (Franco and Fernández Miranda, 2012).

Another prevalent option among NGO managers is to improve the internal sustainability of the TSSA. This involves developing the following strategies: a) forms of stable collaboration between entities (for purchases, training, auditing, project management); b) sharing good management practices; c) lifelong learning systems; and d) punctual mergers that add organisational value and achieve organisational sizes allowing the development of economies of scale. The preferred option is stable collaboration or networking over competition or mergers between social organisations.

The sustainability of the TSSA, its content and control and evaluation systems are not only a technical-financial problem but also an institutional option. The latter requires specific tools that guarantee institutional capacity in its broadest sense (financial and organisational, performance assessment and social visibility).

Social research highlights the fact that the TSSA needs a sustainability agenda shared by the majority of NGOs. This agenda should be flexible in order to establish alliances with other social and economic actors, both public and private (such as the creation of integrated complexes of social enterprises and NGOs) (Fundación Luis Vives, 2009 b; Fundación Luis Vives, Antares Consulting and Fundación Caja Madrid, 2011). In other cases (Pérez Yruela and Montagut, 2012), there is a need to advance in relation to sectoral strength, functional specialisation and the reduction of atomisation, since "poor articulation remains a weakness of the TSSA". It would also be necessary to project a positive image and to modernise the management of small entities, overcoming the existing deficits in evaluation and control. Finally, sustainability also requires the reinforcement of the TSSA's "mission" (Fundación Esplai, 2013) and a rebalancing of the functions of service delivery, social advocacy and social transformation (Fresno, 2014a).

The future sustainability of the TSSA will also depend on other regulations that could not be analysed by the agents interviewed in our study since they have been approved subsequently. In particular, we refer to the approval of Law 9/2017 on Public Sector Contracts¹¹, the development of the regulations on social agreements in many autonomous communities to adapt them to the new EU Directives, and the impact of the decentralisation of 0.7 of personal income tax. The analysis of the real impact that these regulations are currently having on the sustainability of the TSAS is still premature

11.- It includes the transposition into Spanish law of European Parliament and Council Directives 2014/23/EU and 2014/24/EU of 26 February 2014. Available at <https://www.boe.es/buscar/act.php?id=BOE-A-2017-12902>.

as they are recent or in the development phase in some regions, Some studies are already analysing how TSAS entities should orient themselves in the face of the phenomenon of new public procurement (Sanjurjo C. y Rodríguez, 2018).

Other works point out that the change in the 0.7% model will have impacts on the territorial distribution and on the size of the projects causing a distribution of the amounts coming from the income tax among a greater number of organizations (PwC 2018) at the cost of a drastic reduction of the funding allocated by projects¹². Perhaps, a more detailed advance of its impact on social organizations can be noted in the survey that the POAS plans to publish for 2020, giving continuity to those carried out in 2010, 2012 and 2015¹³.

5. Conclusions

This work has defined the institutional nature of the TSSA in Spain and its common features with other European TSSA models. It has also analysed the foremost financial and organisational impacts of the economic and financial crisis of 2008-2015 on this sector. Finally, it has assessed some of the key challenges that will affect the TSSA's future development.

In order to achieve these objectives, the methodological approach adopted here has been qualitative in nature. Semi-structured interviews and a Delphi research involving a significant sample of NGO managers and experts have been conducted. Their purpose has been to capture respondents' opinions and visions in relation to the three objectives mentioned. This methodology has been accompanied by the results of recent studies.

We highlight the following conclusions, among others:

1. In the first place, the TSSA has undergone a process of modernisation over the last three decades, through which it has gone from being a residual sector to becoming an institutional sphere integrated into the Spanish mixed welfare regime.

During this period, the TSSA has crystallised specific features such as: becoming a sphere of collaboration with the public sector in the management of public services and policies, on which it largely depends financially; forming a solidly dual internal structure articulated around the predominance of a

12.- More details at <http://www.plataformatercersector.es/es/subvenciones-07-irpf>.

13.- More details at: <http://bit.ly/2MG4OJX>.

small nucleus of large organisations; undergoing an intense regulation of the social sector over time, concluding with the Law on the TSSA of 2015; facing processes of articulation in the form of platforms and umbrella organisations to facilitate their interlocution with public administrations; and losing, in relative terms, their capacity to structure or influence in civil society in this process. Finally, it has tended to converge with national models of the EU in relation to the following aspects: collaboration with governments; the central importance of service management; functional specialisation; the creation of platforms and the progressive recourse to the social economy as a source of financing.

2. The economic and financial crisis that began in 2008 has had a major impact on the TSSA. The crisis has compelled the latter to respond to a very significant increase in social demands with diminishing financial resources. This social pressure has reduced the role of claiming rights and social advocacy that has been assumed to a large extent by emerging social movements and new associations of affected persons.

The crisis, at the same time, has given way to an intense process of internal restructuring that has not yet concluded. This process has resulted in the disappearance of numerous small NGOs, part of which had been developing responses in situ to social emergency situations. The crisis has also bolstered networking at the sectoral level and the search for new sources of financing. Despite the crisis, the TSSA has maintained and even increased employment at the cost of an internal wage devaluation. All of the former in a context of partial regression of social policies and a boom in private commercial provision whereby companies are entering areas where they compete with the TSSA, such as social-healthcare services.

3. The crisis has also been an opportunity to explore the potential responses of the TSSA to challenges that, even if they were already latent, have fully materialised with the crisis. Among the future challenges, with a time horizon up to 2025, we have analysed those related to the strengthening of the social base of the sector, the relations with the public and private sector companies, and sustainability. The reference points of the analysis have been the opinions of TSSA managers and experts themselves. With respect to these challenges, we tentatively conclude that:

a) The extension and strengthening of the TSSA's social base requires a greater connection with civil society and, in particular, with the social movements and new associative forms that have arisen in the last few years; it must also continue along the path of connecting with the social economy through the creation of social companies and cooperatives.

b) The TSSA needs to pursue its collaboration with the public sector in a stable manner and based on reduced financial dependence and medium-term projects. At the same time, it is considered necessary to open up to collaboration with the private sector companies, especially in labour insertion projects that allow joint modes of action. However, suspicion towards such collaboration persists for ideological reasons. The creation of partnerships between the three actors (TSSA, private and

public sectors) is considered as an opportunity to test modes of social action that may multiply the effectiveness of social projects.

c) Finally, the sustainability of the TSSA in the medium to long term is considered to rely on a combination of financial, organisational and institutional sustainability, reinforcing the “mission” and building capacity for internal collaboration whenever possible. In summary, the construction of a sustainability agenda would have to affect the following elements: the diversification of funding sources; internal strengthening (networking); greater visibility and social impact of the TSSA's action; and openness to collaboration with other actors (public sector, private commercial sector, other organisations of civil society and of the social economy).

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