

Warrington Voluntary and Community Sector Review 2015

July 2015

This report gives an overview of the community voluntary and faith sector during 2014/15, reporting findings on the number, location, income and size and types of organisations across Warrington using data from a number of sources and is the first in-depth review since 2007.



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Foreword

This report gives an overview of the community voluntary and faith sector during 2014/15, reporting findings on the number, location, income and size and types of organisations across Warrington using data from a number of sources and is the first in-depth review since 2007. This is the first survey of this type carried out by Warrington Voluntary Action (WVA) and will allow changes to be tracked over a period of time, establishing a benchmark for future surveys.

1. Definition

At various times the voluntary sector has been known as the 'voluntary and community sector' or the 'third sector' whilst the current government talks a lot about 'civil society'. In this report, when we talk about the voluntary sector or third sector in Warrington, we mean voluntary organisations, community groups, the community work of faith groups, and those social enterprises and community interest companies where there is a wider accountability to the public via a board of trustees or a membership and where all profits will be reinvested in their social purpose.

This survey has allowed us to take a localised detailed snapshot of the wide ranging groups that make up Warrington's vibrant voluntary, community, faith and social enterprise sector.

We are now able to showcase how many organisations are currently active; categorise the size of the organisations from micro to large; show who benefits from the work being carried out; estimate the economic value of our local sector and the numbers of paid workers; and evidence the extraordinary contribution made by the thousands of volunteers who give their time and energies freely to improve life for everyone here in Warrington.

2. Methodology

The survey results highlight a representative cross section of the sector from volunteer-led groups, uniformed groups, church groups, sports clubs, small and large charities and social enterprise across all areas of Warrington.

Complete responses were received from 346 organisations; this represents 28% of the 1,223 organisations registered with WVA.

Data was also obtained from the Charity Commission and from the WVA community database to present more factual information.

As it stands 60% of groups registered with WVA have active email addresses. This enabled the majority of survey respondents to complete an online survey. However,

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considerable time and effort was made to contact groups with no access to email or internet over the telephone and face to face. WVA in partnership with WBC and GGHT are currently undertaking a targeted piece of work with groups to support them to become more digitally included.

3. Composition

Warrington has a large, diverse and active Voluntary sector; we are often asked 'How many voluntary groups are there in Warrington?' At the time of writing this report WVA has 1,223 groups registered on the community database and it is likely there are many more unaccounted for.

The sector is made up of a wide range of organisations with varying legal, accountability and regulatory frameworks. The sector is not just made up of organisations that are connected to third sector infrastructure support or grassroots groups. Increasingly, it also includes part of the mainstream service provision for education and the delivery of public services including trusts or mutuals transferred from publicly managed bodies, such as leisure and culture.

The Charity Commission hold records for 447 charities registered as working in Warrington although almost half of these work further afield across the region, nationally or internationally. Of the 447 registered charities, 55% (246) solely operate in Warrington. The remaining 45% (244) also operate outside of Warrington.

From the 346 respondents completing the survey 80% (276) operated solely in Warrington, of which a small proportion were local branches of a national charity. The remainder operated wider than Warrington, regionally and nationally.

Of those solely operating across Warrington, 53% (146) of survey respondents delivered activities and services within the deprived wards of Warrington.

During 2014 there was an estimated 796 full-time equivalent paid staff employed in Warrington's voluntary and community sector.

Additional data from groups with an income of over £250,000 per annum has identified that they employ on average 23 staff, 5.5 working on core activities and 13 on projects.

4. Finance and Income

This section provides an overview of the finances and income of the voluntary sector in Warrington. The data includes estimates of the overall income received by the sector during the period 2013/2014, information on the different sources of income received and suggestions of financial uncertainty for the future.

The estimated annual turn-over of the community and voluntary sector operating and delivering services in Warrington is estimated at **£37,850,000** per annum.

It is estimated that most organisations are small with a 43% turnover of less than £1,000 per annum, and a further 46% having a turnover of between £1,000 and £25,000 per annum.

The survey findings from respondents with an annual income of over £25,000 identified that:

- 65% of organisations stated that funding had stayed around the same since 2013/14, but this had not taken into account the increasing cost of rent, utility bills and other expenses;
- The majority of organisations stated they have been able to sustain their level of reserves since the last financial year, but 50% were looking at using reserves for the next financial year;
- 14% of groups have less than 6 month reserves;
- 12% of groups have been turned down for funding they would have usually secured;
- 85% had seen an increase in demand over the past 12 months so in effect this is a decrease in funding due to an increased work load.

Sources of Income

Survey respondents were asked to identify public sector funding received during the previous year and other sources of income.

- 77% received income through various grants, contracts and SLA's
- 50% through fundraising and donations, this increased to 76% for groups with an income of less than £25,000
- 42% of groups with £1,000 to £25,000 generated income through membership fees

Charging for goods and services, levying membership fees and subscriptions, carrying out fundraising activities, and accessing charitable trusts and Lottery funds represent the most important ways of generating income in addition to public funding, bringing significant extra resources into the Warrington economy. These activities, such as fundraising and collecting fees are heavily reliant on volunteers.

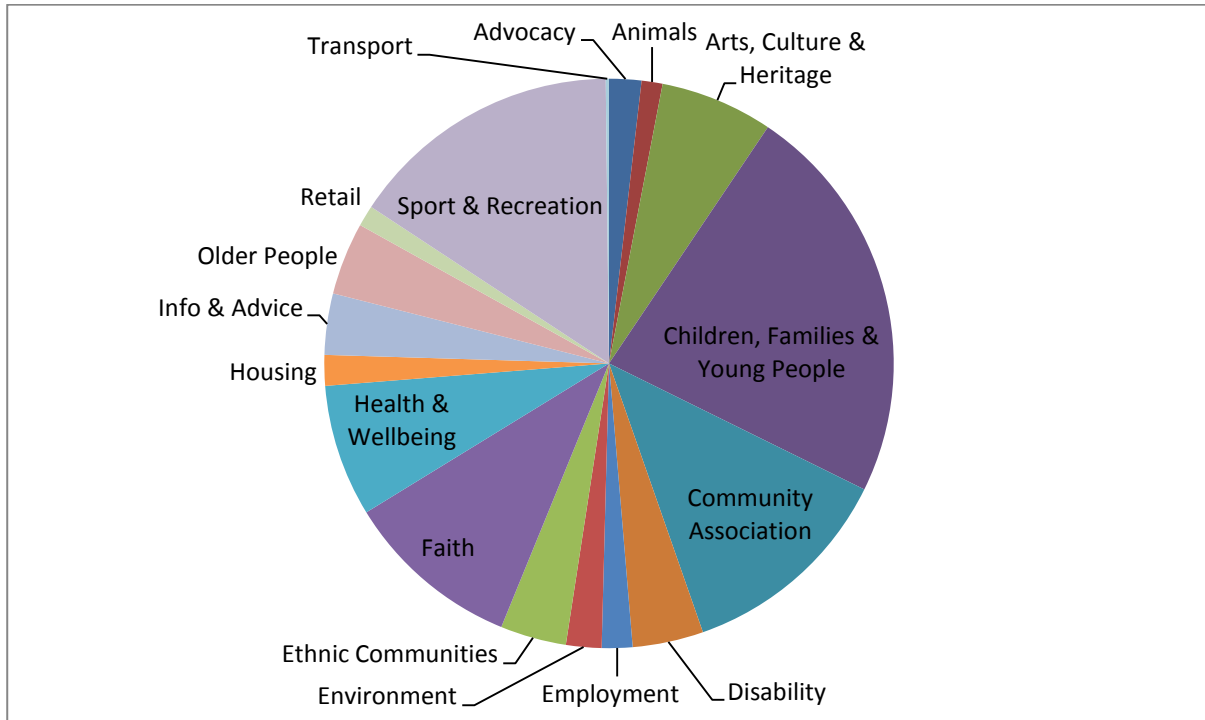
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Using the figures provided by the Charities Commission we were able to determine that in 2013/14 the 246 registered charities solely operating in Warrington had an income of **£16,490,381**.

Figures from the Charities Commission highlighted that 27% (93) of respondents are unincorporated charities. By not adopting the 'Company Limited by Guarantee' or 'Charitable Incorporated Organisation' (CIO) structure, organisations place their trustees at risk in the event that an organisation was forced to wind down. Trustees of unincorporated not-for-profit organisations are personally liable for any debts, where those in an incorporated structure are protected and have limited liability. However, it is a positive sign that there have been 8 new charities registered as CIOs during the last 12 months.

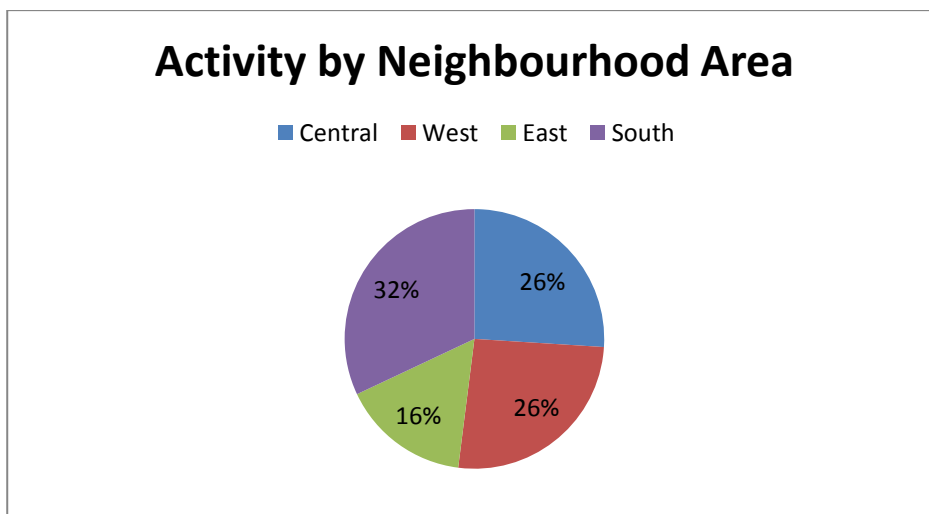
5. Services

The chart below gives a breakdown of activities delivered by community, voluntary, faith and social enterprise across Warrington:



The above chart shows the breakdown of the organisations registered with WVA by their primary purpose. Many of these organisations have more than one purpose; for example they might be registered as providing Health & Wellbeing services primarily but this is likely to include services supporting older people.

The spread of services across neighbourhood area can be seen in the chart below:



6. Who benefits from the services and activities carried out by the sector?

Using the data from the survey, it is estimated that **770,010** interventions were made with clients, users and beneficiaries during 2014. The overall client group was diverse and wide ranging, a breakdown is tabled below:

Clients the sector works with	
Men	65.42%
Women	63.55%
Children (under 16)	41.12%
Young people (16-25)	49.53%
Looked after children	18.69%
Families	49.53%
People aged 50+	56.07%
People with learning difficulties	43.93%
People with disabilities	45.79%
People with mental health problems	37.38%
Carers	37.38%
BME	32.71%
Homeless people	28.04%
LGBT	32.71%
Offenders / ex-offenders	27.10%
Substance misuse/addiction problems	28.97%
Victims of crime	31.78%
Unemployed people	39.25%
Resident groups	31.78%
Military veterans	28.04%

This breakdown suggests that all service users groups are well represented, with no group being under represented. However, this does not necessarily mean that the groups are well engaged.

7. Support required

The survey respondents were asked if their organisation received support from a list of named local support providers and responded as such:

WVA	47%
Internal expertise	43%
WBC	41%
Other*	25%
Livewire/Culture Warrington	16%
Business support	11%
GGHT	11%

* National bodies i.e. NCVO, RSPB, Probations, CitA

The figures indicate that organisations are using a wide range of agencies to help develop their services, but also utilise the skills and expertise within their own organisation. It was identified from respondents with an annual income of less than £25,000 that the main area of support required was for:

- recruiting volunteers
- preparing to apply for funding
- developing and updating policies

For respondents with an income of £25,000 and over, support required was identified as:

- measuring evidence of need and impact
- gathering and evaluating service user feedback
- sourcing appropriate and long term funding
- volunteer management
- developing strategic action plans for future sustainability

A low priority was support to prepare for commissioning which potentially relates to the number of respondents identifying as having internal expertise. It should also be noted from the survey questions that there appears to be a limited understanding of reserves and financial planning for the future. This suggests that organisations are not realistic when it comes to forward financial planning and maybe of significant concern.

Organisations had quality marks from a variety of governing bodies, mainly relating to their service i.e. advocacy, legal, matrix, sports mark. A minority had PQASSO (quality standard for small organisations) and ISO 9001.

Of the 23 respondents stating they did not have a quality assurance standard, 11 have since registered an interest in undertaking a quality mark.

8. How informed are groups on decision making?

This question was only asked to 44 respondents and is not fully representational of the survey; there are plans to obtain more feedback in this area.

- 79% of groups with an income over £25,000 felt informed so they were able to get involved in the decision making process and were involved in networks and forums across the borough.
- 89% were aware of the Network Hub
- 75% were aware of the Local Compact

9. Volunteering

Although volunteering seems like a simple concept, there are numerous definitions around. The Warrington Compact sets out the definition as:

'Volunteering is an activity that involves spending time, unpaid, doing something that aims to benefit the environment or individuals or groups other than (or in addition to) close relatives.'

This definition is a broad one, and would include not only formal volunteering through clubs or organisations, but also informal volunteering, often carried out on a more individual basis. It is also worth noting that people volunteer in many different contexts: health; social care; protecting and improving the environment; sport; social action and many other areas.

The survey carried out by WVA identified that in 2014, within the voluntary sector alone, an estimated **13,730** volunteers participated in regular volunteering activity each week, contributing an estimated **151,030** hours of their own time per week and a staggering **7.9 million hours** per annum. The economic impact of this equates to approx. **£51m per annum**. This supports the finding of the volunteer mapping exercise undertaken in 2014 through the Volunteering Strategy Action Group and demonstrates Warrington's volunteering activity is in line with national figures.

Due to the nature of the survey undertaken this figure does not count volunteers in the statutory sector, i.e. local authority, hospitals, police, schools etc. employee volunteers or informal volunteering such as helping a neighbour with shopping or gardening.

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Applying National Data

The national Civil Society 2014 Almanac estimated that across the UK 29% of the population are involved in volunteer activities at least once a month. There is no reason why Warrington should vary from this figure. Taking into account that during 2014 the population of Warrington residents aged sixteen to seventy five was 152,600, applying national statistics suggests that we can boast an estimated **44,254** people involved in volunteering activity during the year. This figure includes both formal and informal and across all sectors.

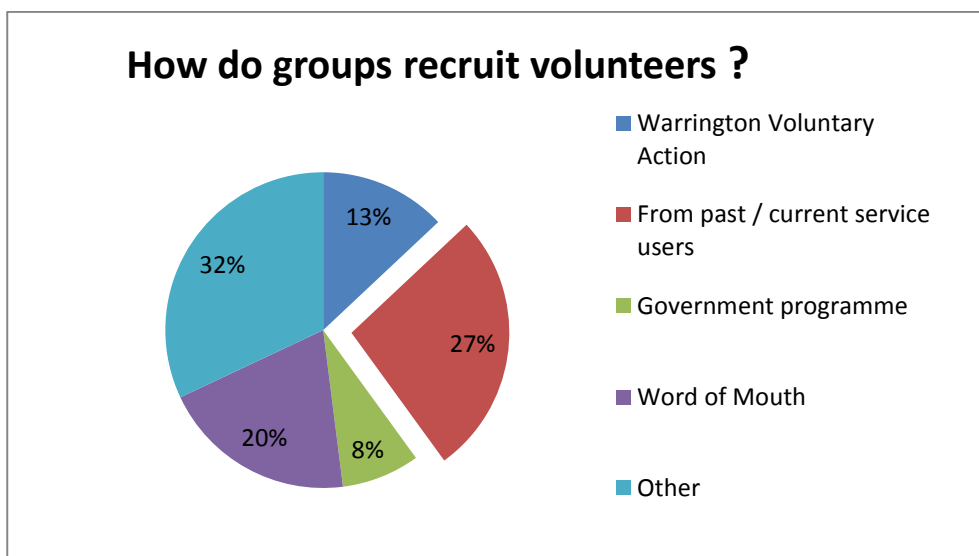
Assessment of a breakdown of volunteer roles reveals from the 346 organisations responding to the survey that:

- 71% (245) are in roles in delivering services
- 10% (34) of volunteers are in admin roles
- 17% (60) are in management roles, including trustees, directors and management committee
- 2% (7) - no response

Information from the Charities Commission highlights that the number of Trustees operating solely in Warrington is 1,447.

Recruitment of Volunteers

The survey respondents were asked how their organisation recruits volunteers from a list of named local support providers:



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A specific question was asked to determine if groups welcomed volunteers with a disabilities, males, ex-offenders and ex-substance misusers.

A high percentage supported both people with a disability and males to volunteer within their organisation. However, just 16% of respondents welcomed ex-offenders and ex-substance misusers as volunteers. Smaller groups were more amenable to engaging this client group but less likely to have structures in place to support the volunteer.

From the survey 31% of respondents have expressed an interest in support to engage with this service user group.

10. What are the key challenges facing the voluntary sector in Warrington?

It is clear that most organisations do not dedicate adequate time to ensure that they are actively evaluating their work and carrying out consultation in order to identify the impact they are having. In an increasingly competitive funding climate, organisations need to be able to demonstrate their impact to commissioners, funders and the local community.

In both the immediate and long-term future, securing funding was the key challenge for many organisations and maintaining current levels of funding, potentially from alternative sources, to meet an increasing demand. Some expressed concerns about the future sustainability of their organisations in this context. However, anecdotal evidence from trusts and national funders has identified that there are still relatively low numbers of groups from Warrington applying for external funding.

Expectation of public sector funding cuts, and the wider economic environment, provides many groups with uncertain futures, along with inflation and rising costs that do not match current funding provision. To date, Warrington's voluntary sector has been fortunate in not suffering large public funding cuts to services, unlike many surrounding areas.

Competing against larger organisations that do not normally go for the same contracts or having to compete for new sources of funding alongside other local services, is having an impact on the amount of funding groups are able to secure.

There is a clear need for succession planning in a changing environment to include recruiting volunteers and trustees with the time and passion to help organisations adapt and thrive.

Underpinning all of this is a concern around capacity; although funding levels are comparatively the same as in 2013/14, the level of demand has increased and the expectation is that it will continue to do so.

11. Conclusions

In April 2007 Warrington Borough Council commissioned a review of the relationship between the Council and the voluntary and community sector. The purpose of the review was *'to identify the most efficient and effective way of working to enable the Council and VCS to work together responding to the needs of Warrington residents within the resources available'*. The review found that Warrington has a large, diverse and active Voluntary and Community Sector. However, there were a wide variety of views about the purpose of the VCS, with a range of expectations and a number of challenges relating to a lack of partnership work.

Since the last review in 2007 inroads have been made in addressing the challenges that were present at that time. Although, the VCS 2014 review has been carried out to identify the scope and diversity of the sector rather than the relationship between the local authority, the findings do highlight that:

- Infrastructure for the voluntary sector has improved. WVA now offer a joint infrastructure service supporting groups and volunteers, the establishment of the Third Sector Team has led to improved relationships with the council and health partners through meetings such as the Third Sector Policy Group and support for the Network Hub and Third Sector Assembly.
- The Local Compact has been relaunched and promoted widely and this has driven improvement in practices that have an impact on the Voluntary sector i.e. consultation and commissioning.
- There is a greater level of voluntary sector representation on decision making boards and panels and a clear sense that the benefits of involving the Voluntary sector are widely understood.
- There are more examples of collaborative working to achieve better outcomes for Warrington residents.

This 2015 review has found that our voluntary sector offers a wide range of activities across all areas within Warrington. The voluntary sector has a wealth of local knowledge, organisations are able to engage with local people and reach those that the Council cannot. The sector is able to work innovatively and flexibly without the constraints that its statutory partners have. Feedback from the survey demonstrates that overall the local authority is more engaged with our voluntary sector than ever before, and the local authority are now better able to understand what our voluntary sector can offer and what they need to become strong and reliant.

12. Recommendations

1. To further improve the infrastructure support to groups by developing a holistic organisation health check assessment linked to a recognised quality assurance framework.
2. To engage in dialogue with groups to identify the potential impact of public sector funding reductions on the voluntary sector.
3. To target groups that need support to become digitally included as 40% of organisations registered with WVA aren't actively online.
4. To increase the number of groups that have an effective succession plan in place.
5. To support groups in recruiting volunteers, helping them to develop and promote quality volunteering opportunities. To include support in recruiting those who face barriers to volunteering.
6. To ensure groups can access advice and support to develop realistic financial plans.
7. To identify and breakdown the sources of public funding contracted to the voluntary sector in Warrington.
8. To identify and broker opportunities for voluntary and community groups to share expertise and costs across organisations.
9. To undertake a benchmarking exercise of infrastructure services that considers the scale, activity, outcome and costs.
10. To increase the number of local groups applying for external funding. There is still a low take up of regional, sub regional and national funding from Warrington.
11. To undertake a comprehensive review of the voluntary and community sector on an annual basis.