

GLOUCESTERSHIRE

VCS

ALLIANCE

AN INDEPENDENT VOICE FOR THE VOLUNTARY AND COMMUNITY SECTORS

State of the Sector Report 2019/20



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Foreword

This report was written in the first two months of 2020 using data collected during Autumn 2019. At the time no-one knew that the world was about to enter the biggest health and economic challenge of a century. Given the enormity of the COVID-19 pandemic crisis, it would be remiss not to attempt at least to include early information about the impact of the coronavirus on Gloucestershire's VCSE sector, even though as this goes to print in May 2020 we are barely coming through the peak of what could be only the first wave.

Remarkable as it is how well the VCSE has come together within Gloucestershire to offer help to its communities, we should not underestimate the scale of challenge individual organisations face. This is being done when the long-term future of many not-for-profit organisations was already insecure, and indeed, today is urgently more so. It is hard to predict how the state of the sector may look in 12 months' time, but we can be sure it will be different. If anything, this crisis has served to underline the importance of the VCSE sector and its value to society, a fact which is being increasingly recognised by colleagues in the public sector. But action will speak louder than words: without adequate support and funding, some of the support provided by charities and other not-for-profits will no longer be available for more vulnerable and disadvantaged people next year.

Introduction

The following report has been produced by the VCS Alliance, an independent infrastructure charity working in Gloucestershire. The purpose of the report is to provide details to stakeholders on some of the work carried out by the VCSE sector over the previous 12 months. In view of the size and diversity of the sector this cannot be exhaustive; nevertheless it is an enlightening snapshot of the sector over a four-month period (September to December 2019) and representative of the sector as a whole. Henceforth, Gloucestershire VCS Alliance will produce this report each year and in so doing demonstrate the changes and trends we see in the data. Each year's report will be publicly available.

Any questions, queries or requests for further information should be directed to:

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We would like to thank all the organisations that took part in providing information for the survey and through interview.

Who we are, what we do

The Gloucestershire VCS Alliance is the independent voice that informs, strengthens and develops the voluntary and community sector in Gloucestershire. In order to strengthen and develop the sector we undertake to be the best local source of knowledge for a complete understanding of what the sector is, who it supports and what it does.

VCS Alliance strategic aims

We will provide:

- A communications strategy to build trust and reputation
- An information strategy that focuses on what is truly valuable to our stakeholders
- A “better together” strategy to improve sector resilience and increase influence
- A continuous learning strategy to build expertise.

Rationale

We produced this report to highlight what the VCSE in Gloucestershire does and to demonstrate the value and diversity of the work it carries out. The objective is to demonstrate to all stakeholders how the sector operates as a key service provider, its vital role in the economy of Gloucestershire, and also as a significant employer.

By providing this information our purpose is to demonstrate the positive social impact that the VCSE has on people living within our communities and to show that the sector is a key provider of health, wellbeing, preventative and care services. This report provides statistical evidence that the VCSE in Gloucestershire is in fact an essential part of the care system, the economy and the fabric of society.

How we gathered the data

The VCS Alliance generated three datasets in order to gather information about the VCSE in Gloucestershire between September and December 2019. We wanted to look specifically at the sector's function, capacity and resilience and we decided this purpose would be served best by using both qualitative and quantitative methods.

Our three datasets were:

- **Charity Database:** We created a charity database of all registered charities in Gloucestershire using information from the Charities Commission website. This includes all information publicly available through account submission and Trustee Annual Reports.
- **Survey of Members:** We created our own survey and received survey responses from 230 organisations, mostly registered charities but also some unregistered voluntary groups. The survey consisted of 10 questions, full details of which are available in the appendices of this document and analysed throughout.
- **Interviews:** We conducted face-to-face interviews with senior manager representatives of 58 organisations within the sector from across Gloucestershire. These interviews were purposefully unstructured to encourage interviewees to raise issues around operational delivery in a spontaneous way, rather than us guide the conversation.

We will repeat this process each year to compare and contrast the changes in the sector and to analyse data trends. Each of these datasets has a section within this report with conclusions drawn at the end of the report based on all three datasets.

Definitions

This report is about the 'state of the voluntary, community and social enterprise sector' in Gloucestershire, but to begin with we need first to define the object of our study which, for very good reason, has long been described by academics as "a loose and baggy monster" (Knapp and Kendall, 1995). At various times over the past thirty years, the voluntary sector has been referred to by government as the 'voluntary and community sector' (VCS), the 'third sector', the 'VCSE' and even more broadly 'civil society'.

At a nation-wide level in 2020, there are around 168,000 registered charities in the UK, but that number does not include the vast number of unregistered voluntary and community groups in the country, nor the growing number of social enterprises.

Strictly speaking, the 'voluntary and community sector' (VCS) only includes registered charities and unregistered voluntary and community groups; whilst the broader 'third sector' or 'VCSE' label also includes social enterprises. However, not least because so many social enterprises are in fact commercial offshoots of large charities, the 'third sector' or VCSE is a hugely contested terrain.

The table below appears in Tom Levitt's book *Partners for Good: Business, Government and the Third Sector* and in our view presents the clearest guide to all the sectors, and how the different terms for charities, voluntary groups and not-for-profits sits within that:

Table 1: Using sector terminology accurately							
	Business	Not for Profit	Voluntary Sector	VCS	Third Sector /VCSE	Civil Society	Public Sector
Private business	X						
Social Enterprise	X	X				X	
Mutuals	X	(X)				X	
Foundations	(X)				X	X	
Charities		X	X	X	X	X	
Volunteers			X	X	X	X	
Community/ Faith Groups				X	X	X	
Trade Unions					X	X	
Media						X	
Philanthropists						X	
Exempt Charities		X				X	X
Academia						X	X
Politics						X	X
Local Government						(X)	X
Central Government							X

For the purposes of this report, VCSE and charity sector are for all these reasons roughly synonymous.

Measuring the total volume of VCSE organisations is a big challenge. This is because many informal voluntary groups operate without a constitution or any formal registering process. This means they do not appear on any formal register like Companies House or the Charity Commission – in this respect these organisations operate Below the Radar (BTR) and are hard to count accurately.

NCVO research conducted by Southampton University indicates that there will be around 3.66 BTR organisations per 1000 people. Based on a Gloucestershire population of 633,558 we estimate that there are 2316 BTR organisations.

Using the survey we know that approximately one fifth of respondents are social enterprises and will not be a part of the Charity Commission data we gathered. Using this calculation and knowing how many registered charities there are, we estimate there are around 543 social enterprises in Gloucestershire. This tallies with other research conducted nationally.

Type of Organisation	Number of Organisations
Social Enterprise	543
Below The Radar	2316
Charities	2718
Total	5577

Charity Search Database

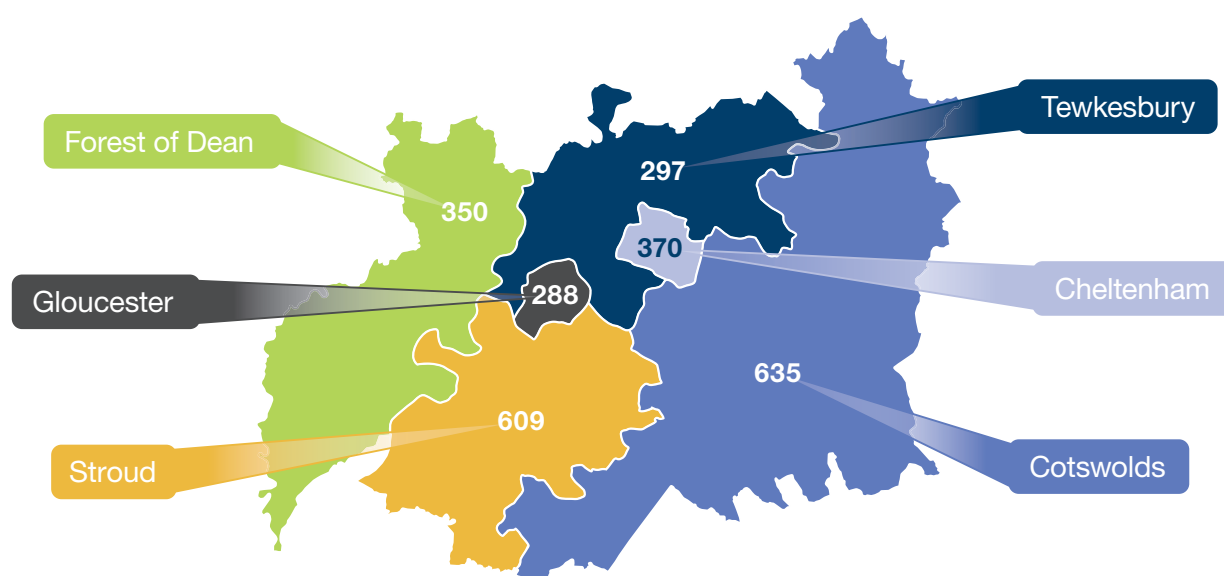
For the first section of this report we will be putting aside the BTR organisations and social enterprises and just focusing on registered charities which are based in Gloucestershire.

The data presented in this report is taken from the Charity Commission website. Although it only provides a snapshot in time, the full charity database is updated each month and available at any time via our website.

We have created the table below showing a breakdown of where charities' head offices are in Gloucestershire. This only demonstrates where they are based and is not a reflection of their area of operation. Further on in the report we will also show where these charities operate.

Table 2: Main office location of registered charities in Gloucestershire

Local Authority District	Registered Charities
Cheltenham	370
Cotswolds	635
Forest of Dean	350
Gloucester	288
Stroud	609
Tewkesbury	297
TOTAL	2549



To provide some context around this, we have broken down the Local Authority areas into population and age demographic.

Nationally, according to the Charity Commission, the largest proportion of registered charities – approximately one-third of the total – are involved in the provision of social services, culture and recreation.. This pattern of activities is replicated in Gloucestershire.

It is interesting to note that the district with the second smallest population i.e. Cotswolds, has the largest number of charities based there; conversely, the city of Gloucester, the area with the second highest population, has the second smallest number of registered charities, despite the fact that a number of county-wide organisations are based in the city.

One can speculate on the reasons for this: the Cotswolds is a large and rural area of market towns and small villages, not well served by public transport, relatively affluent and with the highest proportion of over 65-year-olds in the county. It is likely that many residents in the Cotswolds consider that statutory services are lacking in their district so they are attempting to provide what they can through charitable means.

Many healthy retirees become involved in charity work one way or another. By contrast, Gloucester is urban and its demographic is younger and with proportionally less affluent as well as BAME communities within its population. It likely has a higher number of unregistered, self-supporting voluntary groups.

Table 3: Number of registered charities against district population and age range

District	Registered charities	Population	Percentage by age		
			0-19	20-64	65+
Cheltenham	370	117,128	22.5	58.5	19.0
Cotswolds	635	87,509	20.4	54.3	25.2
Forest of Dean	350	85,957	21.5	54.6	23.9
Gloucester	288	129,083	24.9	58.7	16.4
Stroud	609	118,130	22.3	55.5	22.2
Tewkesbury	297	90,332	22.4	55.6	22.1
TOTAL	2549	628,139	22.5	56.4	21.0

The following table shows the total amount of income generated by charities within each district authority for the financial year 2018/19.

Table 4: Total income produced by charities per district

District	Registered charities	Income £
Cheltenham	370	244,288,183
Cotswolds	635	149,002,262
Forest of Dean	350	58,759,687
Gloucester	288	127,046,598
Stroud	609	148,546,216
Tewkesbury	297	25,076,889
TOTAL	2549	752,719,835

Although the headline figure of over £752 million worth of income implies a healthy VCSE economy, a few caveats need to be applied to these figures for clarity. Firstly, these figures include educational institutions that have charity status. However, the figure of £752 million is accurate within the accepted definition of the VCSE sector as a whole. This figure represents 4.5% of the whole economy of Gloucestershire. To provide further context, the CCG's budget for this financial year was £810 million, and the County Council £480 million.

Table 5: Registered charities against income, not including educational institutions

District	Registered charities <i>excluding</i> educational institutions	Income £
Cheltenham	332	65,462,654
Cotswolds	566	137,765,855
Forest of Dean	329	52,300,423
Gloucester	258	110,075,075
Stroud	528	81,942,042
Tewkesbury	270	17,116,726
TOTAL	2283	464,662,775

The other caveat is that these figures become more meaningful when viewed within the context of previous years' income and it is possible to see an upward or downward trend. Each year we will be monitoring the changes in income, reserves, staff and volunteer numbers to continually review the sustainability of the sector in Gloucestershire. This first report, however, provides us with a valuable base line against which we can review changes. Given the likely enormous impact on the sector from the COVID-19 pandemic crisis, the importance of this annual undertaking cannot be overstated.

To provide the full picture of the sustainability of the sector, we also need to factor in the figures for reserves held by charities, although it has to be said that overall figures can be misleading. Some charities have exceptionally healthy reserves, whilst others are in a precarious position. Unlike in other sectors, the financial health of a charity might just as easily be explained by the good fortune of a timely legacy, as good governance or financial management.

Table 6: Registered charities and their reserves

District	Registered charities	Turnover 18/19 (£)	Reserves 18/19 (£)
Cheltenham	370	244,288,183	224,894,040
Cotswolds	635	149,002,262	161,315,114
Forest of Dean	350	58,759,687	58,539,670
Gloucester	288	127,046,598	60,097,510
Stroud	609	148,546,216	91,267,036
Tewkesbury	297	25,076,889	16,746,227
TOTAL	2549	752,719,835	612,859,597

Table 7: Registered charities and their reserves not including educational institutions

District	Registered charities <i>excluding</i> educational institutions	Turnover 18/19 (£)	Reserves 18/19 (£)
Cheltenham	332	65,462,654	127,582,022
Cotswolds	566	137,765,855	154,375,066
Forest of Dean	329	52,300,423	58,030,739
Gloucester	258	110,075,075	50,893,746
Stroud	528	81,942,042	59,967,634
Tewkesbury	270	17,116,726	11,770,252
TOTAL	2283	464,662,775	612,859,597

Total employment vs employment in charities

Table 8: Total number of people employed in Gloucestershire (excludes self-employment)

District	Full-time	Percentage	Part-time	Percentage	Total	Total
Cheltenham	44,400	66.0	22,900	34.0	67,300	24.3
Cotswolds	25,500	65.5	13,500	34.5	39,000	14.1
Forest of Dean	14,500	62.1	8,800	37.9	23,400	8.4
Gloucester	38,400	63.6	21,900	36.4	60,300	21.8
Stroud	30,000	67.2	14,600	32.8	44,700	16.1
Tewkesbury	31,600	75.3	10,400	24.7	42,000	15.2
TOTAL	184,000	66.7	92,200	33.3	276,000	

Table 9: Number of people employed by charities in Gloucestershire

District	Registered charities	Paid Employees (includes full and part-time)	Volunteers
Cheltenham	370	4699	4481
Cotswolds	635	1527	2048
Forest of Dean	350	1117	1530
Gloucester	288	946	3470
Stroud	609	3560	3394
Tewkesbury	297	341	1726
TOTAL	2549	12,190	16,649

In order to measure a sector's contribution to the national economy their output is calculated as "Gross Value Added" (GVA). However, as this does not adequately represent the voluntary sector's contribution, the NCVO and the Office for National Statistics (ONS) co-developed a method of estimating this. Whilst they acknowledge it has limitations, it is considered to be the best indication of the economic value of the sector.

GVA is calculated as follows:

Staff costs + Expenditure on goods and services – Income from sales of goods and services.

(Estimates for voluntary activities are based on estimates of total hours carrying out regular formal volunteering activity) (Community Life Survey) and wage rates from the Annual Survey of Hours and Earning. The ONS calculates how much it would cost to replace volunteers with paid staff.

The voluntary sector contributed £17.1bn to the national economy in 2016/17. This represents approximately 0.85% of total GDP. According to the NCVO those areas of voluntary activity which contribute the most in terms of output are activities focused on international and social service sectors (more than £3bn) with significant contributions also from health (£2bn) and culture and recreation (£1.8 bn).

A simple way to calculate the economic value of a volunteer's contribution on an hourly basis is to use the following formula:

The number of volunteers x average number of hours x average hourly wage.

This may be a fairly crude method which fails to take into account social value; nevertheless it at least provides a monetary value.

Summary Tables

Table 10: Summary of information on registered charities

District	Registered charities	Turnover 18/19 (£)	Reserves 18/19 (£)	Paid Employees	Volunteers
Cheltenham	370	244,288,183	224,894,040	4699	4481
Cotswolds	635	149,002,262	161,315,114	1527	2048
Forest of Dean	350	58,759,687	58,539,670	1117	1530
Gloucester City	288	127,046,598	60,097,510	946	3470
Stroud	609	148,546,216	91,267,036	3560	3394
Tewkesbury	297	25,076,889	16,746,227	341	1726
Total	2549	752,719,835	612,859,597	12,190	16,649

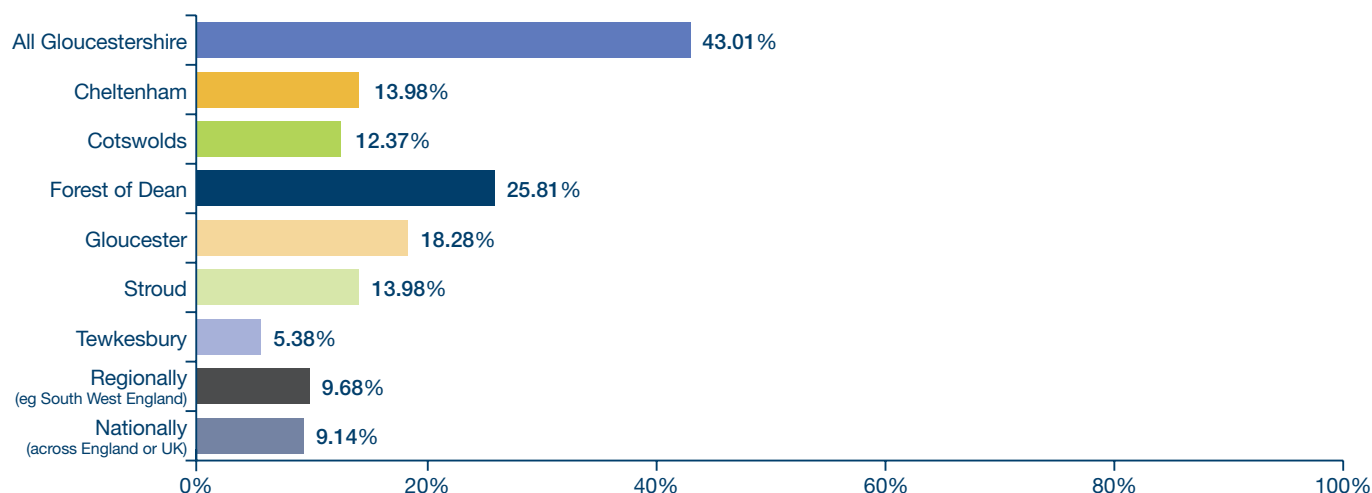
Table 11: Summary of information on registered charities excluding educational institutions

District	Charities <i>excluding</i> educational institutions	Turnover 18/19 (£)	Reserves 18/19 (£)	Paid Employees	Volunteers
Cheltenham	332	65,462,654	127,582,022	1722	3323
Cotswolds	566	137,765,855	154,375,066	1458	2048
Forest of Dean	329	52,300,423	58,030,739	717	430
Gloucester City	258	110,075,075	50,893,746	916	3419
Stroud	528	81,942,042	59,967,634	1915	3186
Tewkesbury	270	17,116,726	11,770,252	163	1720
Total	2283	464,662,775	612,859,597	6891	14,126

Survey Results

The following data is taken from a survey distributed by the VCS Alliance and its partner organisations. We received 230 responses to our survey which asked 10 questions. The results and analysis are below. **Please note that this information is taken from the full spectrum of the VCSE, charities, social enterprises and BTR organisations.**

Areas of operation

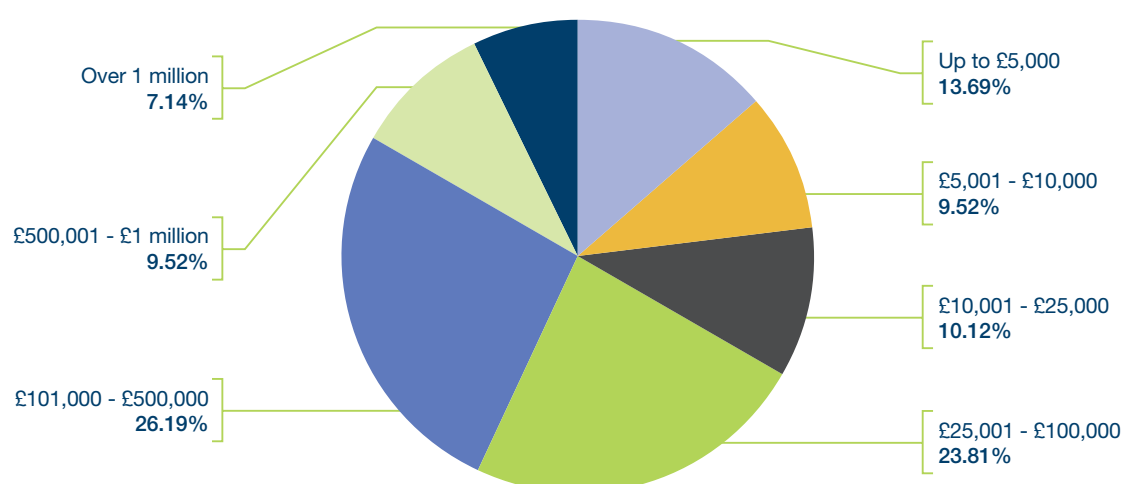


Just over 43% of organisations consider themselves to operate county-wide. This means that areas of the county that do not have a high number of charities based there still have access to the service provision.

By far the largest concentration of local provision comes from within the Forest of Dean with 25% of organisations based there only providing services within that local authority area. This is probably down to the rurality of the Forest of Dean and the necessity to provide services locally.

9% of organisations based in Gloucestershire operate nationally.

Breakdown by Income



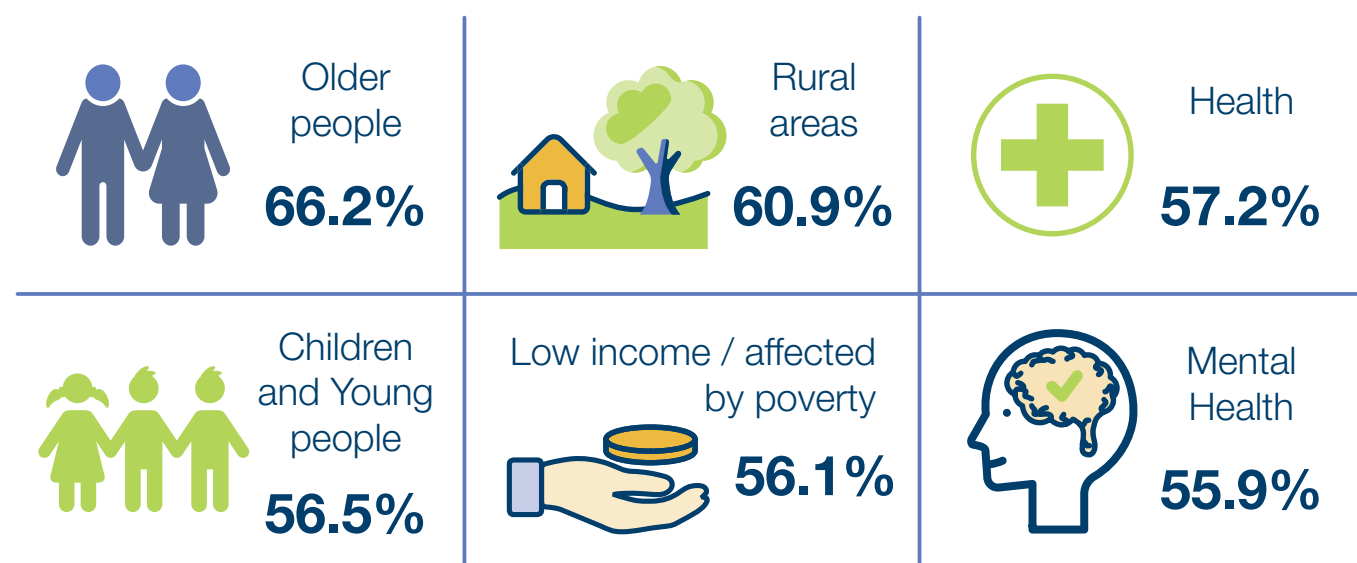
The chart above shows the size of the VCSE based on income. 33.6% of organisations have a turnover of £25,000 or less. Based on the NCVO categorisation, this means that they are deemed to be micro organisations.

7% of organisations operate an income of over £1million annually. However, if we look more closely into this, the majority of the organisations in this band are trust funds, grant giving organisations and education institutions. Very few organisations providing services directly to service users have a turnover of a million pounds or more.

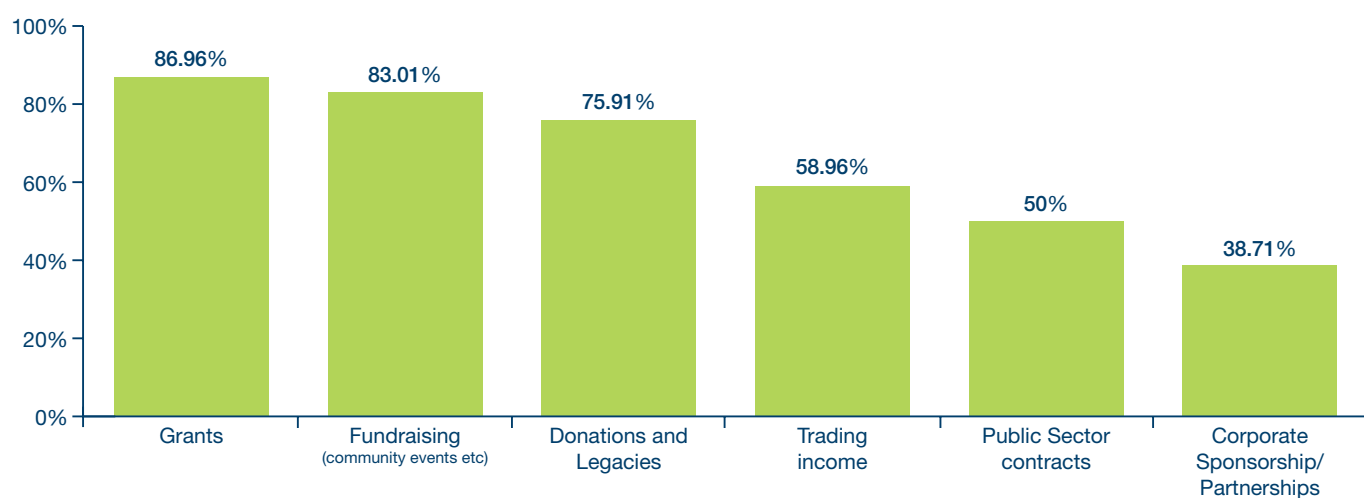
What the sector does

The VCSE in Gloucestershire is very broad in terms of its service delivery and range of service users. We asked organisations who they work with and support on a regular basis. The diversity of support was vast, but the table below captures the most common responses. The full details of the responses to this question is provided in appendix 3.

Area of work	Percentage of organisations supporting this area
Older People	66.2
Rural Areas	60.9
Health	57.2
Children and Young People	56.5
Low income / affected by poverty	56.1
Mental Health	55.9



Who Funds the Sector?

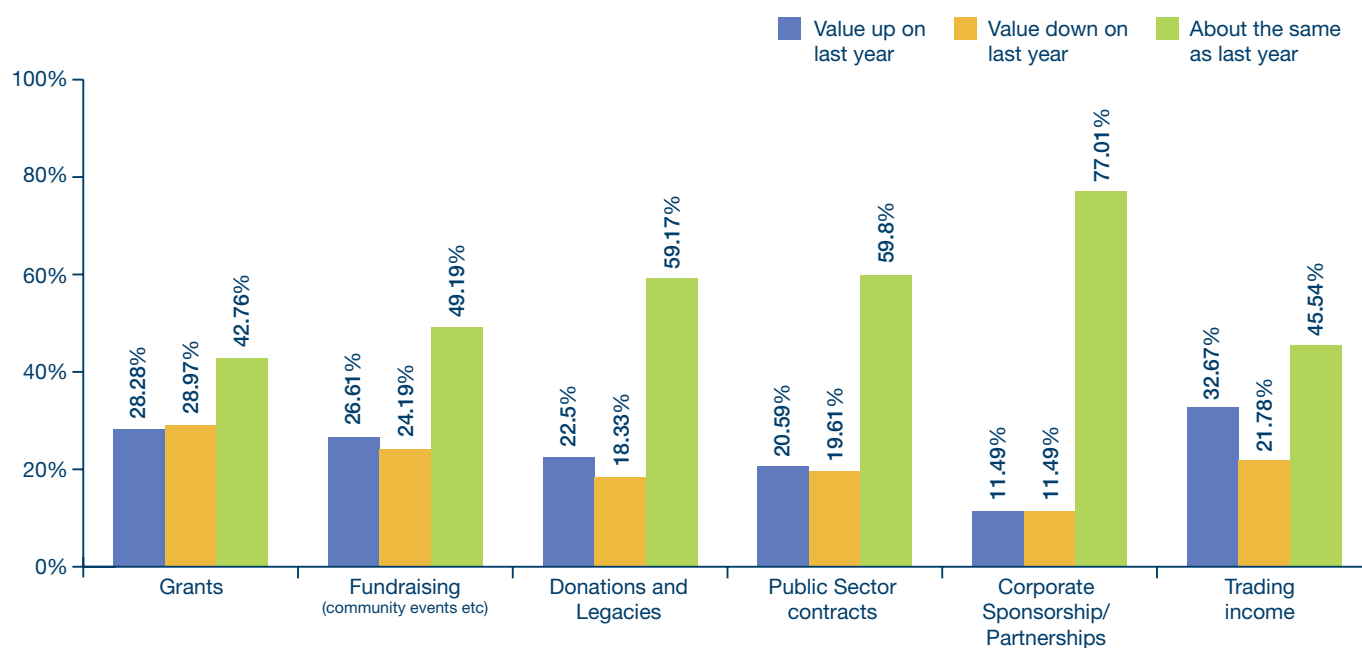


87% of organisations receive grant funding. Grant funding remains the lifeblood of the sector. 50% deliver on public sector contracts. This potentially puts the local VCSE in a precarious position as the public sector is getting smaller and there are signs that in future there will be fewer contracts going to bigger players, whose headquarters may well be based out of county.

It is undoubtedly the case that the VCSE and the public sector are reliant on each other. In Gloucestershire, those in positions of authority within the public sector rightfully acknowledge the contribution that the VCSE makes to providing services in the county and to the wider economy. For its part, those within the VCSE welcome this recognition from the public sector, but remain concerned that funding is insufficient in the face of an ever-increasing demand on their already stretched resources. Traditionally, the VCSE is able to respond swiftly and flexibly to the need to deliver services and activities, and at no time has this been more evident than during the current COVID-19 pandemic. This appeals to the public sector, particularly when this enables them to achieve their targets and priorities. In this way excellent working relationships can develop with a greater understanding on both sides of the needs of the respective operational environment. For the VCSE, survival for many would be difficult or impossible without the financial input of the public sector. But it is the case for many that it is becoming more difficult to access public sector funding and even for those that do, this may mean applying to more sources for less money than they previously received.

Many in the VCSE do not receive public sector grants and do not bid for public sector contracts; instead they rely on fundraising, along with donations from members of the public and businesses. This is, of necessity, often a precarious way to proceed, and is likely to prove even more so as the country sinks into potentially the biggest recession in a century. There is every likelihood private donations and corporate sponsorship will decrease, which will inevitably have an impact on sustainability. Additionally, those fortunate enough to receive a legacy or donations can often attract match funding to help them continue to provide services. The loss of donations will in turn affect the prospect of attracting match funding and can lead to the loss of a valuable resource to the community, and, indeed, to the public sector. This issue is especially pertinent in a rural county such as ours where many small organisations rely on donations. They often do not wish to be commissioned due to the added administrative workload which may detract from time spent on service delivery. However, the resource they are providing to a community would be greatly missed. This applies to many organisations in Gloucestershire.

Changes in incomes



How sustainable is the VCSE?

- Only 27% reported that their long term future was not a problem.
- 50% delivering public sector contracts
- Only 41% have trading income

State of the Sector Survey – Conclusions

In general the results of the online survey support what was found during the visits to VCSE organisations. Whilst understandably certain organisations will have specific issues that they wish to raise, for the purposes of this brief summary of conclusions it was considered most useful to focus on issues where over 50% of respondents identified a topic as something notable and/or of concern.

In addition to reporting these results and conclusions it is constructive to consider just how these voiced concerns might be allayed, and, in particular, what the VCS Alliance could realistically offer to help with the issues raised.

Issues raised in the survey

1. Future funding

In order of importance based purely on percentages, concern about their organisation's future headed the list of issues. This is very much in line with the funding concerns raised by organisations during visits made to them.

64% of respondents consider **the future of their organisation to be a problem, with 73% concerned about the long-term future**. As this survey was completed by a range of organisations throughout the county, encompassing large, medium, small and micro organisations, this is a worrying statistic that cannot be dismissed as pertinent only for smaller organisations.

How can the VCS Alliance help?

1. By highlighting these results and making it clear to the statutory sector just how precarious current funding models are for all sizes of charities.
2. By continuing to raise the profile of the sector e.g. the work done with counselling organisations and the ongoing work with neurological groups.
3. By encouraging funders to be more realistic about core cost funding, which is essential alongside the drive to 'professionalise' charities in terms of showing accountability and measuring impact.
4. By encouraging funders to consider longer-term funding i.e. not 12 months grants, to give the sector more confidence to invest in order to adapt to our changing society.
5. By encouraging more localised commissioning e.g. Thriving Communities, to ensure the survival of small community groups. Just because so many voluntary and community groups are below the radar and hard to quantify or regulate, we underestimate their positive social impact at our peril.

2. Recruiting volunteers

The second highest scoring issue identified by respondents was problems **recruiting volunteers**. For smaller organisations with very few, if any, paid staff, poses an ongoing risk to their continuing viability. In addition, over 52% of VCSE organisations of all sizes thought that recruiting sufficiently skilled and demographically diverse Trustees was an ongoing problem.

How can the VCS Alliance help?

1. Continue to advertise volunteering and Trustee vacancies on their website and in the Newsletter.
2. Work with VCSE organisations to help publicise what they have to offer to volunteers/Trustees.
3. Consider promotional events in every district (perhaps with the help of VCSE organisations) held specifically to encourage volunteers/Trustees.

3. Keeping pace with new technology solutions

The third highest scoring issue for respondents related to concern about **keeping up to date with new technology**. Whilst people outside the sector may take the view that this is something that the sector will need to address and if they don't, then "so be it" the danger of this reaction/approach is that the county may lose some very good organisations as a result.

How can the VCS Alliance help?

1. By finding out from respondents if there is a specific issue or whether this is a more general problem – only by finding this out can it be addressed.
2. See 1. Above. Training may be a solution although this would need to be offered throughout the county.
3. Persuade the statutory sector to consider the implications of what they are sometimes asking from the VCSE e.g. are all of the IT questions fair and necessary when preparing a tender?

Over 50% of respondents identified the following:

4. Accessing affordable training

How can the VCS Alliance help?

1. Encourage the VCSE to look at the training section of the Alliance website/Newsletter to access the free training offered by the statutory sector.
2. Encourage more training swaps within the sector.
3. Encourage the statutory sector to offer more subsidies to the VCSE, especially where training is essential to carry out a contract awarded by the statutory sector.

5. Over 50% identified the promotion of services and success stories as a problem

How can the VCS Alliance help?

1. Request the organisation to share this information with the Alliance so that it can be publicised via the Alliance website/Newsletter.
2. As previously discussed, the Alliance could facilitate partnerships of particular interests (e.g. counselling, neurology) to help publicise and raise the profile.
3. Arrange some marketing training.

6. Partnership working with the Local Authority and/or Health Trusts was identified as a problem by over 50% of respondents

How can the VCS Alliance help?

1. By undertaking to deliver a 'state of the sector' report every year and ensuring it gets as wide a readership as possible among policy makers.
2. By continuing to analyse these results year on year to find out what the specific problems are, and then to find ways they can be addressed.
3. Facilitate positive communication between parties. The Alliance can also be the voice for the sector when the issues are clearer.

7. Affordability of administration services is the final item to be identified as a problem by over 50% of respondents

How can the VCS Alliance help?

1. By identifying which organisations have responded in this way, find out whether there might be an opportunity to facilitate a joined-up approach.

Summary

With 87% of respondents dependent on grant funding, the concern over their future viability if grants continue to decline should be an issue of concern for the whole county. The VCSE knows how important it is to the economy and this is borne out by the large financial turnover within the sector. Nevertheless, too often it is surviving on a "hand to mouth" existence with no employment security for staff, and off-putting for volunteers or Trustees. Crucially this lack of security is reflected in what can be provided for the residents of Gloucestershire.

The sector would like more recognition for the vital work that it does, for its expertise and experience. and this recognition needs to be acknowledged by the statutory sector when commissioning. The phrase 'action speaks louder than words' comes to mind. The sector is full of people with lived experience of the causes they serve: it has a huge role to play in what the future provision should look like and they deserve to be included in plans before a strategy is presented to them. This would be real co-development of services. An excellent example of good practice was when the Health and Wellbeing strategy was being prepared and there is no reason why this should not happen in all cases.

Qualitative Report – State of the Sector Survey

Introduction

Alongside the quantitative information that was gathered by the VCS Alliance it was considered important to garner qualitative information from as many VCSE organisations throughout the county as possible. This was a time-limited exercise and was undertaken in parallel with the quantitative survey. The main issues and themes to emerge from these meetings are summarised below. There were also issues raised that were particular to the person or organisation raising them and in some cases they were able to be dealt with fairly easily e.g. organisations signing up with the VCS Alliance to ensure that they keep up to date with county initiatives or funding opportunities.

Methodology

VCSE organisations of all sizes were contacted by the Alliance and invited to take part in an informal conversation with the Health & Wellbeing Officer of the VCS Alliance. Those who responded were drawn from charities and social enterprises. These conversations were wide-ranging and allowed organisations to raise any issues, both positive and negative, related to their work in the sector and participants were informed that the State of the Sector report would be shared with the statutory sector, amongst other interested parties. Appointments were subsequently arranged and the majority of visits took place between September and December 2019. A list of all those organisations that contributed may be found in Appendix 1.

Outcomes

1. Funding

Whilst there was no set agenda for these meetings, participants were questioned about what they considered to be the main issues confronting their organisation. Perhaps unsurprisingly for anyone with any connection to the VCSE, by far the leading issue raised was funding in all its guises. Whilst this sometimes related to specific funding issues linked to their organisation, the overriding theme was concern about the nature of the funding system for the sector. For some this related to commissioning and commissioning structures, for others who received no commissioning income at all, there was the question of continual uncertainty about their future. This finding is very much in line with the findings from the online survey.

Whilst some have been fortunate until now with donations, it is difficult to build a sustainable venture on such a basis. This is particularly the case for small community groups in the county. Such groups are not county-wide and they formed because they saw and met a need within their community. They usually benefit from a deep knowledge of those within the community, their needs and aspirations. Such organisations are vital in delivering assistance and it is these organisations that often lose out when seeking funding. They may lack the time and resources to devote to bid-writing and grant applications. They are also often at a disadvantage

because they are busy delivering their services and again lack the time and resources to attend meetings in the prospect that they may or may not prove to be important in the future. Such meetings are invariably held in Gloucester or Cheltenham, again a disadvantage for organisations that are not based in these areas. The County Council has tried to address some of these issues by introducing Know your Patch networks, hosted by organisations throughout all districts. Alongside this, they have provided Thriving Communities funding for many small organisations to allow them to continue their good work and, in some cases, develop further. For these reasons and the fact that the application process for such funding is not particularly bureaucratic, the Know your Patch initiative has been generally well received by the sector. Apart from this welcome initiative there are concerns about being able to access sufficient funding to enable the organisation to continue:

“... have to apply to many more funding sources for less money”

“core costs not being met by Local Authority, ... costs continue to increase, living wage going up, income coming down.”

“core funding is key.”

“making sure of funding used to take a third of my time, now almost a full-time job.”

“we see national funders more than local.”

“Funders need to rethink and be educated in what they fund. Why invest in new projects when the existing ones are working well?”

The above quotes are representative of many of those interviewed. The time taken to source funding, complete application forms and keep up to date with the various consequent monitoring reports should not be underestimated. Unlike private businesses, it is rare for local charities to have access to professional bid-writers, so this challenge inevitably falls on to a senior member of staff, or even a volunteer. This creates problems within individual organisations which find they are having to regularly reassure talented staff about job security in order to keep them, when in fact they are all too aware of the short-term nature of their projects or contracts. This on top of trying to ensure that the organisation runs as smoothly and efficiently as possible.

2. Commissioning

Those organisations that are commissioned raised a range of issues related to their commissioned service. A number of them questioned the apparent “obsession” of the statutory sector with new projects, often at the expense of existing successful projects. It would be very helpful to receive an explanation from the statutory sector in connection with this.

Allied to this, many also wondered about the value of the “sustainability” question on tender documents, when quite clearly, a project could not be sustained without appropriate funding from the statutory sector. Is this question really of value and, if an organisation answers honestly, e.g. that they don’t know how the project could continue without adequate statutory sector funding support, does that mean that their application will not be considered?

Interestingly, there was some concern expressed by some organisations about certain other VCSE organisations “chasing the money”, bidding and sometimes succeeding, in obtaining contracts for work for which the bidding organisation has no particular experience or expertise. This is not helpful for the image or perception of the sector as it is too often seen as being “the cheap option” and organisations that do this unfortunately can contribute to such a perception. When money is tight, there are staff to occupy and funding streams are disappearing, it is entirely understandable why organisations seek to extend their offer; however, such work may be far removed from the reason why the charity/social enterprise became established in the first place. Refusing to enter a bidding war may be difficult but there are organisations that refuse to do this as they reflect on their values, experience and expertise.

“Don’t believe everything written on paper.”

The concern of some organisations is neatly encapsulated in the following quote:

“It is about time that organisations were funded based on what they do, not what they say they do.”

It was even proposed that a role for the VCS Alliance could be to help organisations keep to their ethos and also to promote a thinking that is more collective than individualistic. This is one of the objectives under the Alliance’s ‘better together’ strategic aim, set out in this report’s introduction.

“encourage others to keep to their ethos.”

This section of the report has thus far concentrated on those organisations that know the commissioning structure that applies to them and often have good links with the appropriate commissioners. This is not the case for many smaller organisations in the county which often do not know who their potential commissioners are.

“Smaller charities need their voice heard.”

“Voluntary sector does not mean free.”

Apart from the notable exceptions of the Thriving Communities Grant and some Office of the Police and Crime Commissioners (OPCC) grants to smaller organisations, there appears to be a reluctance on the part of funders to support small community groups.

It is understandable that larger organisations are considered to have the necessary infrastructure and financial stability to support projects. However, such organisations may not be the most appropriate for beneficiaries with very specific and at the same time high level of need, or where local knowledge is vital to understanding the community e.g. they may be a national or even county or district-wide charity but have no real experience or knowledge of the beneficiary group or area in which they have been awarded a project.

This has the effect of not offering the most effective, localised service for those for whom the project/contract has supposedly been set up. It is also frustrating for those community groups with real knowledge of the area and the people within it. Sometimes, they are able to enter into an arrangement with the larger organisation but such arrangements are often inequitable. There is a view that commissioning in such a way makes it easier for the funders; this is not necessarily the best solution for those they are seeking to help.

“Systems within commissioning – push towards growth which is not necessarily right for the organisation.”

The above quote relates to an organisation which has correctly been identified for its sterling work but which is being encouraged by Commissioners to expand its work and approach beyond its geographical boundaries. The organisation has explained that this is not necessarily the best solution for all areas of the county.

“Over-reliant on public sector funding.”

“Why are we here?”

There is a recognition from many within the sector that being commissioned is not the way that they wish to proceed. Again, this refers back to reflecting on the purpose of the charity/social enterprise. There is an interest from some larger organisations to assist the smaller ones:

“How do we help the bigger charities bring the smaller ones on board?”

“What does it take to run organisations?”

When organisations, large and small, have to spend so much time trying to obtain funding then there is also a concern about the effect on the people they are working with. Organisations keep bid-writing separate from service delivery; nevertheless some clients and members of community groups understand the struggles to maintain a quality service. In response to a direct question, when the Group Leader mentioned to a client that she was writing a grant application the response was:

“You’re not going to close, are you? You’re my lifeline.”

3. Partnerships

The VCSE is constantly being exhorted to work in partnership. It is indeed confusing when different organisations appear to be offering similar activities/services for the same client group in the same area. The statutory sector has expressed disappointment at the lack of partnership bids from the VCSE, without appreciating that the current funding approach too often leads to competition rather than collaboration. On closer inspection the response from the sector has been that it was not made clear at the tender stage that partnership bids were welcome. There are very few within the sector who disagree that partnership working can be useful. Indeed, many organisations work productively with their VCSE colleagues from other organisations. Often, this is on an informal basis although some of these working relationships have been formalised under contract or service level agreements. Nevertheless, the reasons why some have not co-operated lie in the competitive nature of tendering and sometimes suspicion of the motives of others.

An issue that seems to be underestimated by the statutory sector is that successful partnerships need to be nurtured over a long period of time and are based on relationships. Ostensibly, organisations may well be working in the same field with a similar client base; however, the way that they operate may be very different. It is therefore essential that partnerships are based on trust, ethos and values. Without these, then they are

highly unlikely to be effective for the people they serve or staff/volunteers within the organisations.

“In Gloucestershire charities collaborate well. The overall culture is really strong.”

Putting funding matters aside, there are existing mechanisms which allow the sector to meet and share ideas and good practice. There are some specific forums such as the Physical Disability and Sensory Impairment Forum. The sector is good at identifying gaps and taking action to fill such gaps; an example of this is the Mental Health and Physical Activity Group which was initiated by the VCS Alliance and Active Gloucestershire. This feeds into the Mental Health and Wellbeing Partnership Board for the county. Other examples of organisations meeting to share what they are doing and work together are the Tewkesbury and Cheltenham Groundworkers meetings. Alongside all of these are the successful aforementioned Know your Patch meetings held in each district.

“Know your Patch has made things easier.”

Many of those visited held the CEO role within their organisation and, as well as the time spent on funding and governance, the lonely nature of their roles was raised. To this end, some have formed their own informal groups where they can share their views and occasionally, frustrations, with colleagues from other organisations. Such a group has been formalised in Gloucester (with VCS Alliance involvement). A collaborative approach can only be good for the sector and there was support from others who would like the opportunity to develop a similar network within their areas.

“Workshops to support CEOs would be useful.”

VCSE organisations can find it difficult to keep up to date with what is happening in the county.

“Incredibly frustrated by the lack of communication from the statutory sector.”

Whilst there are various forums and meetings which provide networking opportunities and the chance to find out what may be important for an organisation, it is difficult to know which meetings are likely to be useful and productive; time and pressure on resources preclude the chance to attend and find out. With this in mind, as a result of a visit to take part in this survey, it was suggested that two “big” meetings should be held each year at which the major players from the statutory sector i.e. the CCG, OPCC and GCC, should present and inform the sector what their priorities were and how they would like to engage with the VCSE. The VCS Alliance considers this to be an excellent suggestion and are in the process of pursuing this. The advantage of such an approach is that as long as organisations endeavour to attend these then they should at least be aware of what the statutory sector has identified as their priorities.

4. Social Prescribing (Community Wellbeing Service)

This service has been in existence in the county since 2017 and is administered by different organisations in different districts in the county. In all but one case (Forest of Dean) the service is administered by VCSE organisations. The concept of social prescribing has been widely welcomed as there is a recognition on the part of health services that clinical assistance may not always be appropriate or the most effective solution for the person concerned. The task of the Community Wellbeing Service is to link the person with appropriate services/activities in their home area. In many cases, this means referring to a VCSE organisation although it can also encompass referral to an informal, unconstituted group. When the scheme was first introduced many in the sector expected to receive referrals. However, the picture is not as straightforward as that. For those who have engaged with the service the feedback is generally positive with plaudits for individuals within the service.

“... working well.”

One organisation is hosting the Community Wellbeing Service within its hub and has been very pleased with how this is working. Some organisations receive a lot of referrals but receive no financial assistance to accommodate these referrals.

“delivering solutions, but not a penny of funding.”

Nevertheless, many VCSE organisations that might have expected to receive referrals have had none, despite in many cases publicising their facilities with the host Community Wellbeing Service. Turnover of staff appears to have been an issue, especially when the service was first established as the commissioning entailed combining existing services including a popular Village Agent programme run by a VCS organisation.

“Worst thing was getting rid of Village Agents.”

“(in relation to Host organisation) - They don’t network and don’t look.”

“What are they doing?”

“Visited once, arrived late, didn’t talk to anyone.”

“No contact, no referrals.”

Although many Village Agents were initially employed within the new service, many subsequently left and there are only a few who still work for the Community Wellbeing Service. What seems to have been sacrificed, apart from the experience of those Village Agents, is their detailed local knowledge. The new service does not appear to be resourced to the same extent and the time it takes to really get to know an area and its services, together with high staff turnover, has made this problematic.

How the Gloucestershire VCS Alliance can help

As mentioned in the Introduction we were able to assist some organisations either during the visit or subsequently by making introductions to the relevant people/organisations. It was informative to find out what role the sector wanted from the Alliance. It was recognised by those visited that the Alliance is not a delivery organisation and, in that capacity, the events and forums that the Alliance facilitates are appreciated and the Newsletters and Funding Bulletins are welcomed by the sector.

With regards to what more the Alliance could do, the suggestion to organise two major meetings a year has been discussed for organisations “to get a really good strategic overview of what is happening in the county.” In addition some of the individual comments received were:

“Do not provide enough of a voice (Ok for info)” – in relation to VCS infrastructure organisations.

“Be a voice for small organisations.”

It was felt that the Alliance could help to publicise good ideas that arise from the sector. The concept of having FAQs on the Alliance website was also considered a good idea e.g. items about legislation, HR issues, recommendations for insurance providers, pointers for new charities/social enterprises.

The organisations visited were very accommodating, welcoming and helpful and grateful to spend some time discussing the issues that were important to them. In order for this survey to be meaningful they want the statutory sector to take notice and act on or at least respond to their constructive criticism.

From the perspective of the VCS Alliance, the visits were invaluable and it is vital that such levels of contact are maintained throughout the county with as many organisations as possible.

Appendix 1

List of organisations interviewed face-to-face

Organisation	District
Active Gloucestershire	Gloucester
Age UK Gloucestershire	Gloucester
Aspire Trust	Gloucester
Elim Housing Association	Gloucester
GL Communities	Gloucester
Glo-Active	Gloucester
Gloucester Cathedral	Gloucester
Gloucestershire Deaf Association	Gloucester
Gloucestershire Wildlife Trust	Gloucester
Headway Gloucestershire	Gloucester
Inclusion Gloucestershire	Gloucester
Independence Trust	Gloucester
Kingfisher Treasure Seekers	Gloucester
Sofab Sports	Gloucester
Swindon & Gloucestershire Mind	Gloucester
Your Next Move	Gloucester
Allsorts Gloucestershire	Stroud
Bees Abroad	Stroud
Bournstream Trust	Stroud
Brain Tumour Support	Stroud
Down to Earth Stroud	Stroud
Fair Shares	Stroud
FGR Trust	Stroud
GL11	Stroud
Home Ability	Stroud
Home Start	Stroud
Link Services	Stroud
Marah Trust	Stroud
P3	Stroud
Rethink	Stroud
Rory's Well	Stroud
Stroud Valleys Project	Stroud
The Door	Stroud
The Vine Project	Stroud
Trust in You	Stroud
Under the Edge Arts	Stroud
Westonbirt Volunteers	Stroud
Wildfowl and Wetlands Trust	Stroud
Wotton Community Sports Foundation	Stroud
Bromford Housing	Cotswolds
Campden Home Nursing	Cotswolds
Cotswold Friends	Cotswolds
New Brewery Arts	Cotswolds
Recreation Ground Trust/Museum	Cotswolds
The Churn Project	Cotswolds
IAM	Cheltenham
IT Schools for Africa	Cheltenham
Leonard Cheshire	Cheltenham
Purple Shoots	Cheltenham
Artspace Cinderford	Forest of Dean
Breathe	Forest of Dean
Forest Sensory Services	Forest of Dean
Lydcare	Forest of Dean
Tewkesbury Groundworkers	Tewkesbury

Appendix 2

- Who do you work with and support?
- What specific causes do you support and/or who are you main beneficiaries?

10.1: Health (including illness/disease)

		Response Percent	Response Total
1	All the time	29.4%	53
2	Often	27.8%	50
3	Occasionally	22.2%	40
4	Not at all	20.6%	37
answered			180

10.2. Mental health

		Response Percent	Response Total
1	All the time	25.7%	46
2	Often	30.2%	54
3	Occasionally	30.2%	54
4	Not at all	14.0%	25
answered			179

10.3. Learning disability

		Response Percent	Response Total
1	All the time	19.0%	34
2	Often	16.8%	30
3	Occasionally	40.2%	72
4	Not at all	24.0%	43
answered			179

10.4. Physical disability

		Response Percent	Response Total
1	All the time	17.9%	32
2	Often	22.3%	40
3	Occasionally	41.9%	75
4	Not at all	17.9%	32
answered			179

10.5. Sensory Impairment

		Response Percent	Response Total
1	All the time	15.1%	27
2	Often	17.9%	32
3	Occasionally	41.9%	75
4	Not at all	25.1%	45
answered			179

10.6. Addiction - Alcohol/Drug/Gambling

		Response Percent	Response Total
1	All the time	8.8%	16
2	Often	11.0%	20
3	Occasionally	31.9%	58
4	Not at all	48.4%	88
answered			182

10.7. Crime - Offenders/Those at risk of offending/Victims

		Response Percent	Response Total
1	All the time	8.4%	15
2	Often	8.9%	16
3	Occasionally	31.3%	56
4	Not at all	51.4%	92
answered			179

10.8. Minority BME groups

		Response Percent	Response Total
1	All the time	8.9%	16
2	Often	12.8%	23
3	Occasionally	39.7%	71
4	Not at all	38.5%	69
answered			179

10.9. Migrant workers

		Response Percent	Response Total
1	All the time	3.4%	6
2	Often	5.0%	9
3	Occasionally	29.1%	52
4	Not at all	62.6%	112
answered			179

10.10. Travellers

		Response Percent	Response Total
1	All the time	3.4%	6
2	Often	1.1%	2
3	Occasionally	29.1%	52
4	Not at all	66.5%	119
answered			179

10.11. Long term unemployed

		Response Percent	Response Total
1	All the time	17.9%	32
2	Often	21.2%	38
3	Occasionally	25.1%	45
4	Not at all	35.8%	64
answered			179

10.12. Young people not in education, employment or training (NEET)

		Response Percent	Response Total
1	All the time	11.1%	20
2	Often	21.7%	39
3	Occasionally	29.4%	53
4	Not at all	37.8%	68
answered			180

10.13. Lone parents

		Response Percent	Response Total
1	All the time	12.8%	23
2	Often	26.8%	48
3	Occasionally	29.6%	53
4	Not at all	30.7%	55
answered			179

10.14. People on low incomes/affected by poverty

		Response Percent	Response Total
1	All the time	33.0%	60
2	Often	23.1%	42
3	Occasionally	22.0%	40
4	Not at all	22.0%	40
answered			182

10.15. Homelessness

		Response Percent	Response Total
1	All the time	10.1%	18
2	Often	8.9%	16
3	Occasionally	26.3%	47
4	Not at all	54.7%	98
answered			179

10.16. Carers (including young carers)

		Response Percent	Response Total
1	All the time	16.7%	30
2	Often	19.4%	35
3	Occasionally	33.9%	61
4	Not at all	30.0%	54
answered			180

10.17. Rural areas

		Response Percent	Response Total
1	All the time	36.3%	65
2	Often	24.6%	44
3	Occasionally	20.7%	37
4	Not at all	18.4%	33
answered			179

10.18. Children and Young People

		Response Percent	Response Total
1	All the time	35.8%	64
2	Often	20.7%	37
3	Occasionally	19.6%	35
4	Not at all	24.0%	43
answered			179

10.19. Older People

		Response Percent	Response Total
1	All the time	40.6%	73
2	Often	25.6%	46
3	Occasionally	16.7%	30
4	Not at all	17.2%	31
answered			180

10.20. LGBT (Lesbian, Gay, Bisexual, Transgender)

		Response Percent	Response Total
1	All the time	7.8%	14
2	Often	19.6%	35
3	Occasionally	41.9%	75
4	Not at all	30.7%	55
answered			179

10.21. Debt

		Response Percent	Response Total
1	All the time	7.3%	13
2	Often	17.9%	32
3	Occasionally	21.8%	39
4	Not at all	53.1%	95
answered			179

10.22. Sport and Physical Activity

		Response Percent	Response Total
1	All the time	18.9%	34
2	Often	10.0%	18
3	Occasionally	21.7%	39
4	Not at all	49.4%	89
answered			180

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