

Local health and social wellbeing

**The contribution of the voluntary,
community and social enterprise sector in
Buckinghamshire, Oxfordshire and
Berkshire West**



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The contents of the report express the views of the authors and do not necessarily reflect the views or policies of the commissioning partners.

Third Sector Trends Study

Data in this report are drawn from the Third Sector Trends study which was conceived and originally commissioned by Northern Rock Foundation with research conducted by the universities of Southampton, Teesside and Durham. The Community Foundation Tyne & Wear and Northumberland was a co-founder of the research and is now responsible for its legacy.

The Community Foundation and St Chad's College are currently collaborating with partners including: Power to Change, Barrow Cadbury Trust and Millfield House Foundation to undertake the Third Sector Trends Study survey and analysis in 2022-23

All publications from the Third Sector Trends study are available free to download at this address:

<https://www.communityfoundation.org.uk/knowledge-and-leadership/third-sector-trends-research/>

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<https://healthalliancebob.org.uk/>

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Summary of key findings

Sector size and structure

The VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West is composed of about 7,500 registered organisations. The majority are registered with the Charity Commission as charities, charitable companies, trusts and Charitable Incorporated Organisations (87%). There are also Community Interest Companies (7% of the sector) Cooperatives, Community Benefit Societies and Registered Societies (4%) and Community Amateur Sport Clubs (3%).

Most VCSE organisations are small and have income below £50,000 (65%) which is the same as the national average. Organisations with income between £50,000 and £1 million compose 30 per cent of the sector (it is also 30% nationally) and organisations with an income between £1-25 million constitute just over 5 per cent of the sector (5% nationally).

As Buckinghamshire, Oxfordshire and Berkshire West is a relatively affluent area, it would not be expected that the VCSE sector is distributed evenly across areas of affluence or deprivation (as defined by the Indices of Multiple Deprivation). The majority of organisations are concentrated in the 7th to the 10th deciles (90%), with just 1 per cent in the poorest areas (IMD 1-2).

VCSE organisations do not necessarily limit their work to the locality within which they are based. In Buckinghamshire, Oxfordshire and Berkshire West, 39 per cent work beyond the boundaries of their local authority whilst 42 per cent limit their work to their immediate neighbourhood or village.

VCSE sector workforce

It is estimated that there are 44,500 employees in the area. This includes 11,000 in Buckinghamshire, 24,000 in Oxfordshire and 9,500 in Berkshire West.

The VCSE workforce as a percentage of all local employment in the area is large in comparable terms – at around 5%. But this percentage is high because many members of the resident population commute to London. There is also a much higher than average level of VCSE sector employment in Oxford.

The VCSE sector is of comparable size to the construction industry (42,750); and almost double the size of public administration (25,500). While the sector is much smaller than health (96,000) and education (102,000), it should be noted that many VCSE employees may be included within these statistics as there is no separate industrial employment category for the VCSE sector.

Employee retention problems are challenging many organisations in Buckinghamshire, Oxfordshire and Berkshire West: 13 per cent of organisations say that retaining staff has become quite a lot harder in the last two years. Difficulties in the recruitment of new employees affects 36 per cent of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West – bigger organisations are struggling more.

There are about 162,00 regular volunteers in the area: 46,900 in Buckinghamshire, 80,200 in Oxfordshire and 34,800 in Berkshire West. The proxy replacement value of volunteers at the national living wage would be £115 million, and at 80 per cent of average local wages: £224.9 million.

Most VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West could not continue without the support from volunteers (87%). So it is worrying that many VCSE

organisations have struggled to hold on to volunteers who joined them during the pandemic (26%) and many organisations say that they have struggled to hold on to older volunteers (44%).

About 15 per cent of organisations report that they now have more younger volunteers (aged under 30). A fifth of organisations say that they have become more ethnically diverse since the pandemic began (21%). There is little evidence to show that people began volunteering because they wanted to work online (8%).

Diversity in leadership is currently limited in Buckinghamshire, Oxfordshire and Berkshire West.

- Leadership by people from minority ethnic or mixed ethnicity groups is quite low when compared against local demographics (see Table 2.1): constituting just 5 per cent of chairs and just over 5% per cent of chief officers (compared with 8% of chairs and 10% of CEOs nationally).
- Women are chairs in 39 per cent of organisations (it is 46% nationally), but hold 66 per cent of chief officer roles (62% nationally).
- Graduates hold 77 per cent of chairs and 70 per cent of chief officer roles (nationally it is 70% and 63% respectively).
- People with disabilities hold 3 per cent of chairs and 5 per cent of chief officer roles, this is well below national levels (10% and 8% respectively).

Investment in people is a vital element when sustaining or developing sector skills and ensuring the commitment of staff and volunteers. Levels of investment in training and staff development is lower in Buckinghamshire, Oxfordshire and Berkshire West than the national average. This is not due to structural variations in the VCSE sector and may be a matter for concern.

- 39 per cent of organisations provide training for staff and/or volunteers – the national level is 65 per cent.
- Provision of flexible working practices is more prevalent in Buckinghamshire, Oxfordshire and Berkshire West (52%), but still well below the national average (60%).
- 44 per cent of organisations invest in staff development compared with a national average of 53 per cent.

Sector energy, purpose and impact

The energy the VCSE sector has at its disposal is associated with, but not wholly reliant on its income. In Buckinghamshire, Oxfordshire and Berkshire West, VCSE sector income is around £1.9 billion.

When all aspects of sector energy are taken into account (including expenditure, volunteer time, sale of free goods and in-kind support), the financial value of the VCSE sector is £2 billion. The employment of this energy produces £7.4 billion of value in Buckinghamshire, Oxfordshire and Berkshire West: a ratio of 3.5:1. This represents £4.1million of energy invested per 1,000 members of the resident population.

Making sense of the impact of the work of the VCSE sector is challenging at national, regional and local level because it will never be possible to ‘nail down’ who does what, where and how precisely. Instead, it must be accepted that attribution of impact will always be shared. No single organisation can achieve everything on its own and more often than not they achieve more by working alongside other organisations in the VCSE sector, public sector and private sector in complementary ways,

VCSE sector financial sustainability

VCSE organisations rarely rely on a single source of income to sustain their activities, instead they draw upon a wide range of income sources such as grants, contracts, earned income from self-generated trading, dividends from investments, in-kind support from other organisations, gifts and legacies, subscriptions from members; and, though much less often, borrowed money.

- Relatively few VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West rely on income from contracts to deliver public services (17%) and most of those organisations which do, are larger in size – about 30 per cent of the biggest organisations choose not to take on contracts.
- Grants are a mainstay of funding for many VCSE organisations: 47 per cent of organisations in Buckinghamshire, Oxfordshire and Berkshire West emphasise their importance in the funding mix (the national average is 62%).
- Earned income is important to about 28 per cent of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West (the national average is 33%).
- Property assets can be of great value to VCSE organisations as they reduce costs of renting and can produce a source of income by providing a location to engage in trading, letting space or charging rates for the use of space. Property ownership in Buckinghamshire, Oxfordshire and Berkshire West, at 25% of VCSE organisations is below the national average (30%).
- The indications are that the VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West is generally quite resilient: many organisations have seen income increase in the last two years (15%) and many have experienced income stability (60%). That stated, over a quarter have seen income fall (25%). Falling income may not be indicative of organisational financial crises – but, for many, a sign of organisational hibernation or reduced activity during the pandemic.
- The ownership of reserves is widespread in Buckinghamshire, Oxfordshire and Berkshire West. Only 16% of VCSE organisations have no reserves (the same as the national average). But organisations are holding on to their reserves (50%) rather than investing in new initiatives (9%). Caution is understandable given current financial concerns driven by energy costs, general inflation and higher wage demands.
- Many organisations are using reserves for essential costs (such as wages, energy costs, rents etc.) – in Buckinghamshire, Oxfordshire and Berkshire West this is just below the national average level (21% locally and 23% nationally).

Expectations about the next two years

Many VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West are quite optimistic about their prospects over the next two years. It cannot be known until the survey is repeated in 2025 whether these expectations are accurate – but based on previous rounds of this research programme, the likelihood is that they are over-optimistic.

- About a third of the sector is optimistic about income increasing in the next two years. This is quite consistent amongst statistical neighbours (34% - the national average is 33%).
- Private sector support is provided to about a quarter of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West (24% - the national average is 25%).
- Grants from trusts and foundations: a quarter of VCSE organisations believe that grant income will increase (26% - the national average is 32%).

- Expectations about support from volunteers are high: a third of organisations in the area expect this to happen (31% - the national average is 34%).
- A fifth of VCSE organisations in the area expect that statutory funding will increase in the next two years (21% - the national average is 23%).

Relationships and influencing

Relationships within the VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West are strong. Most organisations have useful informal relationships with other organisations or groups (70%). Slightly fewer work quite closely but informally with other organisations (60%). Formal partnership working is less common (26%). The level of informal, complementary or formal partnership working in Buckinghamshire, Oxfordshire and Berkshire West is substantially lower than at national average levels (72%, 65% and 34% respectively).

About half of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West (49%) have working relationships with the private sector: a majority of which work mainly with local firms. The benefits of working with business are varied: in the last two years, 32 per cent of VCSE organisations received money, 22 per cent got in-kind support, 15 per cent had help from employee volunteers and 18 per cent received *pro bono* expert advice. Levels of beneficial engagement with private sector business is generally lower in Buckinghamshire, Oxfordshire and Berkshire West than at the national level.

Relationships with public sector organisations are strong.

- The vast majority of VCSE organisations in the area feel valued by local public sector bodies (92% - 93% at national level).
- Over two-thirds of organisations (69%) which have a relationship with the public sector, state that they feel informed about issues of importance to them (77% at national level).
- A majority of organisations (53%) feel that the local public sector involves them in the development and implementation of policy – a higher percentage than at national level (48%).
- About half of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West (48%) state that the local public sector acts upon their responses to consultations (49% nationally).
- Local public sector bodies sought support from 44 per cent of local VCSE organisations during the pandemic (of those organisations which have a relationship with the public sector) – a much lower level than at national level (58%).

Much of the VCSE sector seeks to be an active partner in its relationships with public sector bodies. But a majority of organisations in Buckinghamshire, Oxfordshire and Berkshire West 'steer well clear of *political issues*' (75% compared with 72% nationally).

- Two thirds of VCSE organisations (66%) participate in formal activities (orchestrated by, for example, local authorities, health authorities or local infrastructure organisations) which address local social and public policy priorities (the national level is 71%).
- Almost two fifths (39%) of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West campaign to influence local policy compared with 47 per cent nationally.
- Working behind the scenes to influence policy is an option many VCSE organisations choose to take (44% of VCSEs in Buckinghamshire, Oxfordshire and Berkshire West compared with 43% nationally).

1 Introduction

1.1 Purpose of the report

The local voluntary, community and social enterprise sector (VCSE) is a 'home grown' resource, formed of many organisations and groups which were set up to tackle a wide range of local social, environmental and economic issues.

As independent minded and autonomous entities, VCSE organisations decide what their objectives should be, garner the resources to get things done, develop and use working practices that suit them best and develop relationships with other organisations as and when this helps them to achieve their aims.

Collectively, the local VCSE sector achieves a great deal for its beneficiaries by strengthening people's resolve to tackle difficult problems or supporting them to achieve their ambitions. And when working in complementary ways with other organisations and agencies, it can help improve the social fabric of neighbourhoods and communities.

So it is not surprising that the VCSE's contribution to local wellbeing is much appreciated by local public bodies, such as the police and fire services, local authorities and the National Health Service.

Valuing the work of the local VCSE sector is one thing, but understanding how that value is produced and for what purpose is another. So this research report was commissioned by the NHS Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board to find out more about sector structure, purpose, energy and impact at a local level.

To understand what's going on properly, it is necessary to look beyond the boundaries of a locality so that comparisons can be made with similar or different kinds of areas. Otherwise it cannot be known which aspects of the work of the local VCSE sector are distinctive, effective or particularly challenging.

Using comparative statistical analysis, this report builds a comprehensive picture of sector strengths and its willingness to work alongside or in partnership with local public agencies, businesses and other VCSE organisations.

This constitutes the first phase of a two part programme of work. The second stage will be to explore in further depth the local situation using qualitative research methodologies with VCSE organisations and public sector/NHS stakeholders.

1.2 Geographies

The following geographies will be the focus of analysis of the report.

- The project's principal geographical focus will be the NHS Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board area which encompasses the following local authority areas:
 - County of Buckinghamshire (where possible disaggregating Aylesbury Vale, Chiltern, South Buckinghamshire and Wycombe).
 - County of Oxfordshire (including City of Oxford, District of Cherwell, District of South Oxfordshire, District of Vale of White Horse and District of West Oxfordshire).

- County of Berkshire (including District of West Berkshire, Borough of Reading and Borough of Wokingham, but excluding Bracknell Forest, Windsor and Maidenhead and Slough).
- Comparative data will be drawn on at regional level in South East England.
- A set of **home counties statistical neighbours**¹ has been collated which include:²
 - NHS Bedfordshire Luton and Milton Keynes Integrated Care Board.³
 - NHS Hampshire and Isle of Wight Integrated Care Board.
 - NHS Surrey Heartlands Integrated Care Board.
 - NHS Sussex Integrated Care Board.
 - NHS Kent and Medway Integrated Care Board.
 - NHS Hertfordshire and West Essex Integrated Care Board.
 - NHS Mid and South Essex Integrated Care Board.⁴
- Two further areas of comparison are used in the study from two recent parallel studies. These ‘statistical strangers’ will provide useful benchmarks for comparative analysis.
 - **Combined authority statistical neighbours**’ including all of the following combined authorities: North East, West Yorkshire, South Yorkshire, Manchester, Liverpool, West Midlands, Cambridgeshire and Peterborough, and West of England.
 - **Spatially isolated town and country statistical neighbours**’ including Cumbria, Northumberland, Shropshire, Suffolk, Dorset, Devon and Cornwall.
- **London**: as local economies in South East England and parts of East of England are closely related to or integrated with London, comparative data have also been compiled for London’s NHS ICS areas. In this report, however, only London-wide comparisons will be made.

1.3 Data sources

The report will use data from several sources:

- Third Sector Trends databases on registered voluntary, community and social enterprises (VCSEs) collated in 2022 with 187,000 cases across England and Wales.
- Third Sector Trends 2022 survey data which includes 6,070 cases collected between June and September. The database can be used to look specifically at returns for individual localities – but can also be modelled to produce indicative findings for types of areas.

¹ Definitions of the ‘home counties’ vary. The term is used in this report as a short-hand term for all of those areas which surround London.

² Data from NHS Frimley ICS were too limited to include in the analysis.

³ Register data are presented in tabulations for this ICS area, but as there were insufficient survey responses to include this area in many tables, this area is excluded from aggregated statistical neighbour statistics.

⁴ In some tables, *Hertfordshire and West Essex* and *Mid and South Essex* data are combined to ensure greater accuracy as survey numbers were lower than other statistical neighbour areas. When using register data, the areas are separated.

- There is no scope for time series data analysis in South East England in 2022, but such analysis at a wider level is used periodically to make general statements about change in sector structure and dynamics as reported in national Third Sector Trends reports.
- Office for National Statistics (ONS) and government department statistics on local demographics, health, social and economic wellbeing in areas.
- National datasets on VCSE finances including reports from the Charity Commission, the NCVO UK Civil Society Almanac and 360Giving.
- Data provided by stakeholders in the Buckinghamshire, Oxfordshire and Berkshire West area to deepen local understanding of area dynamics.

Section 2

Area context

This section of the report provides a basis for the interpretation of VCSE data in subsequent analysis by presenting a socio-economic statistical profile of Buckinghamshire, Oxfordshire and Berkshire West in comparison with statistical neighbour and stranger areas. Data will also be presented, where available, for the individual local authorities (and former district councils of Buckinghamshire).

This study was undertaken in parallel with two other projects. One project focused on metropolitan and major urban mayoral combined authority areas (centred on discrete analysis of Yorkshire and Humber) and the other of spatially separate town and country areas (centred on Cumbria). Data have also been compiled for London as Buckinghamshire, Oxfordshire and Berkshire West's proximate statistical neighbour.

Home counties statistical neighbours

Statistical neighbour areas will include the following NHS Integrated Care Boards: ***Buckinghamshire, Oxfordshire and West Berkshire, Hampshire and Isle of Wight, Kent and Medway Integrated, Sussex, Surrey Heartlands, Mid and South Essex*** and ***Hertfordshire and West Essex***.

London statistical neighbours

Comparative analysis in this report usually limits itself to aggregated London data in most charts and tabulations. In a limited number of cases, data are presented for London ICS areas, which are as follows: ***NHS North East London Integrated Care Board, NHS North Central London Integrated Care Board, NHS North West London Integrated Care Board, NHS South East London Integrated Care Board*** and ***NHS South West London Integrated Care Board***.

Combined authority statistical neighbours

Combined authority areas include: : ***Cambridgeshire and Peterborough, Greater Manchester, Liverpool City Region, Northumbria, Tees Valley, South Yorkshire, West Midlands, West of England*** and ***West Yorkshire***.

Town and country statistical neighbours

Town and country areas include: ***Cumbria, Northumberland, Shropshire*** (including Telford and Wrekin), ***Suffolk*** (including Ipswich), ***Dorset*** (excluding Bournemouth and Poole), ***Devon*** (excluding Plymouth) and ***Cornwall***.

2.1 Demographic profile

Population data are presented in Table 2.1 for the whole of the Buckinghamshire, Oxfordshire and Berkshire West area and for its constituent local authorities. Ethnicity demographics are also presented. Taken as a whole, the home counties statistical neighbour demographic profiles are broadly similar to combined authority areas. About a fifth of the local population is composed of residents from ethnic minority or mixed ethnicity groups.

In London, the population is much more diverse: 46 per cent of the population are non-white, mixed or multiple ethnic groups. Town and country statistical neighbours, by contrast, have low levels of diversity in the local population – fewer than 5 per cent of the population is non-white. Within the Buckinghamshire, Oxfordshire and Berkshire West area, there is significant variation in levels of diversity. West Oxfordshire has the least diverse local population while Reading has the most.

	Asian or Asian British	Black, African, Caribbean or Black British	Mixed or multiple ethnic groups	White	Other ethnic group	Total resident population (NOMIS)⁵
Buckinghamshire	12.4	2.6	3.5	79.9	1.6	553,000
Cherwell	6.0	1.8	2.9	88.1	1.3	161,000
Oxford	15.4	4.7	5.6	70.7	3.7	162,000
South Oxfordshire	2.9	1.0	2.3	93.1	0.8	149,000
Vale of White Horse	4.0	1.7	2.5	90.8	1.1	138,900
West Oxfordshire	1.7	0.6	1.9	95.2	0.6	114,200
West Berkshire	3.7	1.3	2.4	91.9	0.7	161,400
Reading	17.7	7.2	5.1	67.1	2.9	174,200
Wokingham	12.9	2.4	3.1	79.9	1.6	177,500
Home counties statistical neighbours	9.7	2.7	3.4	82.6	1.6	1,791,500
London statistical neighbours	20.7	13.5	5.7	53.8	6.3	8,799,700
Combined authority statistical neighbours	10.4	3.4	2.6	81.7	1.9	17,317,600
Town and country statistical neighbours	1.6	0.6	1.4	95.8	0.6	3,991,000
England and Wales	9.3	4.0	2.9	81.7	2.1	59,597,600

⁵ Source: ONS Census 2021 Population data [Population and household estimates, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021#population-sizes-and-changes-for-regions-and-local-authorities) <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021#population-sizes-and-changes-for-regions-and-local-authorities> (downloaded 7th January 2023). A more textured analysis of ethnicity profiles by local authority areas can be accessed using an interactive map provided by the ONS [Ethnic group, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021#population-sizes-and-changes-for-regions-and-local-authorities).

2.2 Social profile

When exploring the structure, dynamics and energy of the VCSE sector in localities, it is essential to get a good understanding of local socio-economic profiles in order to find out how well VCSE sector capacity matches local need.

The English Indices of Deprivation (generally referred to as the Indices of Multiple Deprivation or IMD) provide useful comparative data on the social and economic situation of local authority areas. As Table 2.2 shows, making simple statements on area characteristics is not straight forward

Using the rank of average scores, Buckinghamshire, Oxfordshire and Berkshire West is the least deprived of the areas studied (average rank 267). There is considerable variation across local authority areas. The cities of Oxford (rank 182) and Reading (rank 141) have the lower scores, indicating greater concentrations of deprivation than in local town and country areas such as Vale of White Horse (ranked 305).

For individual domains of social deprivation, rank scores tend to follow the pattern of average ranks but there is a notable exception: 'barriers to housing and service'. Most areas score much less well in this domain due to high housing costs in the area and low levels of availability of new housing. There is also restricted access to relatively high-cost private rented accommodation or social housing provision.

Comparisons with statistical stranger areas is illuminating. While there are many wealthy areas in combined authorities, average ranks for deprivations remain very low, signalling higher levels and greater density of critical and pernicious areas of social need. The same observation applies to London, except that extremes of wealth and deprivation tend to be softened by average rankings.

In many respects, the most similar statistical stranger areas are the town and country areas of the South West, Suffolk, Shropshire and the far north. But average levels of affluence are uniformly much lower than in the Buckinghamshire, Oxfordshire and Berkshire West area.

2.3 Public health profile

Local public health is a critical indicator of local social and economic wellbeing. Table 2.3 presents data on five public health indicators.

Statistical neighbour and stranger averages, on the surface, look remarkably similar. But from a health service perspective, just one percentage point variation can have a substantial impact on service demand. The biggest variations relate to deaths from causes considered to be preventable: it is evident that conditions associated with deprivation produce much higher death rates in statistical stranger areas.

Public health in combined authority areas and town and country areas is relatively poor compared with the home counties. Taking obesity as an example, its prevalence is much greater in major urban combined authority areas which are situated mainly in the north and midlands. In town and country areas, the problem is even more severe.

There are variations in public health across the Buckinghamshire, Oxfordshire and Berkshire West area. Public health indicators reveal that the situation in Reading is considerably worse than, for example, Buckinghamshire in terms of male or female life expectancy or deaths caused by preventable conditions

Table 2.2 **IMD average rank scores in Buckinghamshire, Oxfordshire and Berkshire West compared with statistical neighbours⁶**

	IMD - rank of average score	Income - rank of average score	Employment - rank of average score	Education, skills and training - rank of average score	Health deprivation and disability - rank of average score	Crime - rank of average score	Barriers to housing and services - rank of average score	Living environment - rank of average score
<i>(1=most deprived, 317=least deprived for lower tier IMD scores)</i>								
Buckinghamshire								
Aylesbury Vale	276	272	279	224	269	246	72	273
Chiltern	315	313	305	312	316	280	138	308
South Bucks	294	298	310	296	308	152	59	251
Wycombe	191	249	257	247	294	261	104	287
Oxfordshire								
Cherwell	217	250	259	134	195	226	91	140
Oxford	182	201	254	206	183	133	117	67
South Oxfordshire	302	308	312	264	306	281	156	210
Vale of White Horse	305	296	297	267	301	306	150	267
West Oxfordshire	300	292	300	246	283	305	142	282
Berkshire west								
West Berkshire	289	281	284	242	275	266	168	212
Reading	141	140	200	135	137	108	43	119
Wokingham	316	315	315	311	315	300	139	310
Home counties statistical neighbours	267	270	283	240	263	237	116	222
London statistical neighbours	132	114	166	246	197	89	46	63
Combined authority statistical neighbours	65	57	70	64	23	213	63	63
Town and country statistical neighbours	118	127	104	113	114	177	79	95

⁶ Source: English Indices of Deprivation 2019 File 11 Local Authority District Summaries (lower tier)
<https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

Table 2.3 Local public health indicators for statistical neighbour and stranger areas (Office for Health Improvement and Disparities)⁷

	Limiting long-term illness or disability	Adults (aged 16 years and over): Estimated prevalence of obesity, including overweight, by national quintile*	Life expectancy at birth for males	Life expectancy at birth for females	Deaths from causes considered preventable, under 75 years
Buckinghamshire	13.4	4	81.6	85.1	70.5
Cherwell	14.1	4	81.0	83.8	81.3
Oxford	12.4	5	80.1	84.4	92.7
South Oxfordshire	13.8	5	82.1	85.5	62.3
Vale of White Horse	14.2	4	82.3	85.4	65.4
West Oxfordshire	14.5	3	81.5	84.8	70
Reading	12.9	5	78.8	82.6	109.1
West Berkshire	13.2	4	81.3	84.8	75.7
Wokingham	11.9	5	82.2	85.6	60.8
Home counties statistical neighbours	13.4	4.3	81.2	84.7	76.4
London statistical neighbours	14.0	4.5	80.7	84.6	90.7
Combined authority statistical neighbours	19.8	2.4	78.4	82.2	117.8
Town and country statistical neighbours	19.8	2.1	80.0	83.6	90.6

In recent years there has been a shift in policy emphasis in many societies away from life expectancy towards the assessment of ‘healthy life expectancy’.⁸ In England, data are collected by the ONS on self-perceptions of health.⁹ Healthy life expectancy is defined as follows:

“The healthy life expectancy measure adds a ‘quality of life’ dimension to estimates of life expectancy by dividing it into time spent in different states of health. Health status estimates are based on the following survey question; ‘How is your health in general; would you say it was... very good, good, fair, bad, or very bad’. If a respondent answered ‘very good’ or ‘good’ they were classified as having ‘good’ health. Those

⁷ Data were collated from *Local Health*, Office for Health Improvement and Disparities, (downloaded 16th March 2023), <https://www.localhealth.org.uk/#c=home>.

⁸ Welsh, C., Matthews, F. and Jagger, C. (2021) ‘Trends in life expectancy and healthy life years at birth and age 65 in the UK, 2008–2016, and other countries of the EU28: An observational cross-sectional study’, *The Lancet Regional Health*, [https://www.thelancet.com/journals/lanepi/article/PIIS2666-7762\(20\)30023-5/fulltext](https://www.thelancet.com/journals/lanepi/article/PIIS2666-7762(20)30023-5/fulltext)

⁹ Source: Public Health England, 2017. <https://www.gov.uk/government/publications/health-profile-for-england/chapter-1-life-expectancy-and-healthy-life-expectancy>

who answered 'fair', 'bad', or 'very bad' were classified as having 'not good' health and equate to those in 'poor' health."

Healthy life expectancy statistics provide a useful benchmark for the analysis of spatial variations in public health. Unfortunately, data are only published at upper-tier local authority levels. Nevertheless, analysis shows that variations in healthy life expectancy are shaped by area affluence or deprivation (Table 2.4).

Healthy life expectancy is much higher in the home counties than all other areas. For example, women's healthy life expectancy at birth is 62 years in combined authority areas, while it is 68 years in the home counties. Many people in combined authority areas face many more years of ill-health than their counterparts in the home counties. This is not just a major urban phenomenon: healthy life expectancy is also much lower in town and country areas than in the home counties.

	Men's life expectancy at birth	Men's healthy life expectancy at birth	Years of ill health	Women's life expectancy at birth	Women's healthy life expectancy at birth	Years of ill health
Buckinghamshire	81.4	69.5	11.9	85.0	67.8	11.9
Oxfordshire	81.0	68.0	13.0	84.1	66.6	13.0
West Berkshire	81.0	69.0	12.0	84.3	69.6	12.0
Reading	78.5	66.2	12.2	82.9	64.6	12.2
Wokingham	81.8	70.5	11.3	84.7	70.7	11.3
Home counties statistical neighbours	80.7	68.6	12.1	84.2	67.9	12.1
London statistical neighbours	80.3	63.6	16.7	84.2	63.8	20.4
Combined authority statistical neighbours	78.4	60.9	17.5	82.2	61.6	20.6
Town and country statistical neighbours	79.9	64.3	15.6	83.5	64.4	19.2

2.4 Labour market profile

Demographic, social and public health area profiles indicate that there are wide disparities in social wellbeing across areas. These variations may be partly due to the 'opportunity structures' in areas – such as decent quality employment, levels of pay and may help to explain variations in the skills and qualifications of the local workforce.

To appreciate the contribution the VCSE sector needs to make to local economy and society, it is helpful to have an overview of the characteristics of the local labour market. This sub-section draws upon Nomis labour market data to examine a range of factors, including: pay, occupational status, occupational distribution in industrial sectors and qualifications in the local labour force.

The analysis must be preceded with a caveat. A distinction needs to be drawn between the resident population (as described in the above demographic, social and health profile data which is mainly gleaned from census statistics) and labour market data which refers to the labour force *working in the area* – but not necessarily

resident in the area. In 2016, 900,000 people commuted into greater London and held 16 per cent of jobs.¹⁰

2021 census statistics are not yet fully available on travel to work areas. But evidence from the 2022 census statistics indicate major flows of the resident population out of the area and into London. This means that, for example, data on the qualifications of the workforce may not match the qualification levels of the resident population. The same applies to levels of pay – people who work in London may well be paid higher salaries than the resident population.

Table 2.4 shows average weekly wages within the Buckinghamshire, Oxfordshire and Berkshire West area labour force. Wage levels are higher compared with the average amongst statistical neighbours in the home counties. The highest wage area is Oxfordshire.

When compared with statistical stranger areas there are some big variations. London has the highest average weekly wages (£805) which is substantially higher than amongst home counties statistical neighbours (£664). Wage levels are much lower in combined authority areas (£511) and lower still in town and country areas (£495).

While the cost of living is undoubtedly higher in London and the home counties than is the case in town and country areas and combined authorities, it is evident that standards of living vary significantly – which can have severe consequences for social and economic wellbeing (see Tables 2.2 to 2.4 above)

Table 2.5 Average weekly wages in statistical neighbour and statistical stranger areas				
	Buckinghamshire	Oxfordshire	Berkshire west	Home counties statistical neighbours
Full time workers	£691	£799	£787	£664
	Home counties statistical neighbours	London statistical neighbours	Combined authority statistical neighbours	Town and country statistical neighbours
Full time workers	£664	£805	£511	£495

Occupational status is often used as an indicator of the socio-economic position of individuals and households. Table 2.6 shows that in Buckinghamshire, Oxfordshire and Berkshire West, higher status and better paid jobs in management and the professions are more prevalent than in combined authority and town and country areas. In those areas, there are greater concentrations of employees in skilled trades, service occupations and manufacturing jobs.

Table 2.7 presents data on qualification levels within the local labour force. It is interesting to note that qualification levels do not vary as much as might be expected given that occupational status structures vary considerably. This suggests, perhaps, higher levels of under-employment in combined authority and town and country areas compared with the home counties.

Finally, Table 2.8 compares patterns of employment in industrial sectors. London stands out as being the most distinctive of the areas. Few people are situated in manufacturing jobs in London and employment in construction and retailing is comparably lower than all other areas. Jobs in professional, scientific and technical, finance, information and communications occupations are much more common than

¹⁰ See Brown, R., Eden, S. and Bosetti, N. (2018) Next-door neighbours – collaborative working across the London boundary, Centre for London: <https://centreforlondon.org/reader/next-door-neighbours/chapter-1-connections-and-challenges/#connections>

in all other areas. While in the home counties, employment profiles are more similar to combined authority and town and country areas, there are substantially fewer jobs in manufacturing and public administration.

Table 2.6 Occupational distribution in statistical neighbour and statistical stranger areas				
	Buckinghamshire	Oxfordshire	Berkshire West	Home counties statistical neighbours
Managers, directors and senior officials	18.4	10.6	11.8	12.5
Professional occupations	25.2	36.7	33.1	28.1
Associate professional occupations	16.1	16.0	16.1	15.8
Administrative & secretarial occupations	9.4	9.2	9.9	9.8
Skilled trades occupations	8.4	8.6	6.5	7.9
Caring, leisure and other Service occupations	6.7	5.1	7.1	7.5
Sales and customer service occupations	5.4	3.4	4.6	5.6
Process plant & machine operatives	4.3	3.5	4.5	4.2
Elementary occupations	6.0	6.9	6.4	8.0
	Home counties statistical neighbours	London statistical neighbours	Combined authority statistical neighbours	Town and country statistical neighbours
Managers, directors and senior officials	12.5	12.0	10.2	8.5
Professional occupations	28.1	34.4	22.2	24.9
Associate professional occupations	15.8	17.1	12.6	14.9
Administrative & secretarial occupations	9.8	9.0	9.6	10.7
Skilled trades occupations	7.9	6.0	11.7	8.6
Caring, leisure and other Service occupations	7.5	6.6	8.7	7.8
Sales and customer service occupations	5.6	5.0	7.9	7.0
Process plant & machine operatives	4.2	3.0	6.5	6.8
Elementary occupations	8.0	6.5	10.6	10.8

Table 2.7 Qualification levels in statistical neighbour and statistical stranger areas				
	Buckinghamshire	Oxfordshire	Berkshire West	Home counties statistical neighbours
NVQ4 and above	16.0	17.7	17.6	15.6
NVQ3 and above	22.7	23.1	22.6	22.0
NVQ2 and above	27.8	27.4	27.5	27.8
NVQ1 and above	30.3	29.3	30.0	31.2
Other qualifications	1.5	1.3	1.1	1.6
No qualifications	1.6	1.1	1.1	1.7

Table 2.7 Continued/...	Home counties statistical neighbours	London statistical neighbours	Combined authority statistical neighbours	Town and country statistical neighbours
NVQ4 and above	15.6	n/a ¹¹	14.2	13.6
NVQ3 and above	22.0		21.2	21.2
NVQ2 and above	27.8		27.9	28.4
NVQ1 and above	31.2		31.4	32.8
Other qualifications	1.6		2.4	1.8
No qualifications	1.7		3.0	2.3

Table 2.8 Employment in industrial sectors in statistical neighbour and statistical stranger areas							
	Buckinghamshire	Oxfordshire	Berkshire West	Home counties statistical neighbours	London statistical neighbours	Combined authority statistical neighbours	Town and country statistical neighbours
Mining and quarrying	0.0	0.1	0.0	0.1	0.0	0.0	0.2
Manufacturing	7.1	6.6	5.8	5.8	2.1	8.5	10.1
Electricity, gas, steam and air conditioning supply	0.0	0.4	0.8	0.4	0.4	0.4	0.4
Water supply; sewerage, waste and remediation	1.5	1.1	1.5	1.0	0.3	0.7	0.9
Construction	6.6	4.4	3.7	5.7	3.5	4.6	5.7
Wholesale and retail trade; repair of vehicles	17.9	14.2	14.1	15.9	11.4	13.9	16.6
Transportation and storage	3.3	3.8	2.8	5.1	4.3	5.5	4.5
Accommodation and food service activities	6.6	6.8	5.9	7.3	7.4	6.9	11.3
Information and communication	5.4	5.2	15.2	5.5	8.4	3.6	2.4
Financial and insurance activities	1.9	1.2	2.0	2.8	8.0	3.0	1.3
Real estate activities	1.9	1.6	1.3	1.7	2.5	1.8	1.5
Professional, scientific and technical activities	9.6	12.3	12.4	9.2	14.2	8.3	6.3
Administrative and support service activities	11.2	7.9	10.7	8.9	9.7	9.2	7.2
Public administration and defence; social security	2.9	2.7	2.9	3.3	4.6	5.1	4.2
Education	8.7	15.3	8.6	9.6	7.3	9.6	8.8
Human health and social work activities	11.2	12.3	8.3	13.0	10.6	15.0	14.7
Arts, entertainment and recreation	2.1	1.9	1.9	2.3	2.8	2.0	2.3
Other service activities	2.1	1.9	2.1	2.1	2.5	1.7	1.8

¹¹ On the day of making the search (May 22nd, 2023) data had been removed from NOMIS, presumably for updating. Statistics for other areas were downloaded between January and March 2023.

As shown in Section 4, the local VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West employs around 44,500 people.

The VCSE workforce as a percentage of all local employment in the area is large in comparable terms – at around 5% (compared with about 3.5 – 4% in most regions). But this percentage is high partly because many members of the resident population commute to London. There is also a much higher than average level of VCSE sector employment in Oxford which inflates the overall percentage.

The VCSE sector is of comparable size to the construction industry (42,750); and almost double the size of public administration (25,500). While the sector is much smaller than health (96,000) and education (102,000), it should be noted that many VCSE employees may be included within these statistics as there is no separate industrial category for the voluntary sector.

Industrial sector	Total employment	Buckinghamshire	Oxfordshire	Berkshire west (including Reading and Wokingham)
Mining and quarrying	430	50	300	80
Manufacturing	57,750	17,000	24,000	16,750
Electricity, gas, steam and air conditioning supply	4,050	100	1,500	2,450
Water supply; sewerage, waste and remediation	11,950	3,500	4,000	4,450
Construction	42,750	16,000	16,000	10,750
Wholesale and retail trade; repair of vehicles	136,000	43,000	52,000	41,000
Transportation and storage	30,000	8,000	14,000	8,000
Accommodation and food service activities	58,000	16,000	25,000	17,000
Information and communication	76,000	13,000	19,000	44,000
Financial and insurance activities	14,750	4,500	4,500	5,750
Real estate activities	14,150	4,500	6,000	3,650
Professional, scientific and technical activities	104,000	23,000	45,000	36,000
Administrative and support service activities	87,000	27,000	29,000	31,000
Public administration and defence; social security	25,500	7,000	10,000	8,500
Education	102,000	21,000	56,000	25,000
Human health and social work activities	96,000	27,000	45,000	24,000
Arts, entertainment and recreation	17,500	5,000	7,000	5,500
Other service activities	18,000	5,000	7,000	6,000
Total employment	895,830	240,650	365,300	289,880
VCSE sector employment	44,500	11,000	24,000	9,500
VCSE sector as % of all employment	4.9	4.6	6.6	3.3

Section 3

VCSE sector profile

3.1 Sector structure

The preceding analysis of social, health and labour market profiles was presented to help interpret variations in the structure, purpose, dynamics and impact of the VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West.

It is now well understood from Third Sector Trends that in areas suffering from extensive social and economic deprivation – demands for certain types of support shapes the way the local VCSE sector is structured. What is less well understood is how the energy, purpose and impact of the VCSE sector is framed in areas which are generally more affluent.

Buckinghamshire, Oxfordshire and Berkshire West is one such area. But unlike the North of England where there are areas of affluence with similar characteristics (such as Cheshire, North Yorkshire or wealthy suburbs and market towns near other metropolitan areas), much of South East England and parts of East of England are affluent. There are areas of relative deprivation too, but they tend to be found in ‘pockets’ rather than swathes as is the case in, for example, in North East England.

Using comparative analysis of statistical neighbours and statistical strangers, this sub-section presents data on VCSE sector structure to determine how closely capacity and capability aligns with local circumstances. Sector structure is demarcated by disaggregating organisations by size and purpose (see Box 3.1).

Box 3.1 Defining types of VCSE organisations

The Third Sector Trends study does not use the same size categories as the Charity Commission or NCVO in its analysis. This is because the study has a strong focus on the local VCSE sector where a majority of organisations are small. If these smaller organisations are not disaggregated into discrete categories, it is not possible fully to understand how the sector is structured, how it works and how it achieves its objectives.

The use of these categories does not imply that they are completely separate and distinctive, but they are useful when making comparisons about organisational structure, functions, policy and practice preferences which inform analysis, interpretation, conclusions and recommendations.

- **Informal organisations:** ‘micro VCSE organisations’ (with income below £10,000) and ‘small VCSE organisations’ (with income between £10,000 and £50,000) rarely employ staff and operate quite informally. They mainly operate at a local level, but not exclusively so. They are usually heavily or completely reliant on voluntarily given time to sustain their activity. Being small does not mean that these organisations do not have complex interpersonal relationships – this is due to the voluntaristic nature of participation in activity which requires the development of a negotiated order to define and tackle priorities.

- **Semi-formal organisations:** 'medium-sized VCSE organisations' (with income between £50,000 and £250,000) adopt semi-formal practices. They tend to employ people but there is little scope for a complex division of labour or occupational specialisation. Often, they are the 'embodiment' of their leaders' interest in cultural and value terms – but not always – some adopt more inclusive cooperative approaches. This can make personal interrelationships complex. While they are ambitious to achieve a great deal, they rely mainly on grants to keep going and most have limited or no interest in delivering public sector contracts.
- **Formal organisations:** 'larger VCSE organisations' (which have income between £250,000 and £1million) are more formal in their structures and culture because their scale allows for specialisation and a more complex division of labour. There are formally embedded hierarchical aspects to organisational structure and some procedural practices are necessarily adopted. But they are not impersonal bodies in practice because of their small scale and limited number of employees and volunteers. These VCSE organisations rely on a mixed finance diet where grants and self-generated trading are often vital income sources.
- **Formal hierarchical organisations:** 'big VCSE organisations' (which have income between £1million - £25million). Due to scale they adopt more formalistic inter-personal relationships between strata of employees and social distance becomes more pronounced and separates domains of decision making and practice delivery – whilst not losing elements of organic change from across the formal hierarchy. Financially, these organisations rely on mixed sources: particularly grants, self-generated income and public contracts. They devote significant time to strategic planning and position themselves beneficially through effective public relations and networking.
- **Formal complex organisations:** 'major' or 'super major' VCSE organisations which have income above £25million are not included in the study because they are more likely to work nationally or internationally and resemble large businesses or smaller public sector bodies in organisational terms. Many rely heavily on public sector contracts, grants and trading. Very large organisations often depend upon self-generated fundraising. Consequently, they seek to develop a recognisable presence or 'brand' in the public domain. Such organisations tend to be effective at influencing policy stakeholders and/or formal engagement in visible campaigning.

Table 3.1 compares the structure of the VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West with its home counties statistical neighbours, statistical strangers and with England and Wales. Compared with national averages, Buckinghamshire, Oxfordshire and Berkshire West is strikingly similar: almost two-thirds of organisations are relatively small with income below £50,000. Medium-sized organisations constitute about a fifth of the sector. Around 8-9 per cent of VCSE organisations are quite large (by voluntary sector standards) – with income ranging from £250,000 to £1million. Only five per cent of organisations are big – with income between £1m - £25m. This pattern varies little amongst statistical neighbours.

Town and country areas (which are quite distant from major conurbations) have substantially different structures. There are much larger numbers of micro organisations and very few bigger ones. But it is London that stands out as being the most distinctively different: only half of organisations are small, a quarter are medium sized and nearly a quarter are large or big entities.

When compared with combined authority areas – which are located mainly in major urban areas in the North and Midlands – it is clear that sector structures differ: but these differences are not dramatic (there are slightly more middling sized to larger organisations in the combined authority areas). This is a puzzling finding – as it might be expected, given their different socio-economic characteristics, that combined authority areas would be more similar to London – not the home counties. So the question is, do VCSE organisations in the home counties and combined authority areas work in different ways to achieve distinct purposes?

Table 3.1 Sector structure in Buckinghamshire, Oxfordshire and Berkshire West compared with statistical neighbours¹²

	Micro (income below £10,000)	Small (income £10,000-£49,999)	Medium (income £50,000-£249,999)	Large (income £250,000 - £999,999)	Big (income £1m-£25m)	All VCSE orgs¹³
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	33.6	30.9	22.1	8.0	5.4	7,485
NHS Bedfordshire Luton and Milton Keynes Integrated Care Board	36.9	28.4	23.2	7.6	3.9	2,756
NHS Hampshire and Isle of Wight Integrated Care Board	32.3	32.0	23.6	7.9	4.2	5,574
NHS Hertfordshire and West Essex Integrated Care Board	32.7	29.6	25.0	7.9	4.9	3,447
NHS Kent and Medway Integrated Care Board	35.0	31.3	22.9	7.0	3.8	5,790
NHS Mid and South Essex Integrated Care Board	33.6	33.8	22.0	7.8	2.7	3,305
NHS Surrey Heartlands Integrated Care Board	29.8	32.4	24.3	8.0	5.4	6,397
NHS Sussex Integrated Care Board	30.0	32.7	24.1	8.5	4.7	5,197
Home counties statistical neighbours	32.7	31.5	23.4	7.8	4.5	39,951
London statistical neighbours	25.3	24.1	25.9	14.7	10.0	35,901
Combined authority statistical neighbours	30.9	27.6	25.7	10.3	5.5	39,414
Town and country statistical neighbours	44.1	28.9	18.5	6.0	2.5	18,139
England and Wales	34.7	28.4	22.7	9.0	5.2	189,959

To get more clues about variations in sector structural characteristics by types of area, Table 3.2 compares the legal form of organisations. The analysis is revealing because it shows that there tend to be more charities in Buckinghamshire, Oxfordshire and Berkshire West (76%) and amongst most of its statistical neighbours (apart from Sussex) than in combined authority areas (64%). There are variations in the types of charities too.

Background analysis shows that charitable companies (which are usually also registered at Companies House as Companies Limited by Guarantee) are more rare in affluent areas. These organisations are much more likely than other charities to

¹² The data in this table only refer to registered charities and does not include other types of registered VCSE organisations because there is insufficient or no data available on organisational size.

¹³ Data on organisational size is only available for Charity Commission registered organisations (n=134,833), so data are scaled up to a national level (n=189,589). It is estimated that there are 200,000 VCSE organisations in England and Wales including those charities are exempted from registration and some CLGs on the Companies House register that cannot easily be identified as not-for-profit organisations.

engage in the delivery of public sector contracts to deliver service and tend to be more focused in less affluent areas. General charities, by contrast, are much more common in the most affluent areas.

This tells us something about the different origins and cultures of VCSE sectors. Though quite few in number, there are twice as many registered societies in combined authority areas than in the home counties. This category includes Cooperatives and Community Benefit Societies (formerly known as Industrial and Provident Societies). Many of these organisations were established mainly in the North, the Midlands and South Wales by people in working-class communities as an alternative to philanthropy and charity.

The much more recently established legal form of Community Interest Companies are more prevalent in combined authority areas. These organisations often run in a similar way to small businesses because directors can be paid – providing that the company has a social purpose. But these differences should not be overstated: in Sussex, for example, 14 per cent of VCSE organisations are CICs.

	Registered charities	Community Incorporated Organisations	Community Interest Companies	Community Amateur Sports Clubs	Registered Societies	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	75.8	10.8	6.5	3.4	3.5	7,485
NHS Bedfordshire Luton and Milton Keynes Integrated Care Board	71.6	9.8	12.0	3.4	3.3	2,756
NHS Hampshire and Isle of Wight Integrated Care Board	74.5	9.6	8.3	3.4	4.1	5,574
NHS Hertfordshire and West Essex Integrated Care Board	74.6	9.3	9.0	3.7	3.4	3,447
NHS Kent and Medway Integrated Care Board	70.1	9.4	12.1	4.6	3.7	5,790
NHS Mid and South Essex Integrated Care Board	73.5	9.0	9.7	4.0	3.8	3,305
NHS Surrey Heartlands Integrated Care Board	74.7	10.6	6.7	4.2	3.8	6,397
NHS Sussex Integrated Care Board	66.7	10.1	14.0	4.8	4.3	5,197
Home counties statistical neighbours	72.9	10.0	9.4	4.0	3.8	39,951
London statistical neighbours	70.6	12.0	12.7	1.3	3.4	35,901
Combined authority statistical neighbours	63.5	10.4	16.6	3.2	6.2	39,414
Town and country statistical neighbours	70.1	8.9	11.4	4.4	5.2	18,139
England and Wales	70.0	10.3	11.8	3.3	4.6	189,959

3.2 VCSE sector in the context of place

The above analysis shows that VCSE sector structure varies depending upon the types of places where organisations operate. As Table 3(a) shows, this also appears to affect the way that organisations work. In London and combined authority areas, VCSE organisations are much more likely to work over a wider spatial area than is the case in town and country areas and, to a lesser extent, in the home counties.

In London, 23 per cent of organisations work at a national level compared with 11 per cent in the home counties and just 4 per cent in town and country/combined authority areas. In some areas, a very large proportion of the VCSE sector limits its activities just to the local village or neighbourhood level. This means that the ‘balance of trade’ between London and the rest of the UK tends to work in regions’ favour.

In the home counties and town and country areas, about two thirds of organisations work very locally while in London just 10 per cent focus solely on the immediate local area. Interestingly, 30 per cent of VCSE organisations in combined authority areas work only at the very local level. Within the home counties, the spatial range at which VCSE organisations work is fairly similar – although organisations tend to be more polarised in Buckinghamshire, Oxfordshire and Berkshire West – 42% work very locally and 39% work across a wider area (Table 3(b)).

Table 3.3(a) Spatial range at which VCSE organisations work: statistical neighbours and strangers (Third Sector Trends 2022 survey data)							
	Just in our neighbourhood or village	Within our local authority / county council district / London borough	Across at least two local authorities / districts / London	At a regional level (e.g. North East England, London or South West)	At a national level / across the UK	Internationally	N=
Home counties statistical neighbours	36.9	25.8	13.4	3.9	10.9	9.1	1,000
London statistical neighbours	10.2	26.2	16.8	8.9	23.4	14.5	530
Combined authority statistical neighbours	29.9	32.7	15.1	12.1	6.3	3.9	1,888
Town and country statistical neighbours	40.5	33.7	11.0	4.8	6.0	4.0	682
England and Wales	32.5	30.2	14.2	7.9	9.0	6.1	6,028

Table 3.3(b) Spatial range at which VCSE organisations work: home counties				
	Just in our neighbourhood or village	Within our local authority	Across a wider area	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	41.8	19.7	38.5	208
NHS Hampshire and Isle of Wight Integrated Care Board	41.9	22.6	35.5	155
NHS Surrey Heartlands Integrated Care Board	33.6	26.2	40.3	149
NHS Sussex Integrated Care Board	33.1	30.2	36.7	139
NHS Kent and Medway Integrated Care Board	35.8	31.1	33.1	148
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	38.4	25.4	36.2	138
All home counties statistical neighbours	37.8	25.4	36.8	937

Table 3.4 compares the percentages of VCSE organisations located in areas of greater or lesser affluence. This produces vital insights into the way the local sector is structured and may provide useful clues about social purpose.

As shown in Section 2, the socio-economic structure of Buckinghamshire, Oxfordshire and Berkshire West and its statistical neighbours is very different from combined authority areas and spatially separate town and country areas. There are few VCSE organisations based in the poorest areas in the home counties because there are very few areas identified in the lower reaches of the Indices of Multiple Deprivation.

Buckinghamshire, Oxfordshire and Berkshire West, together with the Surrey heartlands area are generally quite affluent: consequently, about half of local VCSE organisations are based in the most affluent quintile of the Indices of Multiple Deprivation. The variation between statistical neighbours and statistical strangers can be stark. In combined authority areas, only 6 per cent of VCSE organisations are in the richest quintile whilst nearly a third are based in the poorest (compared with just 6% in the home counties).

On the surface, the VCSE sector structure in town and country areas share similarities with the home counties. But analysis of area wealth and deprivation produces a different picture. There are relatively similar percentages of VCSE organisations in areas of deep social deprivation (8% and 6% respectively). But at the other end of the spectrum, few VCSE organisations are based in highly affluent areas in town and county districts (12%) when compared with the home counties (36%).

This analysis raises new questions, therefore, about variations in the activities, objectives and social impact of VCSE organisations in areas with different characteristics which will be discussed in Section 5. But first, we need to find out more about how much energy the VCSE sector has at its disposal to achieve its objectives – that is the purpose of the next section.

Table 3.4 Distribution of VCSE organisations across areas of affluence / deprivation						
	Poorest IMD 1-2	IMD 3-4	Intermediate IMD 5-6	IMD 7-8	Richest IMD 9-10	
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	1.0	7.1	12.1	30.5	49.4	7,485
NHS Bedfordshire Luton and Milton Keynes Integrated Care Board	14.6	18.7	13.9	29.2	23.7	2,756
NHS Hampshire and Isle of Wight Integrated Care Board	7.7	13.3	17.4	23.2	38.4	5,574
NHS Hertfordshire and West Essex Integrated Care Board	1.0	11.5	18.6	24.2	44.7	3,447
NHS Kent and Medway Integrated Care Board	11.1	16.2	24.2	27.5	21.0	5,790
NHS Mid and South Essex Integrated Care Board	8.4	14.1	24.3	30.1	23.1	3,305
NHS Surrey Heartlands Integrated Care Board	0.5	5.0	16.5	27.7	50.3	6,397
NHS Sussex Integrated Care Board	10.9	16.0	23.3	26.6	23.2	5,197
Home counties statistical neighbours	6.2	11.9	18.4	27.4	36.1	39,951
London statistical neighbours	19.2	31.4	23.6	17.5	8.4	35,901
Combined authority statistical neighbours	30.9	27.6	25.7	10.3	5.5	20,000
Town and country statistical neighbours	7.9	20.1	36.7	23.5	11.7	16,948
England and Wales	15.8	19.2	22.2	22.4	20.4	186,521

Section 4

VCSE sector workforce

4.1 Employee and volunteer numbers

Third Sector Trends collates estimates on the number of employees and regular volunteers in localities, how much time they invest in sector activity and the estimated costs of employees' wages / proxy replacement value of regular volunteers. Table 4.1 shows the estimated number of employees in Buckinghamshire, Oxfordshire and Berkshire West .

Table 4.1 Estimated numbers of employees in Buckinghamshire, Oxfordshire and Berkshire West				
	Total estimated part-time employees	Full-time equivalent part-time employees	Estimated full-time employees	Estimated total full time equivalent employees
Aylesbury Vale	3,371	1,151	2,781	3,933
Chiltern	2,095	747	1,825	2,572
South Bucks	1,441	522	1,294	1,817
Wycombe	2,148	772	1,878	2,650
Buckinghamshire	9,055	3,193	7,778	10,971
Cherwell	2,052	707	1,701	2,409
Oxford	10,226	3,477	8,660	12,137
South Oxfordshire	2,621	950	2,323	3,273
Vale of White Horse	2,800	991	2,409	3,400
West Oxfordshire	2,384	834	2,031	2,865
Oxfordshire	20,082	6,959	17,124	24,083
West Berkshire	2,871	962	2,324	3,286
Reading	3,148	1,123	2,819	3,943
Wokingham	1,768	639	1,566	2,205
Berkshire West	7,787	2,724	6,710	9,434
Buckinghamshire, Oxfordshire and Berkshire West	36,924	12,877	31,612	44,488

Estimated regular volunteer numbers are presented in Table 4.2 together with estimates of the days worked, the full-time equivalent number of volunteers and the proxy financial replacement value for each former district council area, local authority and county area.

Table 4.2 Estimated number of volunteers and proxy financial replacement value

	Total estimated regular volunteers	Hours work (x72 annually per regular volunteer)	Value at National Living Wage (£millions, at £9.90)	80% average wage¹⁴	Value at 80% average regional wage
Aylesbury Vale	16,737	1,205,067	11.9	28,741	21.0
Chiltern	10,720	771,815	7.6	28,741	13.4
South Bucks	6,521	469,523	4.6	28,741	8.2
Wycombe	12,929	930,917	9.2	28,741	16.2
Buckinghamshire	46,907	3,377,322	33.4	114,966	58.8
Cherwell	11,386	819,777	8.1	33,255	16.5
Oxford	24,401	1,756,836	17.4	33,255	35.4
South Oxfordshire	15,911	1,145,615	11.3	33,255	23.1
Vale of White Horse	15,965	1,149,494	11.4	33,255	23.2
West Oxfordshire	12,569	904,944	9.0	33,255	18.2
Oxfordshire	80,231	5,776,666	57.2	166,275	116.4
West Berkshire	12,791	920,966	9.1	32,739	18.3
Reading	11,547	831,402	8.2	32,739	16.5
Wokingham	10,438	751,561	7.4	32,739	14.9
Berkshire West	34,777	2,503,929	24.8	98,218	49.7
Buckinghamshire, Oxfordshire and Berkshire West	161,915	1,165,7917	115.4	379,459	224.9

4.2 VCSE labour market dynamics

Employees

In England and Wales, the VCSE sector is currently facing significant labour-force challenges. As Table 4.3 shows, many VCSE organisations report difficulties with staff retention and recruitment. This may be due to several factors - including higher demand for employees in the private sector, post-pandemic withdrawal from the labour market (especially amongst the over 50s) and/or growing preference for flexible, part-time or fractional contracts.

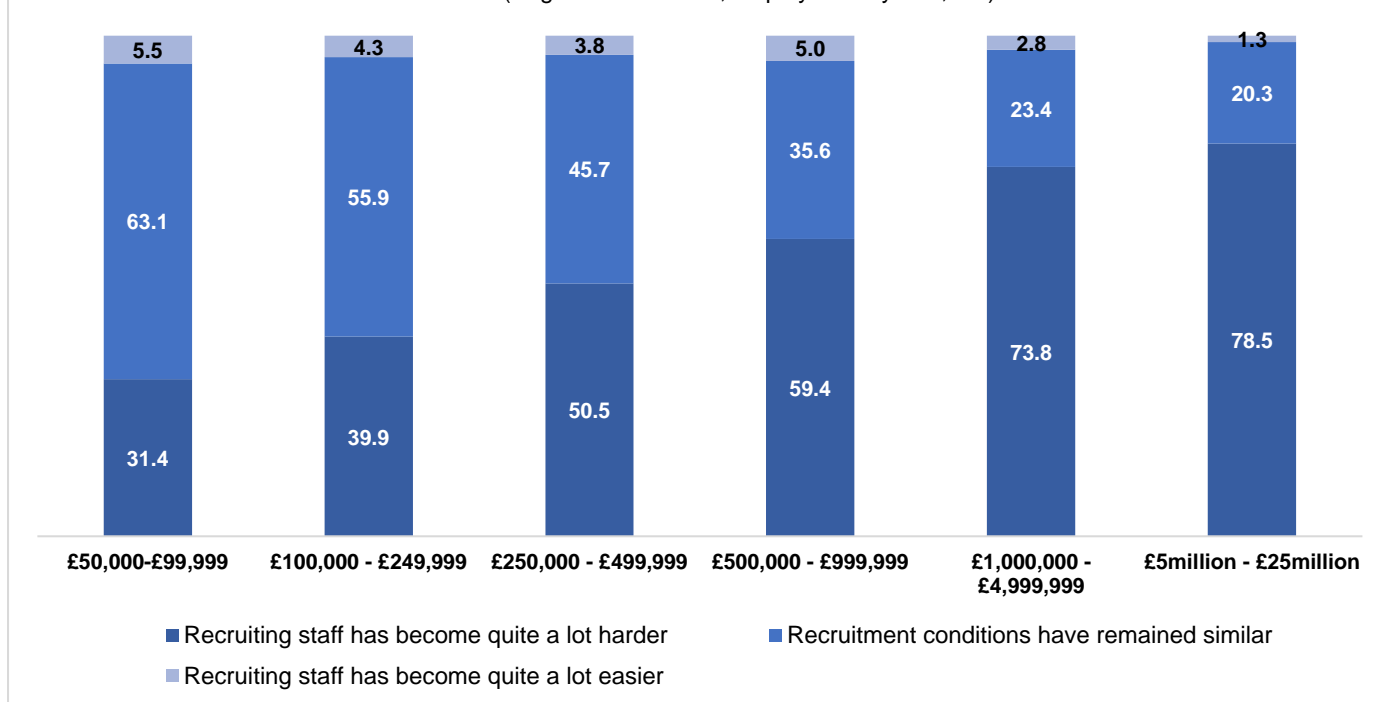
Staff retention and recruitment problems are less severe in Buckinghamshire, Oxfordshire and Berkshire West and the home counties generally. This is likely to be related to the lower proportion of employment in the delivery of major public service contracts than statistical stranger areas.

National data reveals that recruitment problems are most severe for larger organisations – which are most likely to be engaged with the delivery of public service contracts (Figure 4.1) and can result in low pay for front-line staff in fields of work such as adult social care.

¹⁴ Average county wages calculated from weekly average wages Table 2.5.

	<i>Holding on to our existing staff</i>		<i>Recruiting new staff</i>	
	It has become quite a lot harder	It has become quite a lot easier	It has become quite a lot harder	It has become quite a lot easier
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	12.5	0.0	35.5	7.5
NHS Hampshire and Isle of Wight Integrated Care Board	12.7	0.0	24.7	1.3
NHS Surrey Heartlands Integrated Care Board	14.1	4.2	37.7	5.8
NHS Sussex Integrated Care Board	11.7	2.6	38.9	5.6
NHS Kent and Medway Integrated Care Board	16.0	5.3	40.0	2.9
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	16.2	1.5	39.1	3.1
Home counties statistical neighbours	13.8	2.4	35.4	4.8
London statistical neighbours	20.8	2.2	40.0	3.3
Combined authority statistical neighbours	20.9	4.2	46.1	4.6
Town and country statistical neighbours	20.8	1.7	41.9	2.8
England and Wales	19.8	3.0	43.0	4.0

Figure 4.1 **Recruitment problems by size of organisation**
(England and Wales, employers only n=3,186)

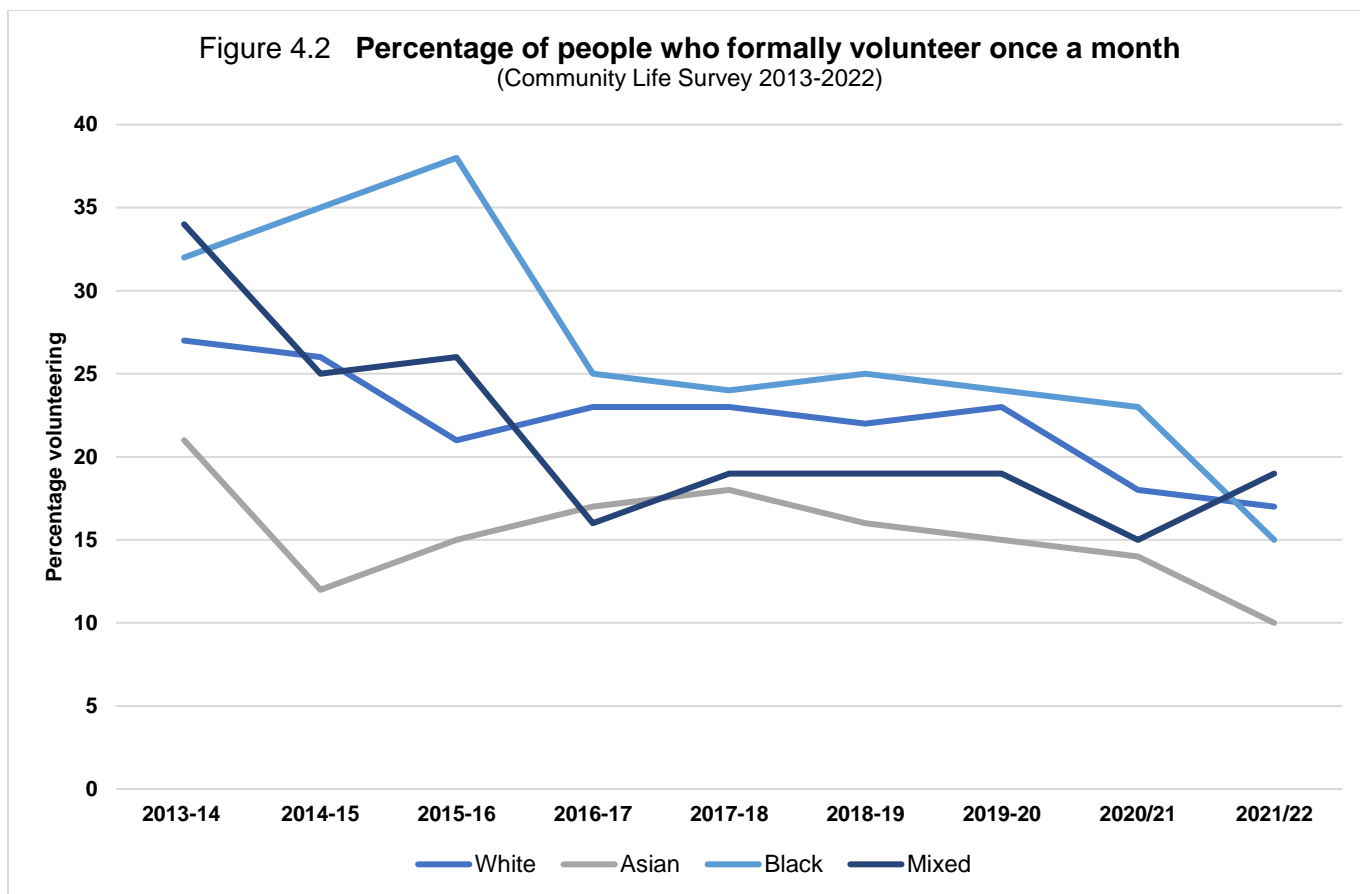


Volunteers

The most recent national data on volunteering is available from the government's *Community Life Survey*.¹⁵ The evidence indicates a decrease in formal monthly volunteering since the pandemic which began in 2020/21. There is limited evidence of immediate recovery in 2021/22.

People in the most affluent communities are consistently more likely to volunteer than in the least affluent areas (Table 4.4). And while formal monthly volunteering has declined in the richest and poorest areas during and since the pandemic – the differential between richer and poorer areas remains much the same.

Decline in regular formal volunteering follows a longer-term trend amongst people in ethnic minority groups as shown in Figure 4.2. This suggests that opportunities to volunteer may be becoming progressively less appealing, or that opportunities to do so have diminished.



¹⁵ Department for Digital, Culture, Media and Sport (2022) *Community Life Survey 2021/2022*. <https://www.gov.uk/government/statistics/community-life-survey-202122>

Table 4.4 Percentage of the population of England who engage in formal volunteering monthly
(Community Life Survey, 2020/21–2021/22)

Characteristics		2016/17	2017/18	2018/19	2019/20	Pandemic	
						2020/21	2021/22
Total population	All respondents	22	22	22	23	17	16
Gender	Male	22	21	21	22	17	16
	Female	23	23	22	24	18	16
Age	Age 16 to 24	20	24	21	23	17	19
	Age 25 to 34	15	15	15	16	12	10
	Age 35 to 49	22	21	22	21	17	14
	Age 50 to 64	23	22	22	23	19	17
	Age 65 to 74	32	24	28	31	22	23
	Age 75 and over	29	29	24	25	18	19
Ethnicity	White	23	23	22	23	18	17
	Asian	17	18	16	15	14	10
	Black	25	24	25	24	23	15
	Mixed	16	19	19	19	15	19
Health and disabilities	Limiting long-term illness/disability	24	24	23	26	19	17
	No limiting long-term illness/disability	24	24	24	25	19	17
Region of England	North East	15	16	16	22	18	14
	North West	22	21	20	23	15	14
	Yorkshire and Humber	21	22	18	20	17	15
	East Midlands	25	20	23	20	15	17
	West Midlands	20	23	18	19	17	16
	East of England	23	23	24	25	20	15
	London	20	20	129	20	17	16
	South East	25	25	26	26	19	18
	South West	29	25	25	28	20	19
Spatial characteristics	Urban	21	21	20	21	16	15
	Rural	30	29	29	29	24	22
Area affluence	1 (least affluent)	15	15	14	15	12	10
	2	18	19	19	18	15	14
	3	24	23	20	22	17	16
	4	27	24	26	26	20	19
	5 (most affluent)	29	29	29	31	23	22

Volunteering for the local VCSE sector

Unlike the *Community Life Survey*, Third Sector Trends records data on volunteering from VCSE organisations, not volunteers themselves. Because data are collected on regular volunteers who work for VCSE organisations, this means that many other volunteers are not included in the study, including:

- Volunteers giving time to public bodies such as local public libraries (unless they are community run entities) or the NHS (unless they are working directly for a VCSE organisation such as WRVS).
- Volunteering in schools as governors, as members of informal/unregistered parent teacher associations, supporting teachers in the classroom, school trips and sports days, or general school fundraising activities.
- Volunteering for other public bodies such as the police as special constables, the criminal justice system as magistrates and so on.
- Employee supported volunteers or the provision of pro-bono support by employees or professionals (unless it is facilitated via a VCSE organisation such as Pro-Bono Economics).
- Volunteers participating in national fundraising appeals (for example, BBC Children in Need, Comic Relief, Sport Relief, or for large national charities such as Save the Children and Oxfam¹⁶ etc.)

This does not mean these other forms of volunteering are considered as less valuable. It is simply a question of calculating the contribution regular volunteers make in local VCSE sector organisations. Consequently, estimated numbers of volunteers provided by Third Sector Trends are lower than estimates provided by NCVO's UK Civil Society Almanac.¹⁷

As shown in Table 4.5, reliance upon regular volunteers by VCSE organisations is high in all areas – but slightly higher in statistical neighbour areas (84%) than in combined authority areas (79%) and London (81%). This is largely due to the proliferation of smaller VCSE organisations in the home counties (and town and country areas) where reliance on volunteers is higher.

In statistical neighbour and town and country areas, VCSE organisations are more likely to rely on volunteers who can work unsupervised (77-78%) than in combined authority areas or London (72-72%).

Service users are slightly more likely to volunteer in major urban statistical stranger areas (68-70%) than in statistical neighbour areas (64%). In statistical neighbour and town and country areas, most organisations state that they could not keep going without volunteers (87-89%) compared with in combined authority areas (81%) and London (84%).

While there are variations in the levels of dependence on volunteers, these must not be overstated – volunteers are of vital importance in all areas. But it should be recognised that reliance on volunteers tends to be much higher in smaller VCSE organisations which employ few or no staff (Figure 4.3).

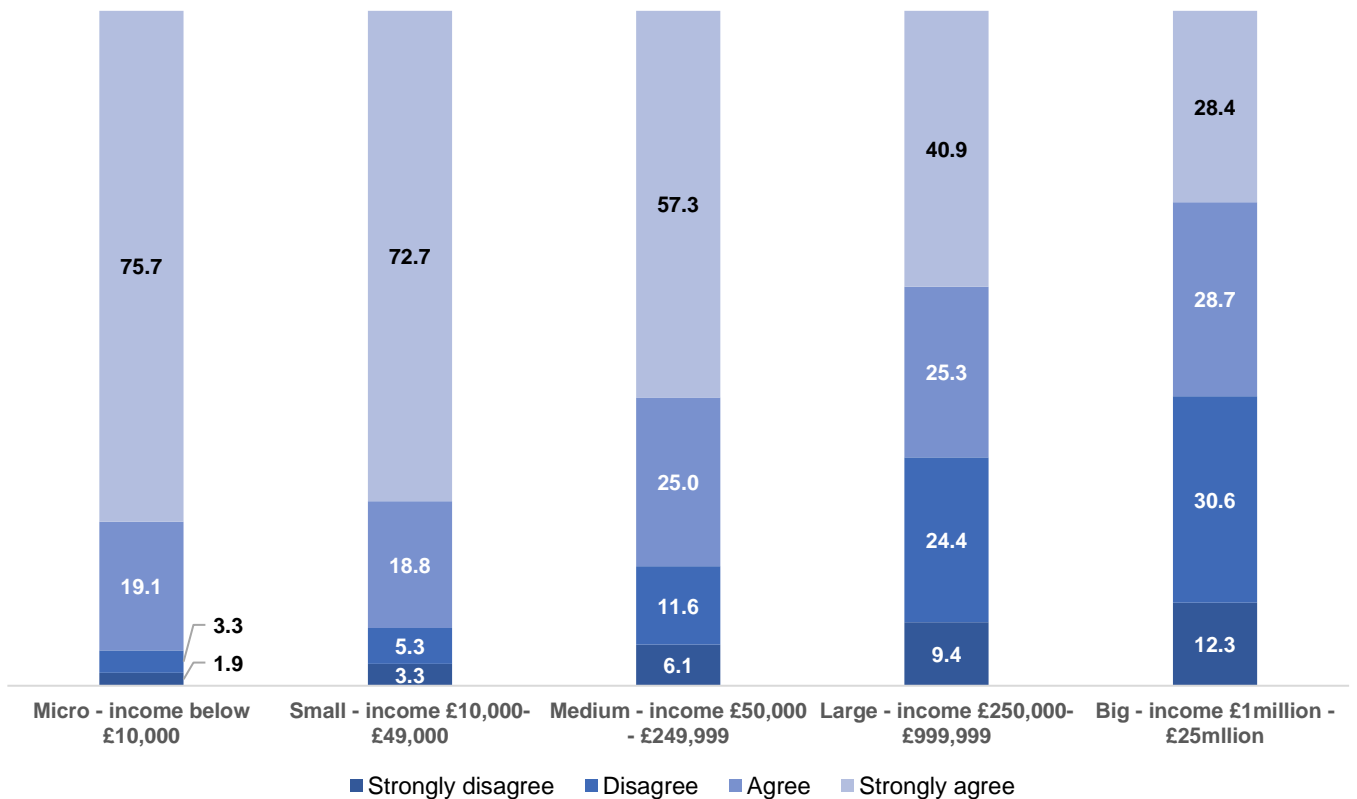
¹⁶ Supporting large nationals as volunteers in local charity shops would be included providing that federated branches responded to the survey at a local level.

¹⁷ See also, the NCVOs *Time well spent 2023* recent research update on volunteering: <https://www.ncvo.org.uk/news-and-insights/news-index/key-findings-from-time-well-spent-2023/#/>

Table 4.6 Extent of reliance on regular volunteers ('percent agree' or 'strongly agree', Third Sector Trends survey data, 2022)

	We rely mainly on volunteers who commit time on a very regular basis	We rely mainly on volunteers who can work unsupervised	Many of our volunteers are our service users/beneficiaries	We could not keep going as an organisation or group without volunteers
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	87.1	80.9	60.7	91.2
NHS Hampshire and Isle of Wight Integrated Care Board	88.1	80.2	63.0	87.4
NHS Surrey Heartlands Integrated Care Board	83.3	81.0	62.3	86.5
NHS Sussex Integrated Care Board	84.8	81.0	65.1	87.4
NHS Kent and Medway Integrated Care Board	83.8	66.3	68.0	86.0
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	76.2	79.2	63.3	85.7
Home counties statistical neighbours	84.0	78.1	63.5	87.3
London statistical neighbours	81.3	73.0	67.7	84.3
Combined authority statistical neighbours	79.0	72.4	69.5	81.2
Town and country statistical neighbours	82.9	77.3	67.5	88.6
England and Wales	82.4	76.0	67.0	85.5

Figure 4.3 Percentage of VCSE organisations in England and Wales which 'could not keep going' without volunteers (n=4,686)



Volunteers play a vital role in the VCSE sector and (as shown in Table 4.7) produce around a fifth of sector energy. So it is useful to consider if volunteer commitment has changed since the pandemic.

- Difficulty in holding on to older volunteers is widespread – but is a more serious concern in combined authorities (49%) and town and country areas (50%) than in the home counties (43%).
- Relatively few organisations in Buckinghamshire, Oxfordshire and Berkshire West report that newer volunteers joined them because they could work online (7%): only in London did this seem to be a bigger appeal (17%).
- Few VCSE organisations in town and country areas (9%) report increasing numbers of volunteers from ethnic minority communities – largely due to the demographic makeup of these areas. In Buckinghamshire, Oxfordshire and Berkshire West, 21% of organisations increased volunteer diversity. In combined authorities, percentages are higher (25%); but in London, the most diverse area, this was most common (41%).
- Many VCSE organisations in London (27%) and combined authorities (24%) say that they have attracted more younger volunteers in the last two years. In the home counties and town and country, only 15% of organisations increased the number of younger volunteers.
- Loss of volunteers who joined VCSE organisations during the pandemic is most severe in combined authorities and London (29%). In the home counties and town and country percentages are lower (22-23%). The characteristics of those people who have withdrawn for volunteering are not known.

Table 4.7 Change in the composition of the volunteer workforce					
	It's been much harder to hold on to our older volunteers	A lot of our recent volunteers joined us because they prefer to work online	Our group of volunteers have become more ethnically diverse	We have more volunteers under the age of 30 now	We're losing some of the volunteers who joined us during the pandemic
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	44.0	7.7	21.2	14.4	25.5
NHS Hampshire and Isle of Wight Integrated Care Board	49.2	5.1	15.4	12.8	17.1
NHS Surrey Heartlands Integrated Care Board	33.6	9.9	23.1	15.4	20.6
NHS Sussex Integrated Care Board	44.9	3.9	11.8	15.4	30.8
NHS Kent and Medway Integrated Care Board	44.4	5.8	15.2	16.0	23.3
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	45.3	8.0	21.9	15.1	24.5
Home counties statistical neighbours	43.4	6.8	18.7	14.6	23.1
London statistical neighbours	46.3	17.9	40.7	26.7	28.7
Combined authority statistical neighbours	49.0	7.3	24.9	24.1	28.7
Town and country statistical neighbours	49.8	5.8	11.3	15.4	21.1

England and Wales	47.9	9.4	21.7	20.0	26.1
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4.3 Diversity in leadership

In recent years, concerns have been expressed about equal access to leadership opportunities in the VCSE sector for all members of the community who feel that they have a contribution to make. Debate has been hampered by a lack of reliable data on diversity and inclusion in VCSE sector leadership.¹⁸ To help fill this gap in the knowledge base, in 2019, the Third Sector Trends survey included new questions on diversity in sector leadership to provide baseline data. It is now possible to see if change has occurred in the last three years.

At present, the study focuses on race and ethnicity, social class, gender, disability and age.¹⁹ Table 4.8 shows the level of diversity amongst VCSE organisations' chairs of boards of trustees or directors.

- **Graduate chairs:** there are more graduate chairs in Buckinghamshire, Oxfordshire and Berkshire West (77%) than in statistical neighbour areas (69%). In London, graduate chairs are most common (84%) and in town and country areas, the least (66%).
- **Women chairs:** the percentage of women chairs is lowest in Buckinghamshire, Oxfordshire and Berkshire West (39%) compared with statistical neighbours (41%). Women chairs are most populous in London (47%) and town and country areas (47%).
- **Chairs with disabilities:** the number of VCSEs in Buckinghamshire, Oxfordshire and Berkshire West with chairs who have disabilities is low (3%) compared with statistical neighbours (6%). The highest percentages of women chairs are in London (12%) and combined authorities (12%).
- **Black, Asian and minority ethnic chairs:** there are wide variations in the percentage of chairs which usually reflect local demographics in town and country areas where only 2 per cent of VCSE organisational respondents reported that their chair was Asian, Black or a member of another minority group. In the home counties, 5 per cent of VCSE organisations have minority ethnic chairs which is below expectations given levels of diversity in the area (see Table 2.1). In combined authorities it is 9 per cent; while in London, the most diverse area, it is 28 per cent.
- **Retired chairs:** the percentage of retired chairs in Buckinghamshire, Oxfordshire and Berkshire West is 56%. The home counties (59%) and town and country areas (63%) are most likely to have retired chairs, while London is the least (50%).

¹⁸ See TSTS People for a discussion of the national situation, Section 4, pp. 37-46. The research and policy literature on equality, diversity and inclusion was reviewed in more depth in *Diversity and inclusion in organisational leadership: evidence from Third Sector Trends 2020* which is available here: [THIRD-SECTOR-TRENDS-BRIEFING-DIVERSITY-AND-INCLUSION-IN-ORGANISATION.pdf \(communityfoundation.org.uk\)](https://www.communityfoundation.org.uk/THIRD-SECTOR-TRENDS-BRIEFING-DIVERSITY-AND-INCLUSION-IN-ORGANISATION.pdf)

¹⁹ In 2019 questions were also piloted on sexuality and faith, but the willingness of people to respond was limited which means that there would be too few data available to undertake convincing analysis. A small number of respondents to the 2022 survey commented that we had not taken a broader view on gender by using a simplistic male/female categorisation. No comments were received on the issue of faith-based discrimination in leadership. In relation to race and ethnicity, a small number of negative comments were received from respondents who believed that the question was insufficiently specific. And a small minority were vociferous in their opposition to the question even being included.

Table 4.8 Diversity in leadership amongst chairs of boards of trustees

(Third Sector Trends survey data, 2022)

	Graduate chairs	Women chairs	Chairs with disabilities	Black, Asian and minority ethnic chairs	Retired chairs
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	76.7	38.6	2.7	5.9	55.6
NHS Hampshire and Isle of Wight Integrated Care Board	66.9	43.1	10.4	2.3	65.6
NHS Surrey Heartlands Integrated Care Board	70.3	46.1	6.5	4.3	65.7
NHS Sussex Integrated Care Board	67.6	39.1	7.7	1.5	58.1
NHS Kent and Medway Integrated Care Board	66.0	43.5	3.7	8.0	58.9
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	61.8	40.9	5.5	1.6	55.2
Home counties statistical neighbours	68.6	41.4	5.6	4.5	59.3
London statistical neighbours	83.6	47.2	12.1	28.1	50.6
Combined authority statistical neighbours	72.0	45.9	11.7	9.1	56.9
Town and country statistical neighbours	66.4	47.0	7.2	1.8	63.0
England and Wales	70.1	44.5	9.5	8.1	59.1

Table 4.9 compares levels of diversity amongst VCSE organisations' chief officers.

- **Graduate chief officers:** are more populous in London (71%) and combined authorities (68%). The home counties have fewer graduate CEOs (58%) which is similar to town and country areas (56%).
- **Women chief officers:** the percentage of women CEOs is similar in the home counties (64%), combined authorities (61%) and town and country areas (61%). There are many fewer in London (53%).
- **Chief officers with disabilities:** the percentages of disabled CEOs are lower in the home counties (5%), London (6%) and town and country areas (7%) than in combined authorities (11%).
- **Black, Asian and minority ethnic chief officers:** In London, 26 per cent of CEOs are from minority ethnic or mixed ethnicity groups; in combined authorities, it is (11%). Percentages are lower in the home counties (7%) and town and country areas (4%). Local demographic data for the home counties indicate that representation is particularly low.

Table 4.9 Diversity in leadership amongst chief officers (Third Sector Trends survey data, 2022)				
	Graduate chief officers	Women chief officers	Chief officers with disabilities	Black, Asian and minority ethnic chief officers
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	70.3	66.3	4.8	8.0
NHS Hampshire and Isle of Wight Integrated Care Board	60.9	71.2	8.3	3.4
NHS Surrey Heartlands Integrated Care Board	56.3	59.1	3.1	4.7
NHS Sussex Integrated Care Board	57.1	63.2	4.5	4.5
NHS Kent and Medway Integrated Care Board	53.0	65.2	4.7	9.1
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	48.5	60.6	6.3	7.8
Home counties statistical neighbours	58.4	63.8	4.8	6.8
London statistical neighbours	70.8	53.4	6.1	25.6
Combined authority statistical neighbours	67.7	61.2	10.5	10.5
Town and country statistical neighbours	55.7	61.1	7.4	3.6
England and Wales	62.7	61.5	7.9	9.7

There has been limited progress in widening diversity between 2019 and 2022. Figures 4.4(a) and 4.4(b) refer only to the North of England.²⁰ The percentage of chairs who are graduates (which is a relatively crude proxy indicator of social class or status) has risen from 64 per cent in 2019 to 70 per cent in 2022 – which may indicate a dampening of opportunity for non-graduates.

There are also signs of improvement in leadership diversity since 2019. The percentage of women chairs has increased from 43 to 46 per cent. Chairs with disabilities have increased from 9 to 12 per cent. Black, Asian and other minority ethnic chairs have risen from 6 to 8 per cent. The percentage of retired chairs has also risen slightly from 54 to 58 per cent.

²⁰ There are insufficient data in individual areas to make these comparisons accurately. This is an abridged version of analysis from Section 4.3, pp. 41-46 in Chapman, T. (2022) *Third Sector Trends in England and Wales 2022: employees, volunteers, diversity and investment in people*, Newcastle upon Tyne: Community Foundation Tyne & Wear and Northumberland.

Figure 4.4(a) **Percentage of chairs by personal or biographical characteristics 2019 - 2022**

(Third Sector Trends survey, North of England)

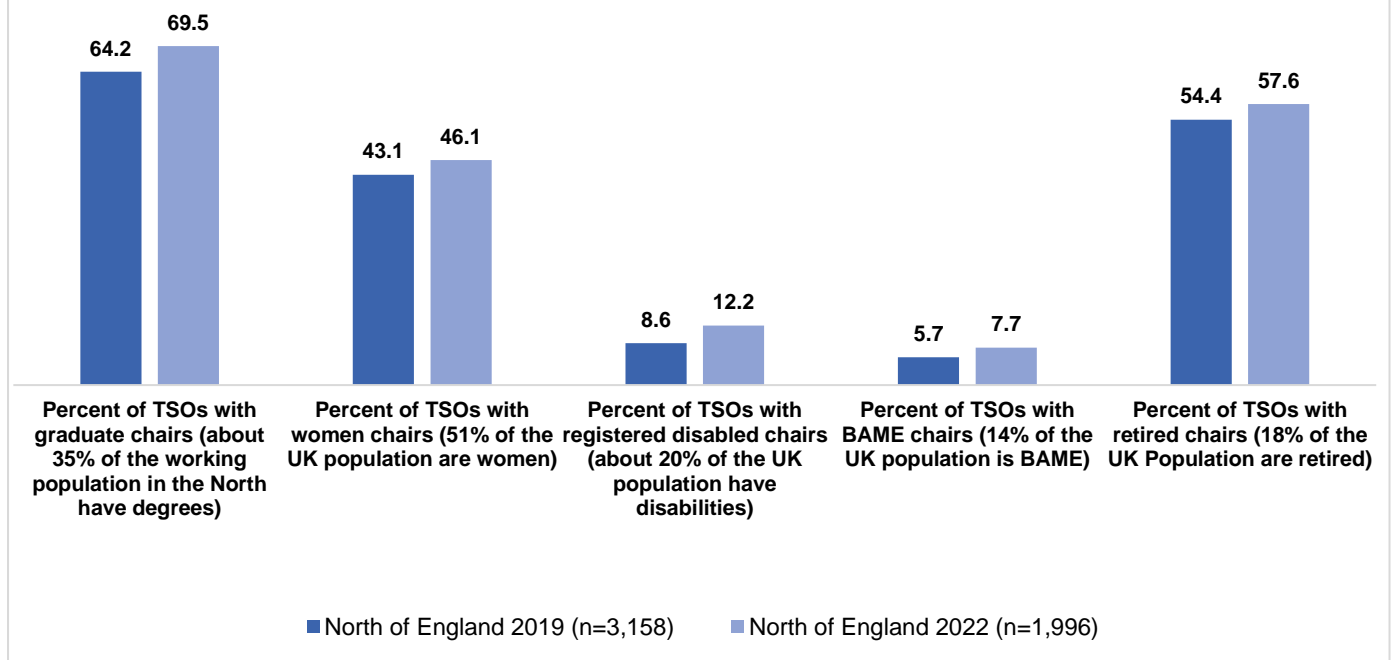


Figure 4.4(b) **Percentage of chief officers by personal or biographical characteristics 2019-2022**

(Third Sector Trends survey, North of England)

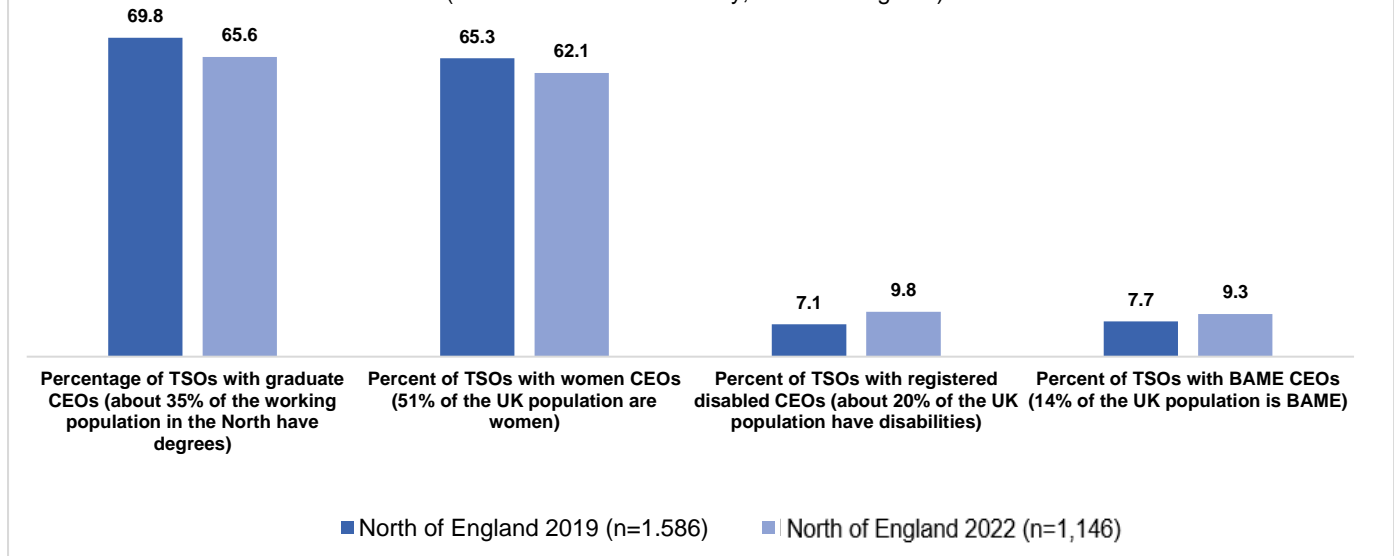
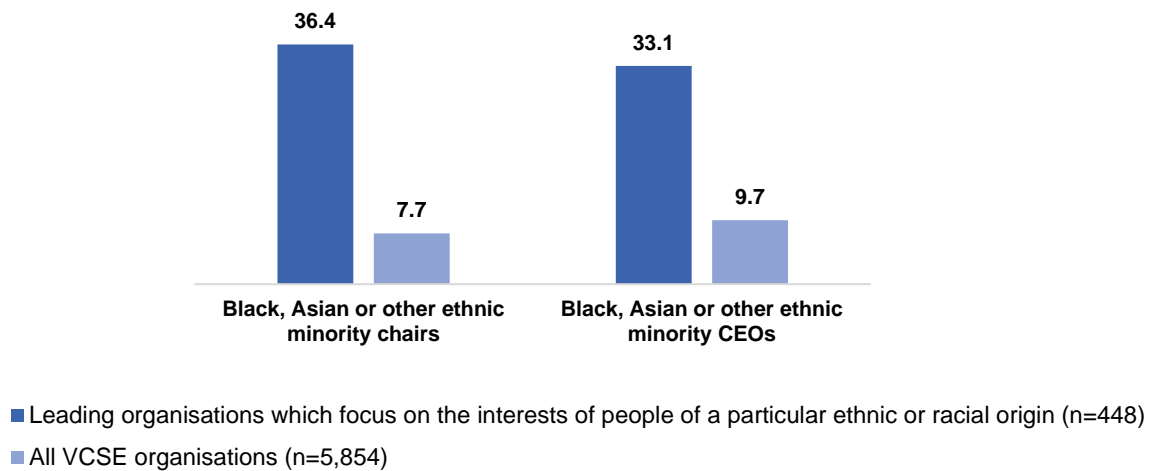


Figure 4.5 Percentage of Black, Asian and other ethnic minority chairs and CEOs in all VCSE organisations and those which are focused on the interests of people of a particular ethnic or racial origin
(Third Sector Trends survey 2022, England and Wales)



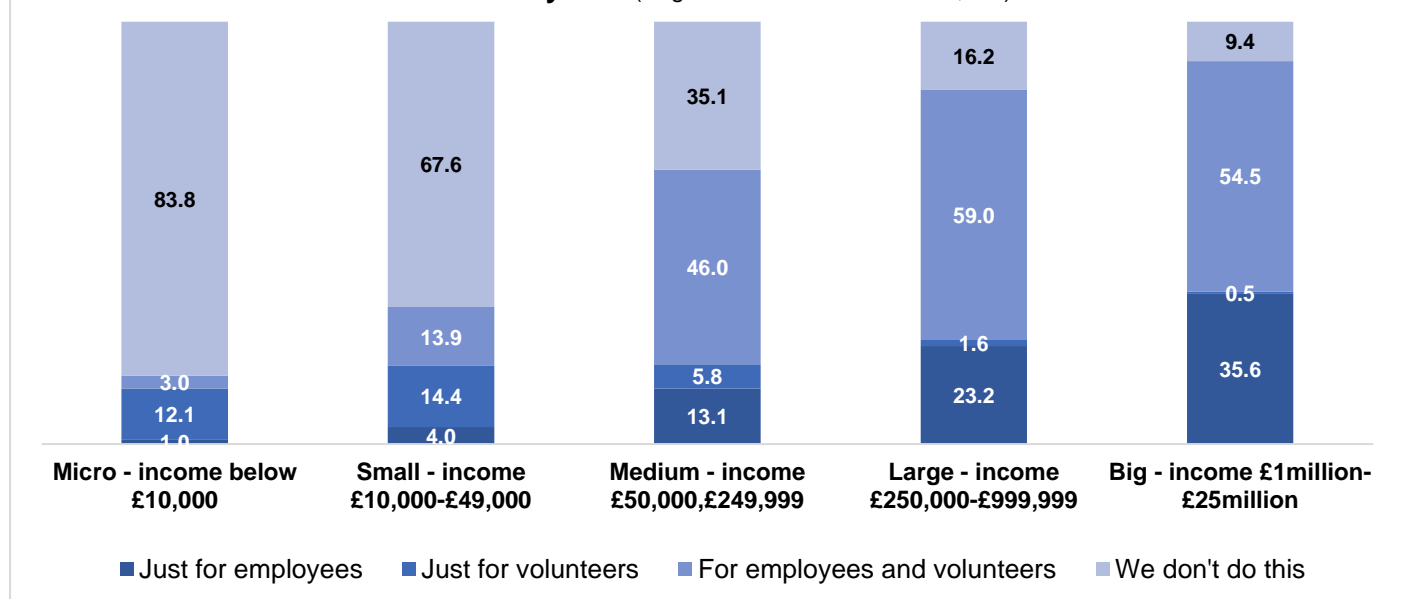
4.4 Investment in people

The energy that VCSE sector organisations can employ to achieve their objectives is dependent upon the enthusiasm, skill and commitment of volunteers and employees. While pay is probably the most crucial factor, retention problems may be alleviated when VCSE organisations make it a priority to look after their employed staff and volunteers. This section scrutinises organisational investment in their people and assesses the impact that investment may have for organisational wellbeing.

At a national level, relatively few VCSE organisations have training budgets – just over a third offer training to staff and the same percentage to volunteers.²¹ But the proportion rises substantially by size of organisation. As Figure 4.6 shows, only 16 per cent of micro organisations hold a training budget compared with 91 per cent of the biggest VCSE organisations.

²¹ Third Sector Trends in England and Wales: employees, volunteers, diversity and investment in people. Section 5, pp.46-56. <https://www.communityfoundation.org.uk/wp-content/uploads/2022/12/Third-Sector-Trends-in-England-and-Wales-2022-employees-volunteers-diversity-and-investment-in-people-December-2022.pdf>

Figure 4.6 Percentage of VCSE organisations with dedicated training budget by size (England and Wales 2022 n=5,926)



The provision of training for staff and volunteers in Buckinghamshire, Oxfordshire and Berkshire West is shown in Table 4.10. Levels of investment in training is fairly similar in the home counties (39%) and town and country areas (43%), but is much higher in London (47% - but still surprisingly low) and especially so in combined authorities (53%). Variations tend to reflect sector structure – there are fewer large organisations in the home counties and town and country areas.

Table 4.10 Provision of training budgets for employees and volunteers

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	10.3	8.4	20.7	60.6	203
NHS Hampshire and Isle of Wight Integrated Care Board	5.2	13.0	18.8	63.0	154
NHS Surrey Heartlands Integrated Care Board	5.4	12.2	17.6	64.9	148
NHS Sussex Integrated Care Board	10.9	6.5	25.4	57.2	138
NHS Kent and Medway Integrated Care Board	9.5	12.2	20.3	58.1	148
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	9.5	7.3	23.4	59.9	137
Home counties statistical neighbours	8.3	9.9	21.2	60.6	990
London statistical neighbours	15.5	8.0	23.5	53.0	523
Combined authority statistical neighbours	10.4	9.4	33.2	47.0	1,775
Town and country statistical neighbours	8.0	9.3	25.7	57.1	778
England and Wales	9.7	9.2	26.5	54.7	5,934

Many organisations offer employees and volunteers opportunities for flexible working (Table 4.11). Provision of flexible working is more widespread in London (64%) and combined authorities (57%) than in the home counties (54%) or town and country areas (57%).

Table 4.11 Provision of flexible working arrangements for employees and volunteers (Third Sector Trends survey data, 2022)

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	11.3	11.3	29.1	48.3	203
NHS Hampshire and Isle of Wight Integrated Care Board	6.0	19.2	29.1	45.7	151
NHS Surrey Heartlands Integrated Care Board	8.2	15.1	26.0	50.7	146
NHS Sussex Integrated Care Board	7.2	15.9	33.3	43.5	138
NHS Kent and Medway Integrated Care Board	9.4	17.4	24.2	49.0	149
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	8.8	20.4	27.7	43.1	137
All home counties statistical neighbours	8.6	16.0	29.1	46.3	987
All Greater London statistical neighbours	17.9	15.1	31.1	35.9	524
All combined authority statistical neighbours	12.6	14.9	39.6	32.9	1,776
All spatially separate town and country area statistical neighbours	8.1	17.4	30.6	43.4	677
England and Wales	10.7	15.5	34.0	39.8	5,934

Investment in staff development varies considerably: 60 per cent of VCSE organisations in London and 64 per cent in combined authorities do so, compared with 44-45% amongst statistical neighbours and in town and country areas.

Table 4.12 Provision of personal development opportunities for employees and volunteers (Third Sector Trends survey data, 2022)

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	14.4	7.9	21.8	55.9	202
NHS Hampshire and Isle of Wight Integrated Care Board	4.7	18.0	24.7	52.7	150
NHS Surrey Heartlands Integrated Care Board	5.5	10.3	22.8	61.4	145
NHS Sussex Integrated Care Board	12.4	9.5	27.0	51.1	137
NHS Kent and Medway Integrated Care Board	6.8	14.3	23.1	55.8	147
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	10.2	10.9	24.1	54.7	137
Home counties statistical neighbours	9.5	11.4	23.9	55.2	980
London statistical neighbours	15.6	12.9	30.9	40.6	527
Combined authority statistical neighbours	12.2	12.7	37.3	37.8	1,773
Town and country statistical neighbours	7.6	11.2	27.5	53.7	777
England and Wales	10.8	12.2	30.5	46.8	5,934

Section 5

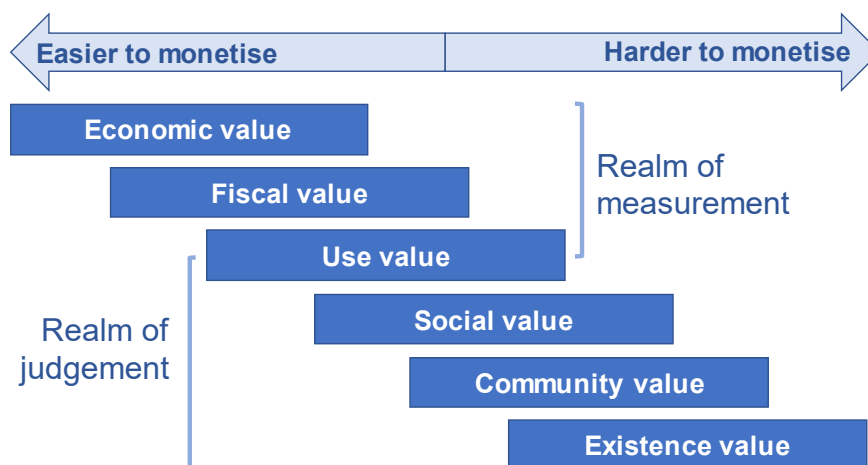
Sector energy, purpose and impact

5.1 Defining sector value

In a recent study undertaken in Yorkshire and Humber, a new methodology was developed to assess the energy which the VCSE sector has at its disposal to achieve social, environmental or economic benefit.²² The approach involves the use of data on sector expenditure, the proxy financial value produced by regular volunteers, the value of in-kind support provided to the VCSE sector and the income produced from trading free goods in charity shops. These data are calculated at local authority level and then aggregated to estimate the financial value of the energy the VCSE sector has at its disposal in sub-regions.²³

With good estimates of sector energy, it is possible to produce financial values for both 'tangible' and 'intangible' aspects of social, environmental and economic benefit (see Figure 5.1 together with brief definitions of categories of value in Box 5.1).

Figure 5.1 **Realms of measurement and informed judgement**



²² The methodology is complex and cannot be summarised here. For a full explanation, see: Chapman, T. (2021) *The structure, dynamics and impact of the voluntary, community and social enterprise sector: a study of West Yorkshire Combined Authority, West Yorkshire & Harrogate Health and Care Partnership and Humber Coast and Vale Health and Care Partnership areas*, Durham: Policy&Practice.

https://www.researchgate.net/publication/354544242_The_structure_dynamics_and_impact_of_the_voluntary_community_and_social_enterprise_sector_a_study_of_West_Yorkshire_Combined_Authority_West_Yorkshire_Harrogate_Health_and_Care_Partnership_and_Humber_C

²³ The approach taken to analysis was adjusted in 2022 to take account of national variations in sector structure and energy and a more comprehensive national study of registered organisations. In the previous study, for example, the number of non-Charity Commission Companies Limited by Guarantees were estimated – while in 2022 they were collated from Companies House data. The number of unregistered faith organisation due to Charity Commission exemptions still had to be estimated on the basis of 2022 survey evidence. This means that previous findings cannot be compared directly with the present study in Yorkshire and Humber. The revised methodology used for the national study was devised to ensure that national comparisons were equitable. The revised register counts rely on estimates as described above, but are considered to be more reliable than the 2021 estimates.

Box 5.1 Defining tangible and intangible value²⁴

Tangible values

Economic value: not all VCSE sector expenditure will remain in the local economy, for example, a proportion of organisational spending and employee wages will be assigned to mortgage payments or purchases of services and products from outside of the area. Some multiplier effect calculations use several rounds of impact assessment, where it is assumed that when money is spent in one company, that company will in turn spend this money again, and so on. That is avoided in this study because it cannot be known what proportion of that money is retained by VCSE sector organisations (and it is not appropriate for the sector to take credit for multiplier effects produced by other sectors). On balance, it is estimated that about 55%-75% of sector expenditure will be retained and recirculated in the area.

Fiscal value: it is not possible to gain a clear picture on the fiscal value of the contribution of the VCSE sector at present as there are no generalised datasets available from public sector bodies on cost savings at national or local level. There have been useful studies on fiscal benefits in, for example, reduction in usage of police, health and social services resource because of the activities of local VCSE organisations. Defining, in precise terms, the origin of such benefit is difficult because the value of sector activity accumulates from the actions of many types of VCSE organisations which are involved in a wide array of activities that directly or indirectly benefit public sector bodies. For example, in the field of health care, contributions have been identified from VCSE organisations which engage in sporting, recreational, artistic and cultural activities. On balance, it is estimated that at least an additional 45-65% of the value of VCSE sector energy can be set against direct fiscal savings to the state through the processes of prevention, replacement, additionality or deflection from public service use.

Use value: multiplier effects of use values cannot easily be calculated on a case-by-case basis, let alone at sector level. But this does not mean that such value does not exist. For example, the recipients of VCSE organisations' support to tackle financial insecurity can bring immediate benefit (such as access to loans from credit unions, groceries from food banks; mentoring, employability support and borrowing clothes to attend job interviews; support to recover from illness or personal setbacks which facilitate a return to employment, and so on). While the immediate use value of VCSE sector services can be considerable, it would be unrealistic to argue that the full cost of producing use values can be translated into economic multipliers. It is known, for example, that employability support programmes have mixed levels of success for a multitude of reasons. Similarly, support to tackle issues such as drug or alcohol use *can* help produce attitudinal and behavioural change - but not always – and especially so when beneficiaries face a range of other insidious or unpredictable pressures. On balance, it is estimated that use values translate into an additional 25-45% of sector energy value into economic value.

Intangible values

The old saying, that someone 'knows the price of everything but the value of nothing' is pertinent in the context of this discussion. It is not possible to put a price on everything. But just because the value of some things is intangible does not mean that this form of value should be discounted from the analysis. There is a wealth of good qualitative research evidence available to demonstrate how intangible aspects of benefit are highly valued. One example is provided from a series of case studies undertaken by the author as part of a separate study.²⁵ The case study centred on a volunteer-led and run library in an isolated former industrial village. The library had come under community ownership due to an asset transfer from the local authority.

²⁴ A much longer discussion of the definition of tangible and intangible values can be found in the original analytical report for Humber, Coast and Vale and West Yorkshire in 2022 and can be located here: <https://www.stchads.ac.uk/research/research-news/the-difference-the-third-sector-makes/>

²⁵ Chapman, T. (2019) *The social process of supporting small charities: an evaluation of the Lloyds Bank Foundation Grow pilot programme*, London: Lloyds Bank Foundation: <https://www.lloydsbankfoundation.org.uk/we-influence/our-research/developing-the-sector>

When attempting to determine the economic value of the library a series of measures were contemplated such as the financial costs associated with each book loan. The results were not promising because on an annual basis few loans were made, meaning that the pro-rata cost when set against the expense of running the library was high. A second attempt at valuing the library on an economic basis considered the income brought in from the small kitchen/café and from renting space for small community clubs and societies. Again, the cost benefit appraisal did not produce promising results because, by strict economic measures, the library was 'losing' money.

Even from a volunteer point of view, the library produced mixed results in impact terms. Trustees, who were also active volunteers at the library, found that their responsibilities (of running the library, applying for grants, liaising with the local council library service, etc.) were onerous and there was limited scope to escape from these responsibilities as succession plans to relieve trustees of their responsibilities had come to nothing.

And yet, the library produced a great deal of intangible value for local individuals and the community in general. Substantive **social value** arose, for example, from its use by a group of secondary school children who, after getting off the school bus each evening, used the kitchen and library as a place to socialise and do their homework before parents arrived to pick them up later in the afternoon. The children benefitted because they had a place to go with friends, their parents were happy that they were safe and under quiet supervision, and neighbours and older relatives were relieved of the pressure of looking out for them.

From a **community value** perspective, the library was quite literally 'the only place in town' for people to arrange to congregate in clubs and societies, or to drop in to read, drink coffee or have a chat. The kitchen/café was free to use because it was uneconomic to run as a social enterprise – though there were items that people could buy if they chose such as biscuits, sweets or crisps. It was also a place where people could volunteer and keep themselves busy, socially connected and intellectually stimulated.

Arguably, the library's **existence value** was as important as its more direct social and community value. Most people in the former industrial village did not use it, many probably never would, but they knew it was there and could value the fact that help may be at hand if ever they or their families or neighbours needed to use its services. At the most fundamental level, it was a visible symbol that the village was associated with civil society rather than just being a collection of private households. This case study provides just one example of how intangible forms of value make a difference. In the study from which the example was drawn, there were 14 detailed case studies in spatially isolated and economically challenged communities: each made its contribution in entirely different ways.

Finding a way of *accounting* for the social value that the VCSE sector produces may not be easy to do, but there are some basic principles adopted in this study which can help make informed judgements on sector strengths.

- **Value produced by VCSEs is shared:** only very rarely, if ever, could an organisation claim to produce *all* the value that is required by its beneficiaries. Other organisations or groups also play a part as do people in private life (family, friends and neighbours), the private sector (local businesses) and public sector (health, education, police, fire and rescue and the local authority, etc.). While this might constitute some duplication or overlap at times, this is not necessarily a problem as social and personal needs require support of a multifaceted and continuous kind.
- **Value produced by the VCSE sector is cumulative:** because the responsibility for the production is shared, it is likely to accumulate. But it does so in unpredictable ways, depending on the circumstances facing beneficiaries. For example, support from one VCSE organisation may not produce benefit immediately, but can be realised later – perhaps in tandem with other forms of support or encouragement.

- **Value is not a constant:** it should be expected that the value the sector produces cannot always be ‘targeted’ or ‘fully utilised’, just as is the case with education or health systems. People make their own choices on what they want to take or leave from the advice or support they may receive. Or other factors beyond their control may increase or limit the extent to which value can be utilised. This makes it hard to determine the value of service or support given - relative to the energy invested.
- **Value does not last forever:** some of the value of the work undertaken by VCSE organisations will disperse and dissipate over time – other aspects will accumulate value. These processes occur as other interventions are established to tackle issues in new ways which often come about in response to social change and shifting social priorities. The work of the VCSE is rarely finished – so activity must continually be renewed.

If the technical task of valuing the work of VCSE sector is too daunting (because there are too many factors to take account of and too many unknowns), it is better to make simple and easily evidenced judgements that ring true.

Sector value in Buckinghamshire, Oxfordshire and Berkshire West

Table 5.1 presents estimated financial values for sector energy expended in Buckinghamshire, Oxfordshire and Berkshire West. This includes sector expenditure, proxy replacement values for volunteers, in-kind support and self-generated sources of income from sale of free goods (as in, for example, charity shops - all other trading is tied into expenditure calculations).

Estimates of whole sector economic value, tangible added value (economic, fiscal and use values) together with intangible value are shown in Table 5.2.

Table 5.1 Estimates of sector energy in Buckinghamshire, Oxfordshire and Berkshire West				
VCSE sector financial expenditure - (£millions)	Proxy-replacement value of volunteer time in each area (£millions)	Proxy value of additional in-kind support in each area (£millions)	Proxy value of additional sources of self-generated income from free goods in each area (£millions)²⁶	Total financial value of sector energy expended by the VCSE sector in each area (£millions)
1,795.3	170.0	94.9	14.4	2,074.6

²⁶ The approach to calculating the proxy value of in-kind support was substantially reviewed in the 2022 study and values are considerably higher than in the 2021 Yorkshire and Humber study. See Third Sector Trends in England and Wales: sector structure, purpose, energy and impact: <https://www.communityfoundation.org.uk/wp-content/uploads/2022/11/Third-Sector-Trends-in-England-and-Wales-2022-structure-purpose-energy-and-impact-November-2022.pdf>

Table 5.2 Estimated 'tangible' and 'intangible' added value produced by the VCSE sector in Buckinghamshire, Oxfordshire and Berkshire West²⁷

Type of value	£millions
Total financial value of sector energy expended by the VCSE sector	2,074.6
<i>Economic tangible added value</i>	1,348.5
<i>Fiscal tangible added value</i>	1,141.1
<i>Tangible use value</i>	726.1
Total contribution of tangible value	3,215.8
Estimated social, community and existence intangible added value	2,074.6
Total value of sector	7,364.9
Value per 1,000 resident population	4.11

5.2 Distribution of sector energy by purpose

The previous section compared sector energy and added value produced in Buckinghamshire, Oxfordshire and Berkshire West. This section breaks new ground by exploring how sector energy and impact is distributed according to social purpose. Figures 5.3(a) and (b) shows the percentages of VCSE organisations which serve specific groups of beneficiaries. Buckinghamshire, Oxfordshire and Berkshire West is compared with combined authority areas because they have 'chalk and cheese' characteristics, and with national averages.

In some respects, VCSE sector's beneficiary focus is quite similar – for example, a similar percentage of organisations serve people in rural areas. But in other areas of beneficiary support, variations are dramatic, as is the case for organisations serving people in disadvantaged urban areas or unemployed or workless people. Fewer organisations in Buckinghamshire, Oxfordshire and Berkshire West focus on health beneficiaries than in combined authorities or England and Wales as a whole. This is likely to reflect the scale of the challenges facing areas.

²⁷ Multipliers are used for added value calculations as follows: economic value=65%, fiscal value=55% and tangible use value=35%.

Figure 5.3(a) Percentage of organisations serving beneficiaries' social, personal and community needs

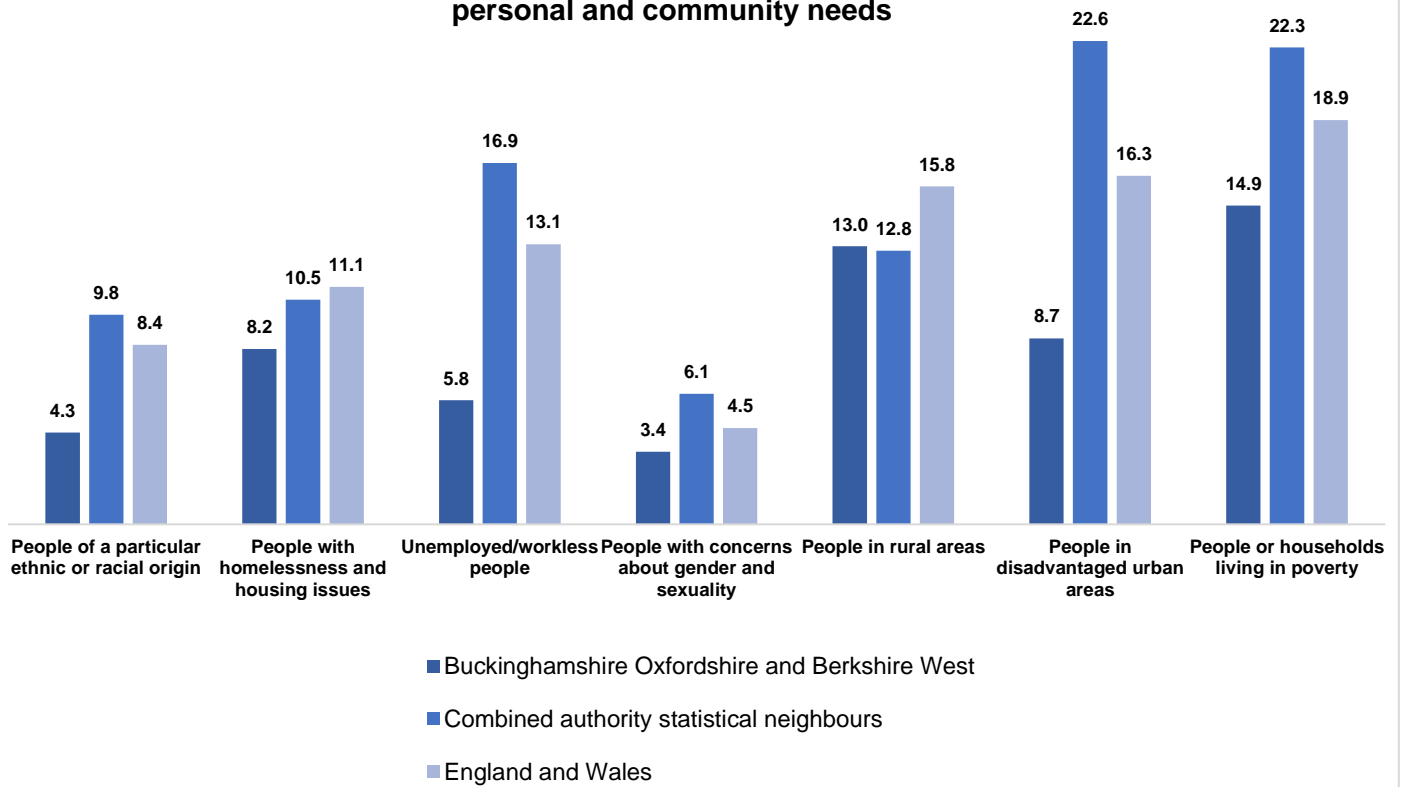
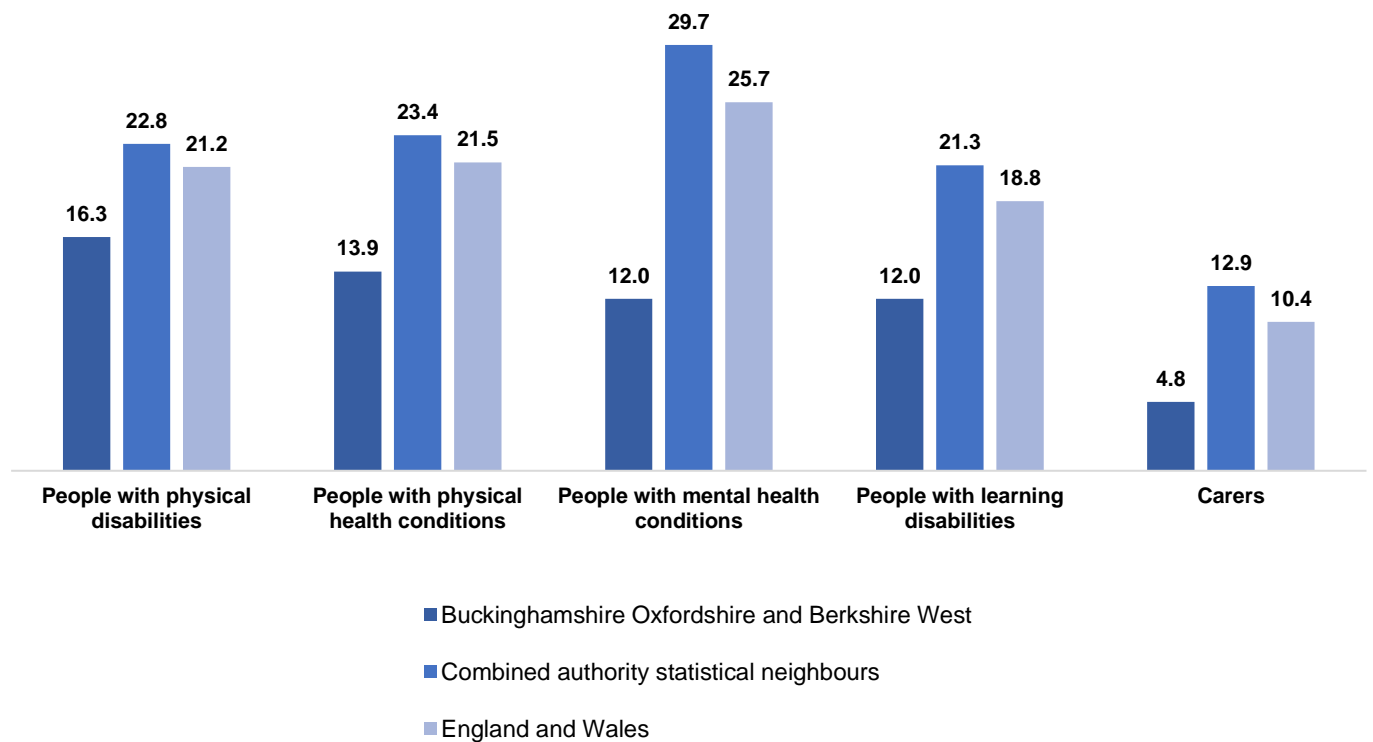
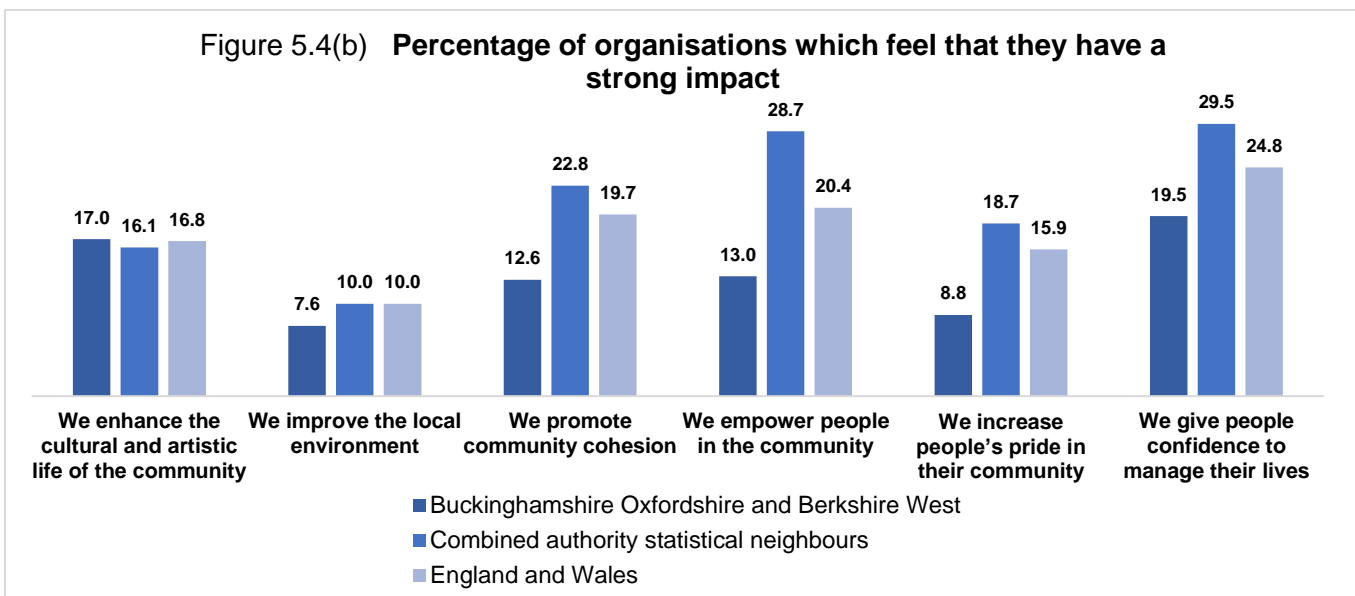
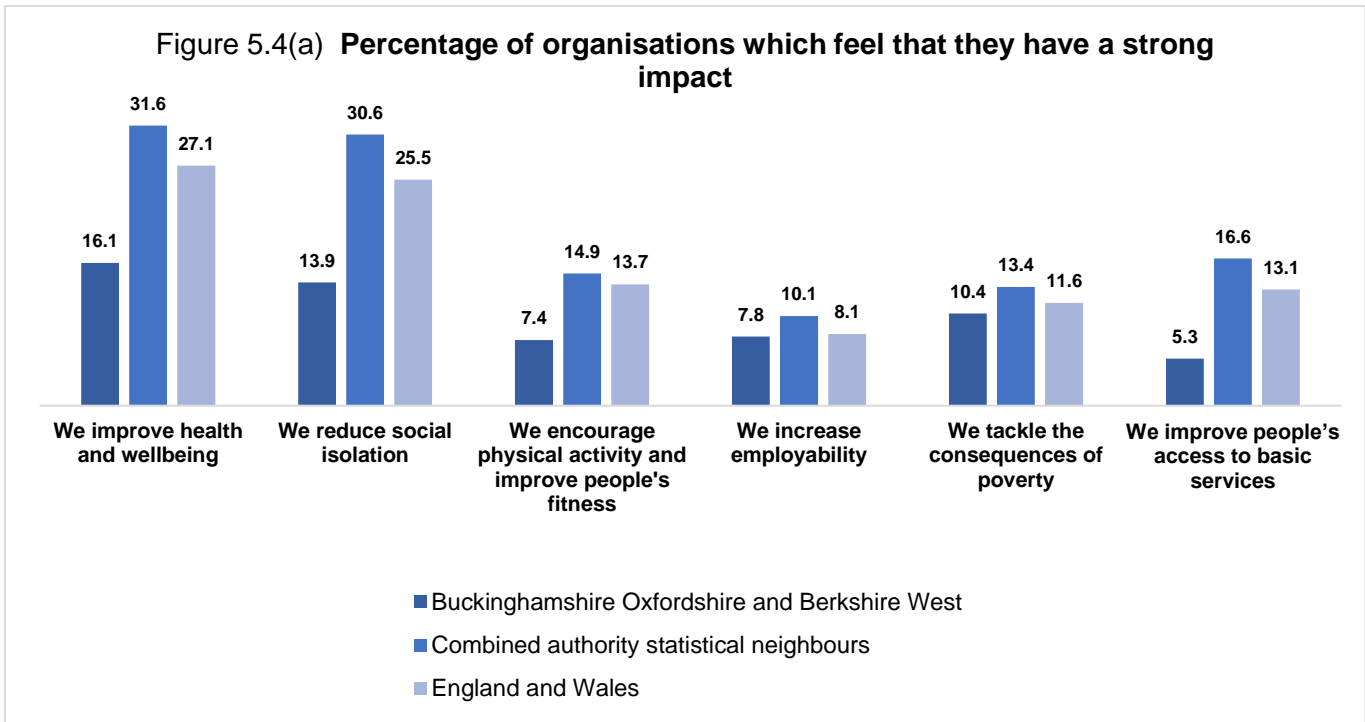


Figure 5.3(b) Percentage of organisations serving health beneficiaries



In Figures 5.4(a) and (b) the general purpose of VCSE organisations is shown according to the proportion of the local sector which feels it makes a 'very strong' contribution to social impact. It is clear that organisations in Buckinghamshire, Oxfordshire and Berkshire West feel that they have a lower level of impact against some criteria than in combined authorities.

For example, fewer than half as many VCSE organisations feel that they contribute to *improve health and wellbeing* or *reducing social isolation* in Buckinghamshire, Oxfordshire and Berkshire West areas than in combined authorities. In other aspects of impact, sector contribution is more or less the same, as is the case in enhancing the *cultural and artistic life of the community* and *improving the local environment*.



Making sense of the impact of the work of the VCSE sector is challenging at national, regional and local level because it will never be possible to ‘nail down’ who does what, where and how precisely. Instead, it must be accepted that attribution of impact will always be shared. No single organisations can achieve everything on its own – and more often than not – they achieve more by working alongside other organisations in the VCSE sector, public sector and private sector in complementary ways,

Only rarely do VCSE organisations claim to commit to achieving impact in just one way or working exclusively for a distinct group of beneficiaries. Instead, they recognise that their work contributes to beneficiaries in direct, complementary or tangential ways. To demonstrate this, Figure 5.5 shows how clusters of impact have been assembled from individual categories of impact. These have been cross-tabulated to find out how many cross-overs exist in organisational practices.

Figure 5.5 Construction of four key areas of social impact

Personal health	Personal and social wellbeing	Financial security	Community wellbeing
We improve health and wellbeing	We give people confidence to manage their lives	We increase employability	We enhance the cultural and artistic life of the community
Support health and fitness	We reduce social isolation	We improve people's access to basic services	We increase people's pride in their community
		We tackle the consequences of poverty	We promote community cohesion
			We empower people in the community
			We improve the local environment

Table 5.6 Percentage of organisations which feel they make a strong impact in their area

	We improve health and wellbeing	We reduce social isolation	We encourage physical activity and improve people's fitness	We increase employability	We tackle the consequences of poverty	We improve peoples access to basic services	We enhance the cultural and artistic life of the community	We improve the local environment	We promote community cohesion	We empower people in the community	We increase peoples pride in their community	We give people confidence to manage their lives
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	16.1	13.9	7.4	7.8	10.4	5.3	17.0	7.6	12.6	13.0	8.8	19.5
NHS Hampshire and Isle of Wight Integrated Care Board	18.8	15.9	10.4	4.5	7.6	7.7	19.3	7.8	13.0	12.8	7.8	16.2
NHS Surrey Heartlands Integrated Care Board	25.2	26.9	12.5	7.4	10.5	9.7	21.0	7.3	19.5	17.5	15.4	18.6
NHS Sussex Integrated Care Board	21.3	23.4	10.7	5.9	8.0	12.4	20.3	14.2	16.8	18.4	12.9	18.5
NHS Kent and Medway Integrated Care Board	19.7	20.3	18.9	6.9	9.3	7.1	18.0	10.2	19.2	20.0	15.6	17.7
NHS Hertfordshire West Essex and Mid / South Essex Integrated Care Board	20.3	19.7	10.9	4.1	5.7	6.5	12.5	8.9	8.7	8.9	9.8	13.3
Home counties statistical neighbours	19.8	19.2	11.4	6.0	8.4	7.9	18.1	8.8	14.8	14.7	11.8	17.4
London statistical neighbours	29.1	24.3	17.1	11.6	16.2	14.3	20.2	9.2	21.4	23.2	18.2	28.9
Combined authority statistical neighbours	31.6	30.6	14.9	10.1	13.4	16.6	16.1	10.0	22.8	28.7	18.7	29.5
Town and country statistical neighbours	24.0	22.4	10.8	4.2	7.7	10.0	15.9	10.2	17.0	14.6	13.9	18.9
England and Wales	27.1	25.5	13.7	8.1	11.6	13.1	16.8	10.0	19.7	20.4	15.9	24.8

Table 5.7 Percentage of organisations which serve discrete beneficiary groups in their area															
	People in general	Children and young people	Older people	People with physical disabilities	People with physical health conditions	People with mental health conditions	People with learning disabilities	People of a particular ethnic or racial origin	People with homelessness and housing issues	Carers	Unemployed/workless people	People with concerns about gender and sexuality	People in rural areas	People in disadvantaged urban areas	People or households living in poverty
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	47.6	39.4	28.4	16.3	13.9	12.0	12.0	4.3	8.2	4.8	5.8	3.4	13.0	8.7	14.9
NHS Hampshire and Isle of Wight Integrated Care Board	54.8	39.4	28.4	15.5	13.5	17.4	16.8	3.2	9.0	3.9	7.1	1.9	11.6	10.3	10.3
NHS Surrey Heartlands Integrated Care Board	40.7	37.3	31.3	18.0	20.7	23.3	14.0	3.3	12.7	8.0	8.7	1.3	8.7	6.7	16.7
NHS Sussex Integrated Care Board	47.9	39.3	29.3	19.3	21.4	19.3	12.1	7.9	9.3	9.3	9.3	2.1	10.7	10.0	12.9
NHS Kent and Medway Integrated Care Board	54.0	42.7	26.7	15.3	14.0	16.0	11.3	6.7	12.0	8.0	10.7	4.0	11.3	11.3	14.7
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	53.2	39.6	25.2	17.3	16.5	15.1	12.2	3.6	7.2	10.1	5.8	1.4	12.2	7.9	9.4
Home counties statistical neighbours	50.0	39.7	28.3	16.6	16.6	17.2	13.2	5.0	9.6	7.5	7.8	2.6	11.3	9.3	13.2
London statistical neighbours	46.0	44.7	28.4	17.9	19.1	22.2	15.7	16.3	12.7	7.1	14.6	4.5	3.6	20.2	20.2
Combined authority statistical neighbours	52.6	41.8	34.9	22.8	23.4	29.7	21.3	9.8	10.5	12.9	16.9	6.1	12.8	22.6	22.3
Town and country statistical neighbours	58.8	41.5	31.7	18.7	19.0	22.4	15.9	3.8	8.5	8.7	9.3	3.9	29.4	10.4	15.1
England and Wales	55.9	44.0	33.4	21.2	21.5	25.7	18.8	8.4	11.1	10.4	13.1	4.5	15.8	16.3	18.9

At a national level, as shown in Figure 5.8, between a fifth and third of VCSE organisations believe that they have a 'strong impact' in each of these clusters. Furthermore, many organisations commit to achieving impact in two or more clusters of social impact. Indeed, nearly 8 per cent of organisations feel that they achieve strong impact in all four areas of impact.

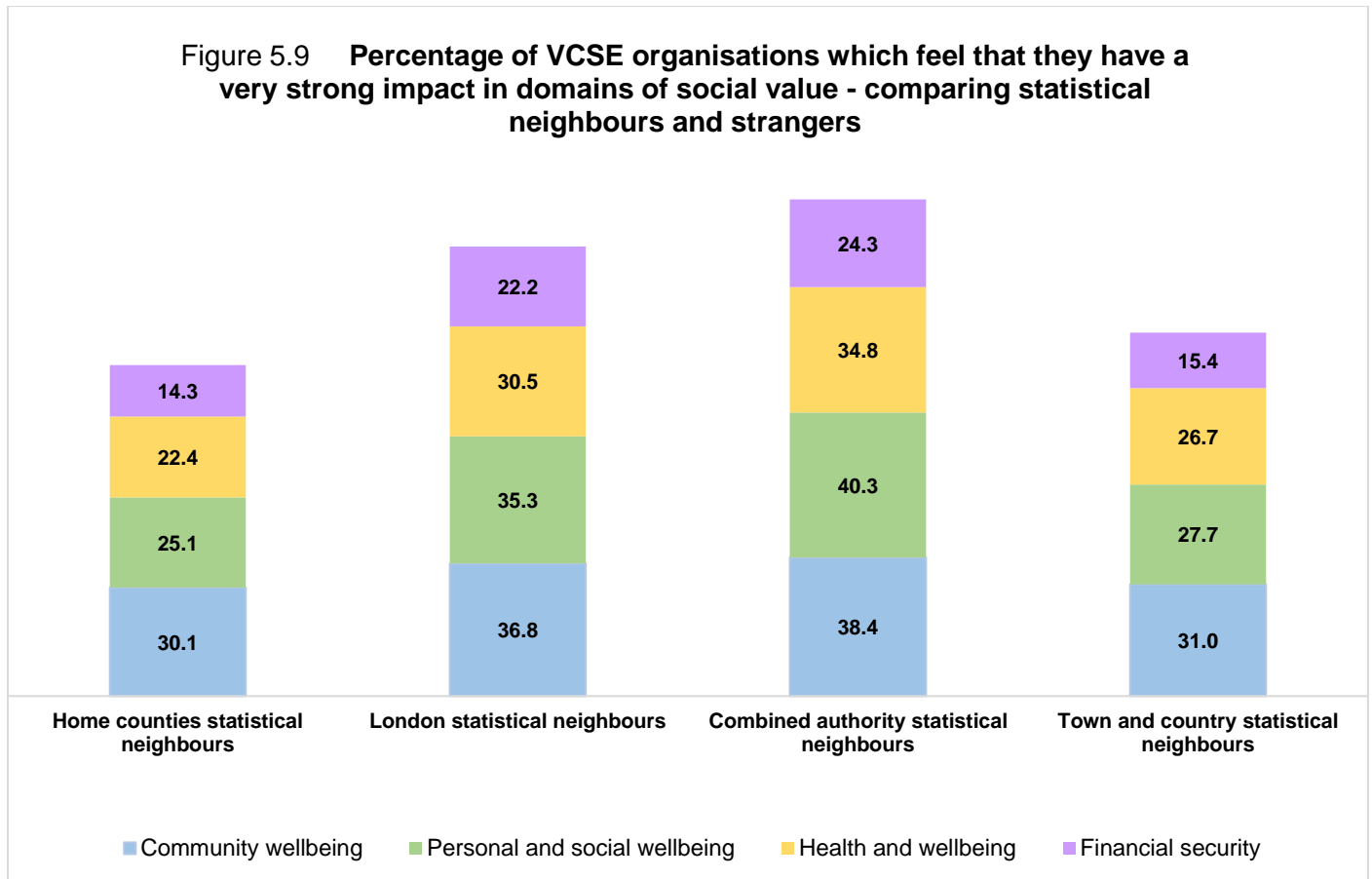
This should not be surprising. Many VCSE organisations engage in a wide range of activities which serve many purposes even if they have a particular specialism, beneficiary orientation or approach to practice. With these observations in mind, when trying to determine the whole value of the contribution of the VCSE sector – much will depend on shared, well-informed judgement – rather than nailing down the specifics of who achieved what.

In the analysis that follows, clusters of sector activity will be used to assess whether there are variations in the way that energy is expended in areas with differing characteristics.

Figure 5.8 Interactions between core social impact variables (Third Sector Trends 2022, England and Wales, n=6,070)	
Core areas of sector impact	
Personal health (29.6% of VCSE organisations say they make a substantive impact)	Personal and social wellbeing (33.3% of VCSE organisations say they make a substantive impact)
Financial security (20.0% of VCSE organisations say they make a substantive impact)	Community wellbeing (34.3% of VCSE organisations say they make a substantive impact)
Two-way interactions	
Personal health & Financial security (11.4% of VCSE organisations say they make a substantive impact, n=691)	Personal health & Personal and social wellbeing (21.7% of VCSE organisations say they make a substantive impact, n=1,319)
Personal and social wellbeing & Community wellbeing (20.1% of VCSE organisations say they make a substantive impact, n=1,221)	Community wellbeing & Financial security (11.9% of VCSE organisations say they make a substantive impact, n=722)
Personal health & Community wellbeing (16.2% of VCSE organisations say they make a substantive impact, n=985)	Financial security & Personal and social wellbeing (14.5% of VCSE organisations say they make a substantive impact, n=883)
Three-way interactions	
Personal health, Personal and social wellbeing & Financial security (10.0% of VCSE organisations say they make a substantive impact, n=608)	Social wellbeing, Community wellbeing & Personal health (13.9% of VCSE organisations say they make a substantive impact n=843)
Personal health, Financial security & Community wellbeing (8.0% of VCSE organisations say they make a substantive impact, n=487)	Community wellbeing, Personal and social wellbeing & Financial security (10.3% of VCSE organisations say they make a substantive impact, n=623)
Four-way interactions	
Personal health, Personal wellbeing, Financial security & Community wellbeing (7.5% of VCSE organisations say they make a substantive impact, n=455)	

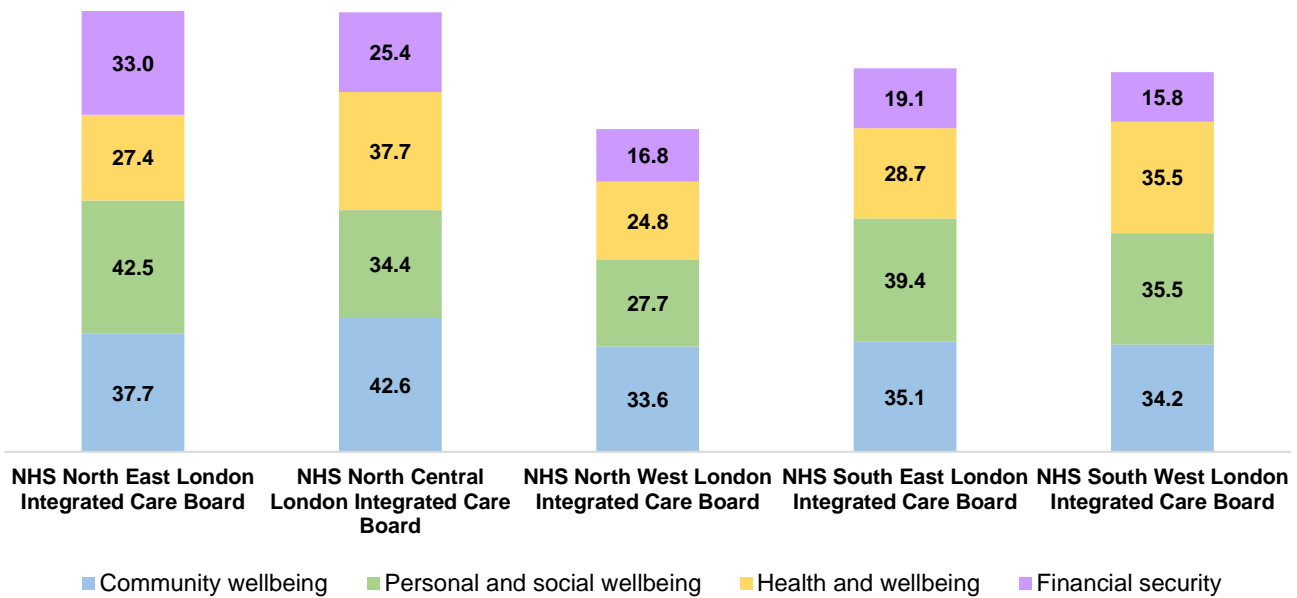
How impact is distributed

By comparing statistical neighbours and strangers (Figure 5.9) it can be seen that the *distribution* of impact within areas varies. In Buckinghamshire, Oxfordshire and Berkshire West only 14 per cent of VCSE organisations claim to achieve very strong impact in financial security compared with 24 per cent in combined authorities. The volume of strong impact on community wellbeing is more similar – ranging from 30-38 per cent. These findings should not be surprising. The VCSE sectors in combined authorities and Buckinghamshire, Oxfordshire and Berkshire West face different challenges.



Aggregated data for London, shown in Figure 5.9 are, perhaps, misleading because variations within the area are masked. Figure 5.10 rectifies this problem by disaggregating ICS areas.

Figure 5.10 Percentage of VCSE organisations in London which feel that they have a very strong impact in domains of social value



5.3 Comparing VCSE impact by area type

The advantage of large-scale survey datasets is that it is possible to deepen understanding on what the VCSE sector feels it achieves in areas with different characteristics. This is rarely, if ever possible in local studies. Using the Third Sector Trends registered VCSE organisations dataset, good estimates on the size and structure of the sector in area types can be produced (see Table 5.4).

Table 5.4 Sector structure in area types (England and Wales 2022)

	Micro (income below £10,000)	Small (income £10,000- £49,999)	Medium (income £50,000- £249,999)	Large (income £250,000 - £999,999)	Big (income £1m-£25m)	All VCSE organisations
Remote rural areas	51.7	27.9	14.1	4.3	2.1	7,200
Less remote rural areas	48.5	30.1	14.4	4.0	3.0	33,000
Poorest urban areas	25.3	24.2	28.7	14.6	7.2	27,400
Intermediate urban areas	28.7	25.4	26.0	12.2	7.7	59,200
Richest urban areas	34.0	31.6	23.0	7.2	4.2	63,800
Poor coastal towns	28.1	26.3	27.1	13.9	4.6	3,600
Rich coastal towns	35.2	29.3	23.4	8.6	3.5	5,600
England and Wales	34.7	28.4	22.7	8.9	5.2	198,000

- Rural areas are defined by level of remoteness.²⁸ VCSE sector structure is broadly similar in more or less remote rural areas. Structure varies from national averages considerably due to the much larger proportion of micro organisations and many fewer large or big organisations in rural areas.
- Area affluence in urban areas is defined using the Indices of Multiple Deprivation. The 'poorest' areas refer to IMD 1-2; 'intermediate areas' IMD 3-6; 'richest areas' IMD 7-10. Sector structure varies markedly. There are many more micro and small VCSE organisations in the richest areas compared with the poorest areas. Large or big organisations are more populous in poorer areas.
- Coastal towns are defined using ONS categories.²⁹ In more or less affluent coastal towns, VCSE sector structure is fairly similar – but there are more micro organisations in wealthier towns and many fewer larger or big organisations.

These variations should be borne in mind when interpreting findings on perceptions of VCSE sector impact in type of localities (Tables 5.5(a) and (b)). When VCSE organisations' perceptions of 'strong impact' in localities are compared, the analysis produces insights on variations between types of localities.

Rural areas

Variations between remote and other rural areas are quite small in some aspects of VCSE sector impact, such as: *increasing people's confidence, increasing pride in the community or engendering community cohesion*. But in other areas of activity, there are bigger variations, such as: *improving access to basic services or improving the local environment* – where impact is stronger in more remote rural areas.

Urban areas

There are wide disparities in perceptions of impact between the richest and poorest urban areas. At least *twice* as many VCSE organisations in the poorest urban areas feel they make a strong impact on: *health and wellbeing, tackling social isolation, increasing employability, tackling poverty, increasing access to services, increasing pride in the community, improving community cohesion, empowerment and boosting people's confidence* than in the richest urban areas. Only in the fields of *improving the artistic and cultural life of the community, encouraging physical activity and people's fitness* and *improving the environment* are levels of impact thought to be similar across rich and poor areas.

Coastal towns

In richer and poorer coastal towns, variations mirror those of urban areas. Variations are smaller because only two categories of deprivation or affluence are used.³⁰

²⁸ DEFRA/ONS/DCLG rural categories were adopted for the analysis. For further detail see: Bibby, P. and Brindley, P. (2013) *The 2011 Rural-Urban Classification For Small Area Geographies: A user guide and frequently asked questions*, London: DEFRA/ DCLG/ ONS https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/239478/RUC11user_guide_28_Aug.pdf. See also: Bibby, P. and Brindley, P. (2013) *Urban and rural area definitions for policy purposes in England and Wales*, London: DEFRA/ DCLG/ ONS (v1.0) https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/239477/RUC11methodologypaperaug_28_Aug.pdf

²⁹ ONS coastal towns analysis is available here: Prothero, R. and Sikorski, R. (2020) *Coastal towns in England and Wales*, London: ONS: <https://www.ons.gov.uk/businessindustryandtrade/tourismindustry/articles/coastaltownsingenlandandwales/2020-10-06>. The dataset and detail on methodology can be found here: <https://www.ons.gov.uk/businessindustryandtrade/tourismindustry/datasets/coastaltownsingenlandandwales>

³⁰ Technically it is possible to divide the data by three categories, but accuracy would be compromised given the size of the sample. Using ONS categories also usefully provides opportunities to compare with their own analytical reports.

Table 5.5(a) Sector impact in specific types of area (England and Wales 2022, percentage of VCSE organisations stating that they make a 'very strong' impact)							
	We improve health and wellbeing	We reduce social isolation	We encourage physical activity and improve people's fitness	We increase employability	We tackle the consequences of poverty	We improve people's access to basic services	N=
Remote rural areas	16.7	19.4	11.7	2.7	3.9	10.1	281
Less remote rural areas	20.7	17.5	13.6	4.8	5.0	5.5	881
Poorest urban areas	40.1	41.3	16.0	13.4	21.9	26.8	910
Intermediate urban areas	28.0	25.9	13.0	8.7	12.5	13.0	1,512
Richest urban areas	21.3	19.1	12.8	6.3	7.6	8.2	1,621
Poor coastal towns	47.9	41.4	18.4	12.3	26.8	25.1	213
Rich coastal towns	27.1	27.0	10.2	9.7	12.0	13.1	229
England and Wales	27.0	25.4	13.6	8.1	11.6	13.1	5,647

Table 5.5(b) Sector impact in specific types of area (England and Wales 2022, percentage of VCSE organisations stating that they make a 'very strong' impact)							
	We enhance the cultural and artistic life of the community	We improve the local environment	We promote community cohesion	We empower people in the community	We increase people's pride in their community	We give people confidence to manage their lives	N=
Deep rural areas	20.1	14.8	19.0	14.0	15.1	12.4	281
Less remote rural areas	15.0	10.7	18.6	11.3	13.6	12.5	881
Poorest urban areas	17.0	11.0	29.6	35.9	24.7	42.4	910
Intermediate urban areas	16.3	8.3	18.2	21.4	14.6	27.2	1,512
Richest urban areas	16.5	8.8	14.7	14.7	11.6	17.7	1,621
Poor coastal towns	21.0	12.2	28.0	32.4	25.4	45.9	213
Rich coastal towns	21.0	11.2	17.7	18.3	15.8	24.3	229
England and Wales	16.8	9.8	19.5	20.3	15.8	24.7	5,647

Section 6

VCSE sector financial resilience

6.1 Sources of income

NCVO *UK Civil Society Almanac* produces an annual digest of statistics on sector income which is based on intensive analysis of Charity Commission Register data on organisations' annual accounts. Their analysis is invaluable because detail is provided on the breakdown of sources of sector income (from, for example, public giving, the private sector, trusts and foundations and the state) and is tracked over time.³¹

The Third Sector Trends study does not need to replicate these data on 'actual' levels of income VCSE organisations receive from various sources.³² Instead, this study looks at how income sources are 'valued' by VCSE organisations in relative terms by exploring perceptions of reliance on various income sources.

VCSE organisations are asked to state how important each source of income is to them on the following scale: 'most important', 'important', 'of some importance', 'least important' and 'not important'. This is a useful source of information, when used in the context of a longitudinal study, because it helps to track how 'perceptions' of the balance of reliance on income sources changes over time. Table 6.1(a) compares levels of dependence on income sources by size of VCSE organisations.

Table 6.1(a) Variations in reliance on income sources by VCSEs in the home counties 2022 (percentage of all VCSE organisations which state income sources are 'most important' or 'important')					
	Micro (income below £10,000)	Small (income £10,000- £49,000)	Medium (income £50,000 - £249,999)	Large (income £250,000- £999,999)	Big (income £1million - £25million)
Grants	39.4	51.7	53.3	68.2	45.5
Contracts	3.9	10.2	20.2	33.3	36.4
Earned	20.5	31.9	37.4	37.9	46.5
Investments	13.2	12.9	12.9	14.9	25.6
Contributions in kind	22.6	28.7	27.8	20.0	11.6
Gifts and donations	54.2	53.9	65.4	51.2	54.5
Subscriptions	44.9	35.4	22.0	16.5	20.9
Borrowed	0.8	0.7	2.4	3.6	7.0
N=	277	294	259	85	44

³¹ See: [NCVO UK Civil Society Almanac 2022: Financials](#)

³² With the exception of NCVO's UK Civil Society Almanac research which is based on published financial accounts of a sample of VCSE organisations from across the UK, previous attempts to collect such information have generally failed to present a convincing picture of VCSE sector income, including work by the major government funded National Third Sector Study in 2008 and 2010. The reason for this is largely to do with respondents not being willing to provide such information. This may be due to the amount of time it would take, lack of easy access to such information or worries about divulging such data. In the Third Sector Trends study, a simpler approach was adopted, by asking VCSE organisations the extent to which they valued various sources of income. Data do not therefore refer to the sum of income, but relative reliance on income sources.

Comparing with statistical neighbour and stranger areas, Table 6.1(b) shows the percentages of VCSE organisations stating that income sources are 'most important' or 'important' to them .

- **Grants:** often it is assumed that all organisations are chasing after grants, but only 47 per cent of organisations in statistical neighbour areas emphasise their central importance. This is considerably lower than is the case in combined authority areas (68%) and spatially separate town and country areas (66%).
- **Contracts to deliver services:**³³ fewer organisations in Buckinghamshire, Oxfordshire and Berkshire West (17%) consider this to be an important source of income – especially when compared with combined authority areas (30%). This is because the proportion of larger organisations is greater in combined authority areas where there are deeper concentrations of deprivation.
- **Earned income:** many organisations earn income from trading – but few rely heavily upon this source of income (28%). Differences in reliance on trading income between Buckinghamshire, Oxfordshire and Berkshire West and statistical neighbour areas are negligible. Earned income is generally regarded as being more important in combined authority areas (34%) and spatially separate town and country areas (36%).
- **Investments:** over the last decade, the value of investments has fallen substantially and fewer VCSE organisations rely heavily on this source of income, but the proportion is slightly higher in Buckinghamshire, Oxfordshire and Berkshire West (14%) and its statistical neighbour areas (14%) than in statistical stranger areas – especially combined authority areas (10%). Investment income is regarded as important by a fifth of VCSE organisations in London (19%).
- **Contributions in kind:** are valued by about a quarter of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West, statistical neighbour and spatially separate town and country areas. Reliance on in-kind support is much higher in London (32%) and combined authority areas (32%).
- **Gifts and donations** are highly valued by about half of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West which is lower than statistical neighbours (57%) and in London (59%). Reliance on gifts and donations is similar in combined authority areas and spatially separate town and country areas (about 51-53%).
- **Subscriptions** are valued fairly equally in all types of areas (26-30%).
- **Borrowed money** is of negligible importance to most VCSE organisations in most areas (below 2%) - but the percentage is a little higher in London and combined authority areas where there are more opportunities for social investment (2-3%) and there is a higher proportion of bigger VCSE organisations.

³³ The most valuable contracts are let by public sector bodies, such as the local authority, DWP or NHS. Not all contracts are from the public sector. Trading VCSE organisations can engage in a wide range of smaller-scale contracts, such as for catering, provision of technical services such as payroll for other VCSE organisations, delivery of sport injury services, renting use of space, etc.

Table 6.1(b) Variations in reliance on income sources by VCSEs in comparative areas 2022
(percentage of all VCSE organisations which state income sources are 'most important' or 'important')

	Buckinghamshire Oxfordshire and Berkshire West	Home counties statistical neighbours	London statistical neighbours	Combined authority statistical neighbours	Town and country statistical neighbours	England and Wales
Grants	47.2	49.8	52.9	68.3	66.4	61.9
Contracts	16.5	14.5	21.2	30.1	19.3	23.1
Earned	28.4	31.2	27.9	34.3	36.4	33.1
Investments	14.2	13.7	19.4	9.5	10.4	11.6
Contributions in kind	24.4	25.1	31.9	32.1	26.9	29.1
Gifts and donations	51.2	56.9	58.8	52.7	51.2	53.8
Subscriptions	29.7	32.0	30.9	26.9	26.1	28.9
Borrowed	1.6	1.7	2.4	2.8	1.8	2.2
N=	197	964	516	1766	762	5,896

6.2 Contracts to deliver public services

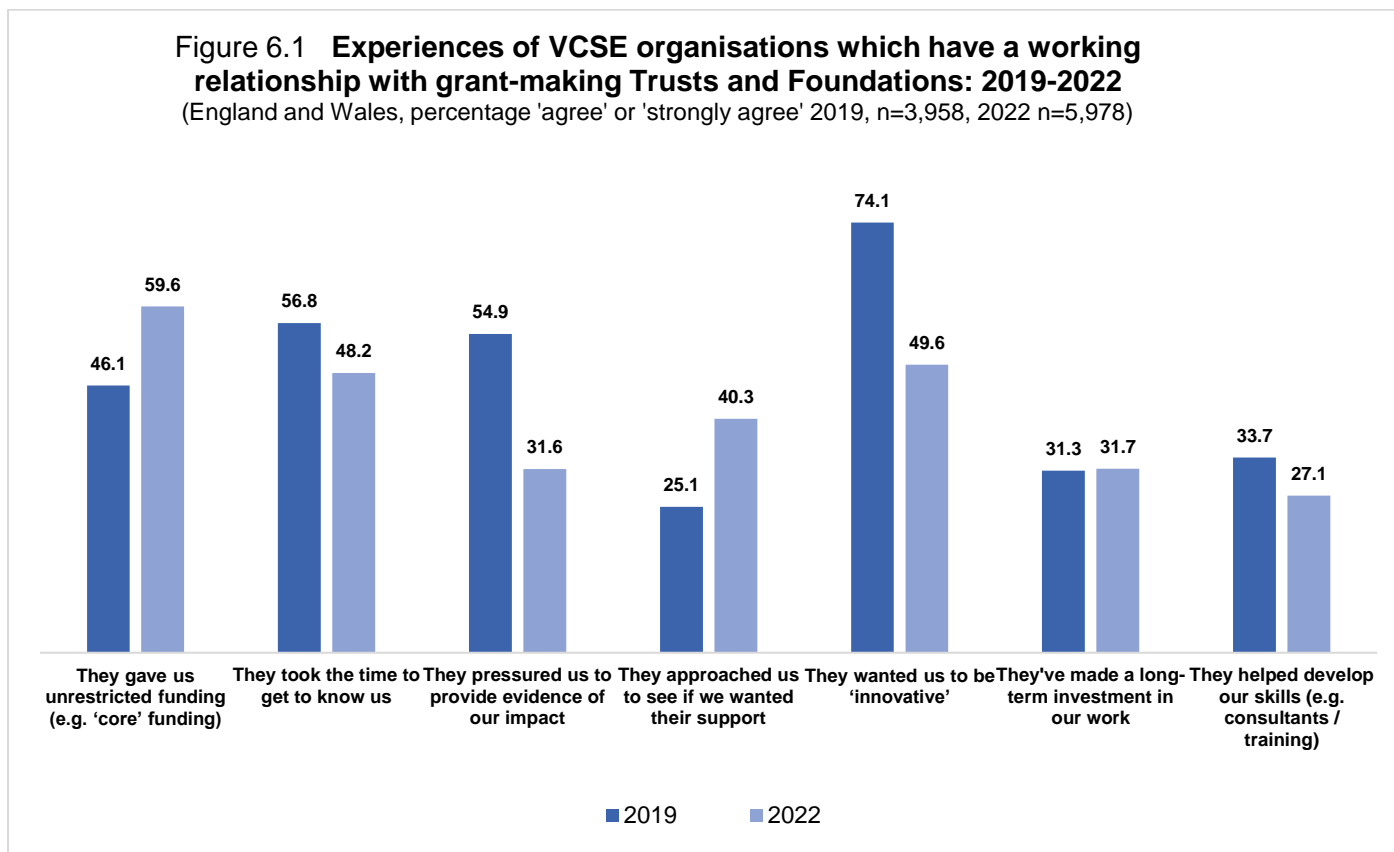
This sub-section looks specifically at the proportion of organisations which bid for or are delivering public service delivery contracts. In Buckinghamshire, Oxfordshire and Berkshire West, 7 per cent of organisations deliver public services via contracts compared with 6 per cent of statistical neighbour areas (6%). Organisations in combined authority areas are much more likely to engage with public service delivery contracts (15%) whilst in London, involvement with contracts is comparatively rare (8%).

Table 6.2 VCSE organisations' interest in delivering public services under contract				
	Not aware of these opportunities	We are aware of these opportunities but they are not relevant to our organisations objectives	Need support, information or perceive barriers to contracts	Bidding for or already delivering contracts
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	31.3	52.4	9.6	6.7
NHS Hampshire and Isle of Wight Integrated Care Board	36.1	54.8	6.5	2.6
NHS Surrey Heartlands Integrated Care Board	24.5	57.8	10.2	7.5
NHS Sussex Integrated Care Board	31.4	54.7	11.7	2.2
NHS Kent and Medway Integrated Care Board	35.6	45.6	12.1	6.7
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	30.7	53.3	11.7	4.4
Home counties statistical neighbours	31.1	53.4	10.1	5.4
London statistical neighbours	29.5	45.5	16.7	8.3
Combined authority statistical neighbours	24.8	39.2	20.7	15.2
Town and country statistical neighbours	31.4	45.7	14.3	8.5
England and Wales	28.8	44.9	15.8	10.4

6.3 Grant funding

Grants are a mainstay of funding for many VCSE organisations. So it is useful to gauge the quality of relationships with grant-making trusts and foundations. The way that grants are made across England and Wales has changed during the pandemic as shown in Figure 6.1. The percentage of organisations receiving unrestricted funding increased from 46 per cent to 60 per cent. This had the effect of reducing pressure to innovate and demonstrate impact.

Figure 6.1 Experiences of VCSE organisations which have a working relationship with grant-making Trusts and Foundations: 2019-2022
 (England and Wales, percentage 'agree' or 'strongly agree' 2019, n=3,958, 2022 n=5,978)



In Buckinghamshire, Oxfordshire and Berkshire West, a higher than average percentage of VCSE organisations received unrestricted funding (67%). Variations in the experiences of organisations in aggregated statistical neighbour and stranger areas are limited (Hampshire and Isle of Wight stands out as an exception) and grant funders seem to have been very even handed in different kinds of areas. Grant-making trusts and foundations appear to have been particularly helpful in the last two years to many organisations by making an approach about funding possibilities.

Table 6.3 **VCSE experience of working with grant funding trusts and foundations** (percent 'agree' or 'strongly agree')

	They gave us unrestricted funding (e.g. core funding)	They took the time to get to know us	They pressured us to provide evidence of our impact	They approached us to see if we wanted their support	They wanted us to be innovative'	They've made a long-term investment in our work	They helped develop our skills (e.g. consultants / training)
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	67.4	59.5	39.5	33.7	51.8	29.1	14.7
NHS Hampshire and Isle of Wight Integrated Care Board	42.1	39.6	42.6	34.5	33.3	28.6	20.0
NHS Surrey Heartlands Integrated Care Board	63.2	55.8	37.0	45.6	41.7	36.0	25.6
NHS Sussex Integrated Care Board	61.3	44.4	33.3	36.7	37.3	29.1	20.4
NHS Kent and Medway Integrated Care Board	63.9	44.0	29.2	48.1	41.3	40.4	18.4
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	74.1	38.3	22.0	43.9	46.8	27.1	20.5
Home counties statistical neighbours	62.8	47.5	34.1	39.9	42.1	36.8	20.1
London statistical neighbours	58.9	49.3	37.2	35.9	51.6	33.5	25.8
Combined authority statistical neighbours	58.5	48.1	27.2	40.0	51.0	32.3	28.0
Town and country statistical neighbours	60.6	52.3	33.7	43.4	47.2	30.8	24.0
England and Wales	59.6	48.2	31.6	40.3	49.6	31.7	27.1

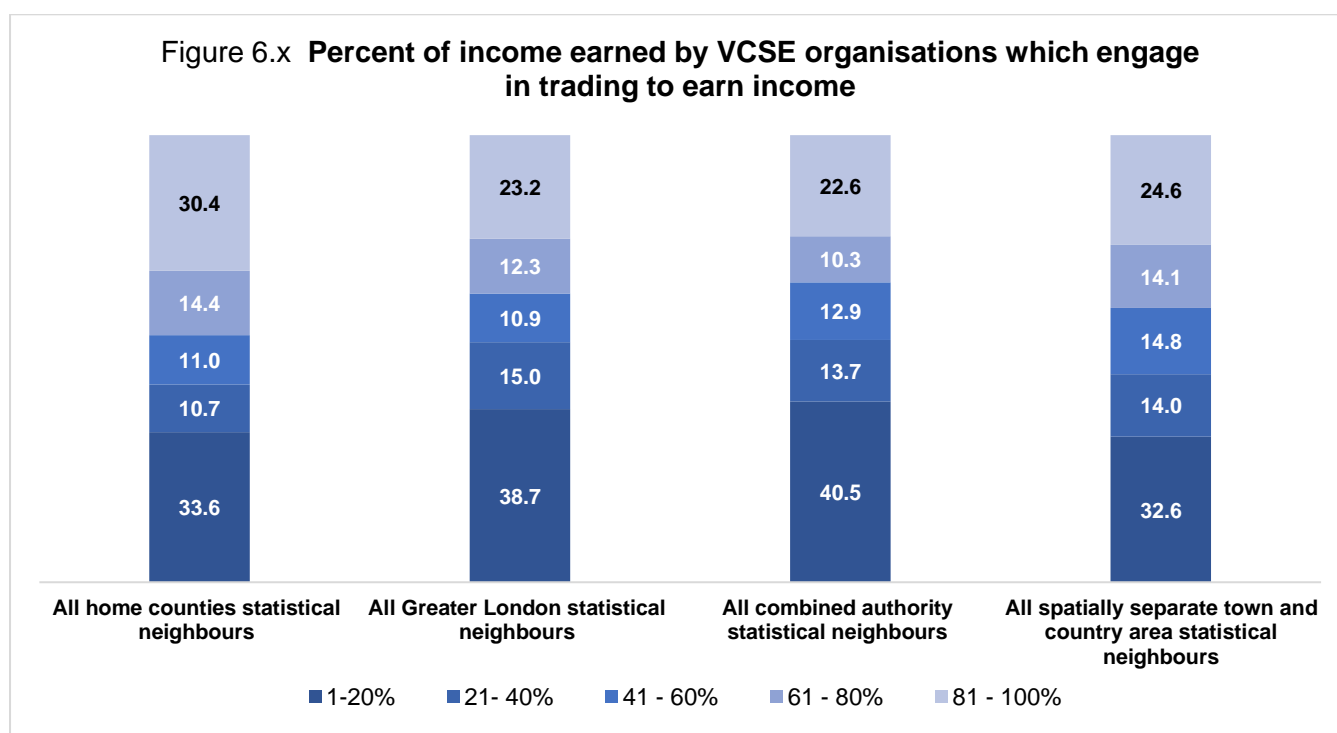
6.4 Earned income

National-level Third Sector Trends analysis shows that about 60 per cent of organisations in the VCSE sector earn a proportion of their income by delivering contracts or self-generated trading of goods or services. The proportion of total income which is earned varies across statistical neighbour areas (Table 6.9).

VCSEs in London (51%) and in the home counties 44% are more likely to eschew the idea of trading. Organisations in combined authority areas are most likely to earn at least some of their income from trading.

Amongst organisations which do engage in trading to earn income, it is clear that organisations in the home counties (though fewer in number) are more likely to earn a greater proportion of their income than statistical stranger areas (Figure 6.2).

Table 6.2 Percentage of income which is earned by VCSE organisations						
	None	1-20%	21- 40%	41 - 60%	61 - 80%	81 - 100%
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	43.3	19.7	6.3	4.8	6.7	19.2
NHS Hampshire and Isle of Wight Integrated Care Board	44.8	18.2	7.8	7.1	9.1	13.0
NHS Surrey Heartlands Integrated Care Board	47.3	16.9	7.4	5.4	8.1	14.9
NHS Sussex Integrated Care Board	45.3	18.0	6.5	6.5	9.4	14.4
NHS Kent and Medway Integrated Care Board	47.3	17.3	4.0	4.7	8.0	18.7
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	38.1	20.9	5.0	7.2	5.8	23.0
Home counties statistical neighbours	43.8	18.9	6.0	6.2	8.1	17.1
London statistical neighbours	51.2	18.9	7.3	5.3	6.0	11.3
Combined authority statistical neighbours	35.0	26.3	8.9	8.4	6.7	14.7
Town and country statistical neighbours	37.7	20.3	8.7	9.2	8.8	15.3
England and Wales	39.9	22.1	8.1	7.3	7.2	15.3



6.5 Property assets

Little is currently known about property ownership in the VCSE sector as national data on VCSE sector property ownership is limited.³⁴ Consequently, the analysis must begin at national level to build a general picture of what is going on.³⁵

Table 6.10 provides Third Sector Trends estimates on the number of organisations which own, rent or have free use of properties in England and Wales. Rough estimates are also provided on the number of asset transfers of former public sector property assets which are now owned by VCSE sector organisations.³⁶

The most common forms of property tenure or usage are renting (46%), followed by ownership (30%) and free use of space in a building (29%).³⁷

	Yes	No - but we're looking into this	No - and we have no plans to do this	N=	VCSE organisations nationally which have property usage by type of tenure	
					Base estimate	Adjusted estimate ³⁸
We own a property that we can use	29.6	6.7	63.7	5,386	59,200	52,500
We rent a property to use	45.7	3.0	51.3	5,408	91,400	81,400
We have a community asset transfer property	5.9	6.0	88.1	4,983	11,800	9,600
We are allowed to use space in a property without charge	29.0	6.6	64.4	5,134	58,000	49,000

³⁴ Theoretically, it is possible to search charity ownership in the Land Registry [see: [Search for land and property information - GOV.UK \(www.gov.uk\)](https://www.gov.uk/search-for-land-and-property-information)] but this would be time consuming and expensive. Furthermore, difficulties may be encountered in disentangling private ownership from charity ownership because Land Registry titles for charities may be registered in the names of retired, or even deceased trustees. For further explanation see: Katie Hickman (2020) 'How should charity property be registered at the Land Registry', VVW, 11th September: <https://www.vvw.co.uk/news-and-events/blog/charity-law-brief/charity-property-land-registry>.

³⁵ This is an abridged version of Section 4.1 of Third Sector Trends in England and Wales 2022: finances, assets and organisational wellbeing, see Section 4.1 p.41: <https://www.communityfoundation.org.uk/wp-content/uploads/2023/01/Third-Sector-Trends-2022-finances-assets-and-organisational-wellbeing-January-2023.pdf>

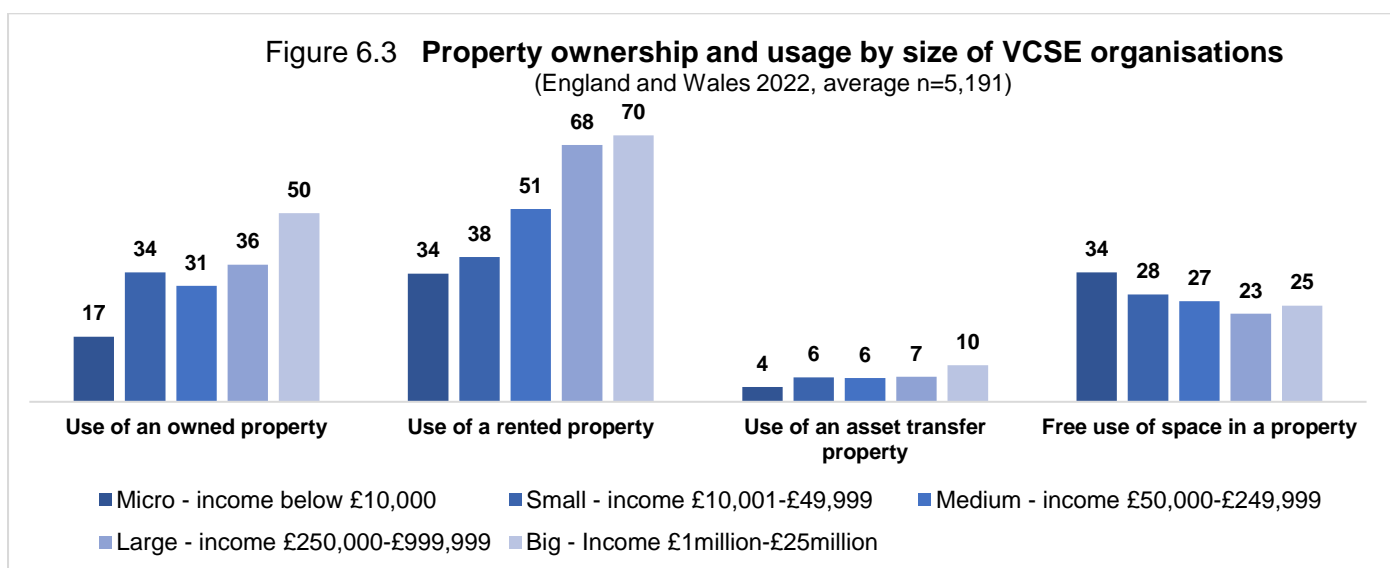
³⁶ Currently there are no national statistics on community asset transfers (CATs). Listings are available from Plunkett Foundation's 'Keep it in the community' initiative <https://plunkett.force.com/keepitinthecommunity/s/>, but these listings are input voluntarily and are likely to under report the actual number of CATs. For example, current listings only include 263 community hubs, 78 libraries and 163 sport facilities (data collated on 17th November 2022). See also Mark Sandford (2022) *Assets of community value*, London, House of Commons Library, Section 1.5: <https://researchbriefings.files.parliament.uk/documents/SN06366/SN06366.pdf>. There is a growing body of evidence on the experience and social impact of CATs which will be reviewed in more detail in a forthcoming paper for Power to Change using Third Sector Trends data: <https://www.powertochange.org.uk/market-reports/research-and-reports/>

³⁷ Ownership includes properties adopted via community asset transfer.

³⁸ This is a new question for Third Sector Trends and, unlike most other questions, the response rate was below the usual threshold of 95% of in-survey respondents. Response rates for each of the four categories were 88.7, 89.1, 82.1 and 84.6, respectively. If it is presumed that non respondents did not, for example, own a property this lowers the percentage of VCSE organisations which own a property. The adjusted estimate of the number of VCSE organisations in each category of tenure is adjusted accordingly. The adjusted estimate is closer to 2013, 2016 and 2019 survey data on property tenures where a different question was used but was 'rested' in 2022 to incorporate more detail on renters, free use of space and asset transfer. On balance, the adjusted percentage is more likely to be accurate than the base estimate.

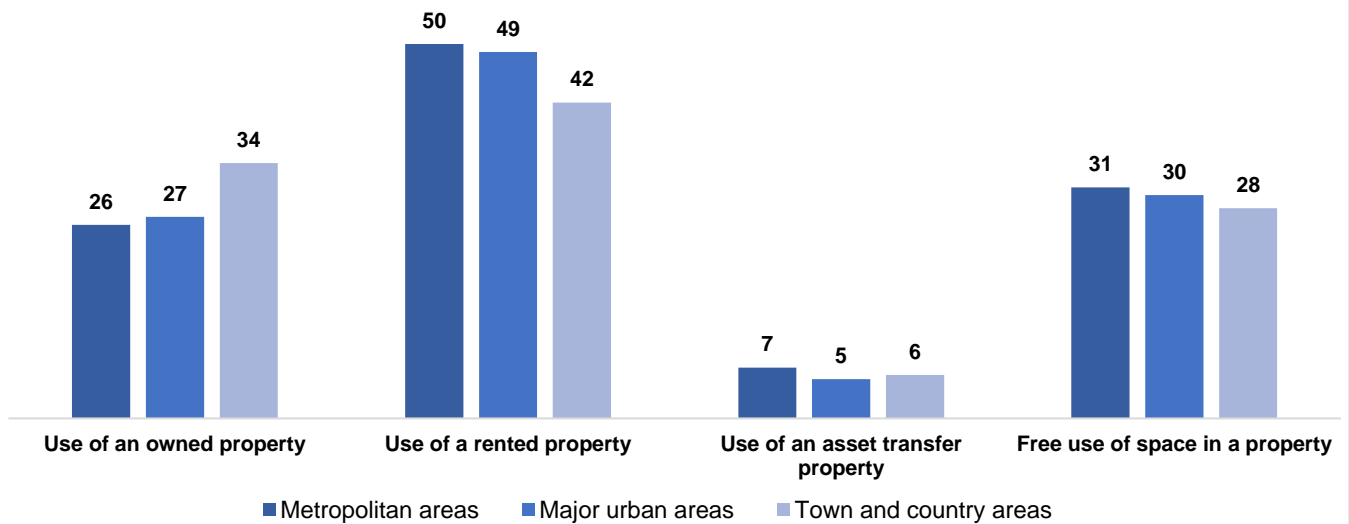
Property tenure or usage varies by size of organisation. As Figure 6.3 shows, half of the biggest organisations use a property that they own. Around a third of middle-sized VCSE organisations own property compared with just 17 per cent of micro VCSE organisations. Ownership via asset transfer is highest amongst the biggest organisations (10%) falling to 4 per cent of micro VCSE organisations.

Rented property remains the most usual form of tenure for ‘large’ and ‘big’ VCSE organisations (68-70%). Background analysis reveals that 23 per cent of the biggest VCSE organisations which own property also rent space in other properties. Many organisations have access to space in properties to use at no cost. This is most common amongst micro organisations (34%) but is also available to about a quarter of VCSE organisations of other sizes (ranging from 23-28%).



National analysis presented in Figure 6.4 reveals that property ownership is more prevalent in town and country areas (34%). About a quarter of VCSE organisations in metropolitan and major urban areas own property while a half of VCSE organisations rent properties in metropolitan and major urban areas compared with just 42 per cent in town and country areas. The percentage of VCSE organisations which took control of properties via community asset transfer of public buildings is fairly similar across area types (5-7%). Free use of space is slightly more common in metropolitan and major urban areas compared with town and country areas – but the differences are small.

Figure 6.4 **Ownership and usage of property by area characteristics**
(England and Wales 2022, average n=5,227)



As Table 6.7 shows, in Buckinghamshire, Oxfordshire and Berkshire West, property ownership is less prevalent (25%) than in other statistical neighbour areas (percentages are above 28% in Kent and Medway, Sussex, Hertfordshire and Essex). Property ownership is most common in spatially separate town and country areas (36%) and least in London (24%). These variations are likely to be due to variations in property prices across statistical neighbour and stranger areas.

A similar percentage of VCSE organisations rent space to use in statistical neighbour areas, London and town and country areas. (41-41%) – while in combined authorities, more organisations rent (50%). The proportion of organisations renting space in Buckinghamshire, Oxfordshire and Berkshire West is lower than most areas (37%).

Use of properties acquired via community asset transfer programmes is very low in Buckinghamshire, Oxfordshire and Berkshire West (below 2%) while the average in statistical neighbour areas is above 3 per cent. Community asset transfer is more common in combined authority areas (8%).

Free use of space in properties is common in the VCSE sector – nearly a third of organisations do so – percentages vary little amongst statistical neighbour and stranger areas (around 28-32%). In Buckinghamshire, Oxfordshire and Berkshire West access to property for use at no cost is more rare (25%).

Table 6.7 Property tenure amongst statistical neighbours and strangers

	We own a property that we use	We rent a property to use	We have a property that we got via community asset transfer of a public building	We are allowed to use space in a property without charge
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	24.5	37.1	1.6	25.1
NHS Hampshire and Isle of Wight Integrated Care Board	27.7	45.5	3.2	28.5
NHS Surrey Heartlands Integrated Care Board	23.7	38.6	3.4	34.4
NHS Sussex Integrated Care Board	28.1	40.8	1.7	25.0
NHS Kent and Medway Integrated Care Board	28.9	39.7	4.0	28.7
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	30.1	44.8	4.5	31.0
Home counties statistical neighbours	27.2	41.2	3.2	28.0
London statistical neighbours	24.4	42.5	3.7	31.5
Combined authority statistical neighbours	28.2	50.0	7.5	30.1
Town and country statistical neighbours	35.9	42.5	5.7	27.5
England and Wales	29.6	45.7	5.9	29.0

6.6 Income resilience

Table 6.8 shows how the VCSE sector has fared financially over the last two years by comparing statistical neighbours and strangers. Experiences across areas are remarkably consistent: around a fifth of VCSE organisations have seen income rise significantly while a similar proportion report significant decline.

It is vital *not* to interpret fluctuations in income as definite evidence of financial ‘success’ or ‘failure’. Income levels of VCSE organisations are almost always turbulent.³⁹ Furthermore, recent experiences during the pandemic mean that many organisations reduced levels of activity or were effectively ‘hibernating’ and did not apply for funding.

³⁹ Third Sector Trend has tracked 50 organisations in North East England and Cumbria for 15 years to explore how organisations manage income turbulence. The most recent report from the study is now available. Third Sector Trends (2022) *Going the distance: how third sector organisations work through turbulent times*, Newcastle upon Tyne: Community Foundation Tyne & Wear and Northumberland: <https://www.communityfoundation.org.uk/wp-content/uploads/2022/10/Going-the-distance-how-third-sector-organisations-work-through-turbulent-times-October-2022.pdf>

The percentage of organisations with increasing income is very similar amongst statistical neighbours (14-16%). In combined authority areas (21%) and London (19%), organisations were more likely to see their income increase significantly in the last two years.

Income decline has affected about a quarter of organisations in the last two years. This does not necessarily indicate that they face financial crises. Many organisations were hibernating or working less intensively during the pandemic and did not need to raise as much income. Income decline is only slightly more prevalent in the home counties (26%) and London (27%) than in combined authority areas (24%) and spatially separate town and country areas (25%).

Table 6.8 Variations in income change in the last two years				
	Risen significantly	Remained about the same	Fallen significantly	N=
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	15.4	60.1	24.5	208
NHS Hampshire and Isle of Wight Integrated Care Board	17.5	57.8	24.7	154
NHS Surrey Heartlands Integrated Care Board	16.2	61.5	22.3	148
NHS Sussex Integrated Care Board	15.8	57.6	26.6	139
NHS Kent and Medway Integrated Care Board	14.8	59.1	26.2	149
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	13.7	58.3	28.1	139
Home counties statistical neighbours	15.7	58.6	25.7	1000
London statistical neighbours	16.4	56.4	27.3	532
Combined authority statistical neighbours	20.5	55.5	23.9	1,884
Town and country statistical neighbours	19.4	56.0	24.6	782
England and Wales	18.1	55.7	26.2	6,022

A second test of financial resilience is the ownership and use of reserves. Table 6.9 compares statistical neighbours, strangers and national data and demonstrates remarkable consistency of experience (with the marginal exception of London where levels of ownership or retention of reserves are lower).

The ownership of reserves is widespread – but organisations are holding on to their reserves rather than investing in new initiatives. Caution is understandable given current financial concerns driven by energy costs, general inflation and higher wage demands.

Many organisations are using reserves for essential costs (such as wages, energy costs, rents etc.) – in Buckinghamshire, Oxfordshire and Berkshire West (21%) this is around the national average level (23%). To repeat an earlier point, this does not necessarily indicate that these organisations are facing serious financial crises as levels of reserves seem to have risen substantially during the pandemic.

Table 6.9 Ownership and use of reserves in the last two years

	No, we don't have any reserves	No, we have not drawn on our reserves	Yes, we have used our reserves to invest in new activities	Yes, we have used our reserves for essential costs	We have used our reserves for both investment and essential costs
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	16.0	49.5	8.7	20.9	4.9
NHS Hampshire and Isle of Wight Integrated Care Board	5.2	50.6	9.7	26.0	8.4
NHS Surrey Heartlands Integrated Care Board	16.0	52.7	7.3	19.3	4.7
NHS Sussex Integrated Care Board	12.9	42.4	13.7	23.7	7.2
NHS Kent and Medway Integrated Care Board	18.8	46.3	8.7	22.1	4.0
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	12.3	55.8	5.1	20.3	6.5
Home counties statistical neighbours	13.7	49.0	9.3	22.1	5.8
London statistical neighbours	16.6	43.6	7.0	25.3	7.5
Combined authority statistical neighbours	17.2	44.5	8.8	22.5	6.9
Town and country statistical neighbours	16.3	44.4	8.0	23.1	8.2
England and Wales	16.3	45.2	8.8	22.8	6.9

6.7 Expectations about the next two years

Third Sector Trends tries to capture the mood of the VCSE sector by asking respondents what they feel may happen next. This does not mean this 'will happen'. Often the study finds that expectations do not match reality: especially during the pandemic, when many organisations, understandably, became pessimistic about the future. Table 6.10 shows the percentage of VCSE organisations which expect change on several dimensions over the next two years.

- **Income:** about a third of the sector is optimistic about income increasing in the next two years. Variations are limited, but optimism is highest in London (38%) and lowest in spatially separate town and country areas (31%).
- **Private sector support:** optimism is lowest in statistical neighbour (23%) and spatially separate town and country areas (19%) areas and, by far, the highest in London (35%)
- **Grants from trusts and foundations:** many VCSE organisations believe that grant income will increase: 28 per cent of statistical neighbours, 26 per cent in town and country areas (26%). The sector is more optimistic combined authority areas (36%) and especially, London (40%).
- **Support from volunteers:** expectations that support from volunteers will increase is lower amongst statistical neighbours (31%) and spatially separate town and country areas (28%) than in combined authority areas (37%) or London (38%).

- **Statutory funding:** fewer VCSE organisations in statistical neighbour (17%) and spatially separate town and country areas (20%) areas feel that statutory funding will increase in the next two years compared with combined authority areas (27%) and in London (29%).

Table 6.10 Expectations about what will happen over the next two years					
	Income will increase	Support from private businesses will increase	Grants from charitable foundations will increase	Support from volunteers will increase	Funding from statutory agencies will increase
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	34.2	24.1	26.0	31.3	21.0
NHS Hampshire and Isle of Wight Integrated Care Board	27.5	16.5	23.3	27.6	6.8
NHS Surrey Heartlands Integrated Care Board	33.8	14.1	21.3	25.4	8.2
NHS Sussex Integrated Care Board	31.9	29.9	32.6	28.9	18.4
NHS Kent and Medway Integrated Care Board	33.6	27.8	33.7	33.3	20.8
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	31.6	27.5	30.6	35.9	21.8
Home counties statistical neighbours	32.8	22.9	27.7	30.5	17.1
London statistical neighbours	37.7	34.6	39.6	37.9	29.4
Combined authority statistical neighbours	34.4	26.6	35.7	37.3	26.6
Town and country statistical neighbours	31.1	18.9	25.7	28.3	19.6
England and Wales	33.0	24.9	31.8	33.5	22.6

Section 7

Relationships and influencing

The VCSE sector is lauded in policy circles for its willingness and ability to work effectively in partnership. Partnership is a ‘warm’ word - evoking notions of shared values, interests, power and objectives.⁴⁰ Few partnerships, in any aspect of social life, match up to these expectations. The reality is that organisations bring aspects of power and influence to the table when they establish or join partnerships – this demands that compromises are struck.

VCSE organisations tend to be involved in a range of partnerships at any one time - but the nature of these working arrangements will vary. One organisation may find itself in some partnerships where they are dominant over others; while in others, they may play only a small part and be happy to accept a subordinate role. While inequalities are built into most partnership arrangements, VCSE organisations often feel uncomfortable about this – even if they signed up to them knowing that resources and power may not be shared equally.

The word ‘partnership’ is used in so many contexts that its usefulness can be undermined. Consequently, distinctions have been drawn between four types of partnership relationships (see Box 7.1).

7.1 Relationships within the VCSE sector

In the analysis that follows, survey data are used which refer to three types of non-contractual partnership working (Table 7.1):

- ***Useful informal relationships with other voluntary organisations and groups*** – or ‘good neighbourly relationships’ (as defined in Box 7.1). VCSE sector relationships are stronger in major urban statistical stranger areas than in statistical neighbour areas. Informal relationships are most common (79% amongst statistical neighbours and 73% for statistical strangers).
- ***Work quite closely but informally with other voluntary organisations and groups*** – or ‘complementary relationships’ (as defined in Box 7.1). Contractual relationships between VCSE organisations and public sector organisations are not included in these categories because these arrangements have already been explored in Section 6.⁴¹
- ***Formal partnership arrangements with other voluntary organisations and groups*** – (as defined in Box 7.1) - but excludes contractual service delivery. Formal partnership working is much less frequent in statistical neighbour areas, and fewer VCSE organisations engage in such arrangements (30%) than in statistical stranger areas (40%).

⁴⁰ This introductory section is an abridged version of TSTS Relationships, Section 2, pp. 12-14.

⁴¹ For comparative regional analysis, see: Third Sector Trends 2022: finances, assets and organisational wellbeing, Newcastle upon Tyne: Community Foundation Tyne & Wear and Northumberland, Section 3.2. <https://www.communityfoundation.org.uk/wp-content/uploads/2023/01/Third-Sector-Trends-2022-finances-assets-and-organisational-wellbeing-January-2023.pdf>

Box 7.1 Definitions of relationship types

Contractual relationships: where public sector bodies purchase services from VCSE sector providers. Such relationships are often described in partnership terms, but they are unequal as the buyer defines the purpose and scope of the work to be done and builds in clauses for recourse if the supplier fails to deliver. Contractors often encourage or demand that services are delivered in partnership by consortia of VCSE organisations – led by a ‘prime contractor’. Such arrangements can work well if they are sufficiently well resourced, participation is voluntaristic and power relationships are well balanced. But these criteria are not always met which can inject problems into consortia or partnership delivery arrangements from the start.

Formal partnership relationships: where agencies from the same or different sectors work together in a formally constituted relationship to deliver specific outcomes usually on a time-limited basis. In such partnerships there may be a permanent lead organisation or rotation of lead partners which manage communications, hold and distribute budgets to other organisations or agencies and/or act as the accountable body to funders. Holding the purse strings can be a powerful tool in shaping the way partnership arrangements manifest themselves. In some formal partnerships, budgets and resources are not shared, but formal protocols are established on working relationships which must be adhered to.

Complementary relationships: where agencies and organisations from the same or different sectors work towards similar objectives but without formally binding or contractual ties. A range of partners may bring money to the table, but rarely, and for good reason, will they agree to ‘pool’ such resources. The terms of reference of the partnership may be defined in more or less formal ways. Such relationships are less likely to be time limited and can allow for participating organisations to step in or step out during the life of the partnership.

Autonomous working: where organisations or agencies work towards beneficial social or economic outcomes individually or collectively – and can often share common values or objectives. These can further be divided into two categories:

Good neighbours: where organisations are empathetic towards and respectful of the contribution of other organisations and agencies and do not purposefully duplicate or undermine the efforts of others. Generosity of spirit is required – but within limits since reciprocity is expected.

Poor neighbours: where organisations conflict and/or compete, intentionally or otherwise and undermine the achievement of others’ shared objectives or even objectives these difficult neighbours claim to support. Poor neighbours can be empathetic too – which is a dangerous tool in the wrong hands.

As Table 7.1 indicates, the propensity for VCSE organisations to work informally, semi-formally or formally is influenced by the kind of area within which they work. VCSEs in Buckinghamshire, Oxfordshire and Berkshire West and across statistical neighbour areas are less likely to work collaboratively than in combined authority areas or spatially separate town and country areas. This cannot solely be due to sector structure – as there tend to be large numbers of micro and small organisation in both spatially separate town and country areas and home counties areas.

This may reflect opportunity structures – such as large grant or contract funded collaborative work – which tend to be more readily available in major urban or metropolitan areas. Only 26 per cent of VCSE organisations engage in formal partnership working in Buckinghamshire, Oxfordshire and Berkshire West (and also across the home counties) compared with 40% in combined authority areas and 41% in London.

Informal and semi-formal working is more infrequent in home counties areas (69%) and London (72%) than in spatially separate town and country areas (73%) and combined authority areas (79%) – perhaps indicating that sector cohesion is

influenced by local geographies. In spatially separate town and country areas, this may be related to relative spatial isolation from major urban areas and low population density – so encouraging closer working amongst VCSE organisations. While in major urban areas, pressing issues surrounding deprivation may encourage the development of a collective responsibility to tackle issues.

These observations should not, however, be exaggerated: a majority of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West (68%), for example, work together informally and 60 per cent work in semi formal complementary ways.

Table 7.1 Relationships within the VCSE sector (percentage of organisations which agree)			
	We have useful informal relationships with other voluntary organisations and groups	We often work quite closely, but informally, with other voluntary organisations and groups	We often work in formal partnership arrangements with voluntary organisations and groups
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	67.6	59.6	26.1
NHS Hampshire and Isle of Wight Integrated Care Board	63.6	52.3	27.9
NHS Surrey Heartlands Integrated Care Board	68.2	59.9	27.4
NHS Sussex Integrated Care Board	75.5	61.3	24.6
NHS Kent and Medway Integrated Care Board	66.2	54.8	24.8
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	58.8	56.6	22.2
Home counties statistical neighbours	66.8	58.0	26.2
London statistical neighbours	71.7	62.6	41.2
Combined authority statistical neighbours	79.1	70.9	39.8
Town and country statistical neighbours	73.2	65.1	30.2
England and Wales	73.3	64.7	34.3

7.2 Relationships with the private sector

Previous research on the relationship between business and civil society has tended to be concerned with the 'corporate social responsibility' (CSR) activities of big business. This spotlight on CSR is explicable because it often involves generously funded programmes which capture media, research and political attention.⁴²

CSR by big business certainly packs a punch financially. As the Directory of Social Change's *Guide to UK Company Giving 2021* shows, the ten largest corporate contributors dispensed £295 million – 61% of the £483 million given by 235 businesses.⁴³

About half of VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West have one or more relationships with local or national businesses (Table 7.2). Most business relationships are with local firms. This reflects a general pattern across statistical neighbour and stranger areas. Only in London do a significant proportion of VCSE organisations work with national businesses – for the obvious reason that there are more opportunities to do so.

	Mainly with local businesses	Mainly with national businesses	A mixture of local and national businesses	We don't have relationships with businesses
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	32.0	3.9	13.6	50.5
NHS Hampshire and Isle of Wight Integrated Care Board	40.6	3.2	11.0	45.2
NHS Surrey Heartlands Integrated Care Board	35.1	3.4	12.2	49.3
NHS Sussex Integrated Care Board	32.9	5.7	9.3	52.1
NHS Kent and Medway Integrated Care Board	32.7	4.8	10.9	51.7
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	35.8	1.5	10.2	52.6
Home counties statistical neighbours	34.9	3.7	11.7	49.7
London statistical neighbours	21.9	9.2	15.5	53.4
Combined authority statistical neighbours	41.4	3.2	14.1	41.3
Town and country statistical neighbours	43.0	2.7	10.6	43.8
England and Wales	37.4	4.0	12.5	46.0

⁴² For a detailed report from Third Sector Trends on VCSE sector relationships with business, see Chapman, T. (2021) *Going the extra mile: how businesses support the third sector in England and Wales*, London: Pro Bono Economics. https://www.researchgate.net/publication/353379534_Going_the_extra_mile_how_businesses_support_the_third_sector_in_England_and_Wales

⁴³ Pembridge, I, et al. (2021) *The guide to UK company giving* (13th edition), London: Directory of Social Change.

Private sector businesses support for the VCSE sector can be provided in many ways ranging from financial to pro-bono activity (see Box 7.2). As Table 7.3 shows, Business support is stronger in statistical stranger areas than statistical neighbour areas.

Box 7.2 Types of support offered by businesses to the VCSE sector

Financial support: money given to VCSE organisations in various ways such as sponsorship of events, one-off financial contributions to support projects and initiatives, more regularised payments to sustain activities, and so on. About half of VCSE organisations get some financial support and about a quarter of organisations feel that this is of great importance to them.

In-kind support: use of facilities (such as meeting rooms, minibuses, plant or studios), gifts of new, used or surplus goods (such as DIY products, food and drink, stationary, computing equipment) and free services (such as printing leaflets, catering services). In-kind support from business is received by just under half of organisations – about a third of which feel that this is of great importance to them.

Employee supported volunteers: where companies allocate paid time for their employees to undertake tasks for VCSE organisations on an occasional or regularised basis – but not necessarily using their work-related skills. Volunteering activities may include, for example, decorating a community centre, fundraising, environmental work, marshalling at events and so on. Only a third of VCSE organisations get support from employee volunteers – 15 per cent of which feel that it is of great importance to them.

Pro bono expert advice: where business owners, partners or qualified employees provide unpaid professional or technical support to VCSE organisations with, for example, book-keeping and accountancy, architectural and design services, mentoring, business and management consultancy, public relations and media support, amongst other things. Well over a third of organisations receive pro bono support from business (38%) - 16 per cent of which think this is of great importance.

The types of support received by VCSE organisations varies, to some extent, because of the type of area within which they work. It may be expected that the situation in London would stand out as being substantially different from all other areas. But that is not the case.

- **Financial support:** variations in the percentage of organisations receiving money from business are quite limited between statistical neighbour and stranger areas (ranging from 30-36%).
- **In-kind support:** The provision of free facilities, goods or services to VCSE organisations is less common in home counties areas (24%) when compared with combined authority areas (32%) or London (27%).
- Support from **employee supported volunteers** is more prevalent in London (21%) and combined authority areas (19%) due to higher concentrations of large firms – help of this kind is rarer in the home counties and in spatially separate town and country areas (13-14%).
- Similarly, the receipt of **pro bono expert advice** is much more common in major urban or metropolitan areas (around 25%) compared with home counties or spatially separate town and country areas (16-17%).

Table 7.3 Support offered to VCSE organisations by private sector businesses (percentage agree)

	They give us money to help us do our work	They provide free facilities, or goods and services to help us do our work	They provide volunteers to help us do our work	They provide free expert advice to help do our work
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	31.6	21.7	14.6	18.0
NHS Hampshire and Isle of Wight Integrated Care Board	30.5	29.5	15.3	13.4
NHS Surrey Heartlands Integrated Care Board	33.1	24.5	17.1	17.8
NHS Sussex Integrated Care Board	29.2	23.9	8.0	16.1
NHS Kent and Medway Integrated Care Board	26.8	20.1	12.2	17.0
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	24.8	23.0	15.6	13.3
Home counties statistical neighbours	29.8	23.8	14.1	15.9
London statistical neighbours	34.5	26.9	20.9	24.8
Combined authority statistical neighbours	35.7	32.3	19.2	25.2
Town and country statistical neighbours	33.1	26.8	12.8	17.5
England and Wales	33.5	28.6	17.1	21.4

7.3 Public sector relationships

Years of government austerity policies have decimated many local authority budgets. Similarly, pressure on NHS budgets in the face of an ageing population, diminished public health, rising costs and unmet patient demand has been relentless. In these circumstances, it might be expected that relationships with the VCSE sector would have suffered.⁴⁴ But that is not the case. Since 2014, the majority of VCSE sector organisations (which have a relationship with the local public sector) have felt that their work is valued.⁴⁵

Variations across areas are very small – suggesting commonality of experience across all areas. The extent of interaction varies by purpose. Amongst organisations

⁴⁴ Given the generalised orientation of Third Sector Trends surveys, it is often left to the good sense of respondents to interpret broadly-based questions. 'Public sector organisations' is intended to embrace, primarily, local authorities and health authorities – but also include other organisations which have close relationships with the VCSE sector such as police, fire, probation, educational, employment and social services that operate at the local level. Crucially, respondents are given the opportunity to state that they have no such relationships so as to isolate those VCSE organisations which can have a viewpoint on public sector relationships. For a more detailed discussion see TSTS Relationships Section 4, pp. 33-39.

⁴⁵ See: Third Sector Trends in England and Wales 2022: relationships, influencing and collaboration, Section 5, <https://www.communityfoundation.org.uk/wp-content/uploads/2023/02/Third-Sector-Trends-in-England-and-Wales-2022-relationships-influencing-and-collaboration.pdf>

which have a relationship with the public sector in Buckinghamshire, Oxfordshire and Berkshire West , for example:

- 92 per cent of VCSE organisations feel valued by the local public and health sectors.
- 69 per cent of organisations feel that they are informed on issues of interest to them.
- About a half (53%) of organisations feel that they are appropriately involved in developing and implementing policy on issues that affect them.
- Almost half of VCSE organisations feel that the local public sector acts on their opinions or responses to consultations.

During the pandemic, many VCSE organisations were approached by public sector organisation for their assistance. This was more common in combined authority areas (61%) and happened least often in the home counties (47%)

Table 7.4 Extent to which VCSE organisations feel valued by public sector organisations

	They value the work of our organisation	They inform our organisation on issues which affect us or are of interest to us	They involve our organisation appropriately in developing and implementing policy on issues which affect us	They act upon our organisation's opinions and / or responses to consultation	They came to us for our assistance during the pandemic
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	91.6	68.6	52.5	47.8	44.4
NHS Hampshire and Isle of Wight Integrated Care Board	94.8	68.8	45.1	39.0	40.0
NHS Surrey Heartlands Integrated Care Board	92.9	71.0	44.8	53.1	48.8
NHS Sussex Integrated Care Board	95.2	72.0	44.0	46.3	48.7
NHS Kent and Medway Integrated Care Board	93.0	76.5	48.2	49.4	57.5
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	89.2	70.2	46.3	39.7	46.6
Home counties statistical neighbours	92.9	71.5	48.1	46.5	47.0
London statistical neighbours	89.2	72.7	54.9	53.9	54.2
Combined authority statistical neighbours	89.9	74.3	51.2	50.8	60.6
Town and country statistical neighbours	89.7	71.6	47.6	47.6	53.0
England and Wales	90.1	72.4	50.3	49.9	55.1

7.4 Influencing social and public policy

In government White Papers and major opposition parties' policy statements on social wellbeing, it has long-since been recognised that the local VCSE sector makes a valuable contribution to local social wellbeing.⁴⁶ Involvement of the VCSE sector in policy agendas and how to deliver public services effectively is generally considered to be a high priority.

To find out more about how organisations try to influence local social and public policy,⁴⁷ Third Sector Trends introduced new survey questions to assess levels of participation. Respondents were invited to say whether they 'strongly agree', 'agree', 'disagree' or 'strongly disagree' with each of the following statements about influencing local social and public policy.⁴⁸

Table 7.5 presents data to compare attitudes of statistical neighbours and strangers. VCSE organisations in statistical neighbour areas are consistently more likely to engage in influencing, but the scale of differences varies.

- ***We tend to steer well clear of political issues*** – this statement was devised simply to assess whether VCSE organisations were prepared to engage with local 'political' issues. 80 per cent of VCSE organisations in statistical neighbour areas take the view that they do not engage in local political activity compared with 67 per cent in London and 68 per cent in combined authority areas. VCSE in Buckinghamshire, Oxfordshire and Berkshire West are the most likely to engage politically amongst statistical neighbours (25%).
- ***We try to go to relevant meetings/events which relate to our kind of work*** – to find out if VCSE organisations will participate in formal activities (orchestrated by, for example, local authorities, health authorities or local infrastructure organisations) which address local social and public policy priorities. A similar proportion of organisations in major urban areas try to participate in formal meetings and events that address issues associated with local social and public policy: (75% in combined authority areas and 72% in London). In the home counties 65% of organisations do so.
- ***We campaign to further the interests of our beneficiaries*** – to see if VCSE organisations aligned with the principle of 'campaigning' to serve the interests of their area or beneficiaries.⁴⁹ Only 38 per cent of VCSE organisations in

⁴⁶ For a detailed discussion of the current policy context, see Third Sector Trends in England and Wales 2022: relationships, influencing and collaboration, Section 5, pp. 40-62: <https://www.communityfoundation.org.uk/wp-content/uploads/2023/02/Third-Sector-Trends-in-England-and-Wales-2022-relationships-influencing-and-collaboration.pdf>.

⁴⁷ The impetus to pursue this aspect of analysis arose from discussion with Millfield House Foundation who commissioned this aspect of the work. The construction of the question was undertaken collaboratively with the foundation's Trust Manager, Cullagh Warnock.

⁴⁸ It is recognised that the above statements are 'generalised'. This lack of specificity is necessary in a large-scale study to ensure that all participants can answer the question, whether or not they have a comprehensive understanding of the issues surrounding legal rights, responsibilities and constraints. No option was given to 'sit on the fence' by including a response category such as 'neither agree nor disagree' to ensure that respondents made a clear decision, either way. Similarly, no option was given to state that the question was 'not relevant/applicable to us' on the basis that all organisations should be in a position to take a view on each statement. Completing the question was not 'compulsory'. Indeed, none of the questions on the survey are compulsory – if a question is left unanswered the Online Survey platform is configured to allow people to continue unfettered. Percentage non-response to each statement were as follows: 'steer well clear of political issues' 2.9%, 'go to relevant meetings' 3.8%, 'Campaign to further the interests of our beneficiaries' 4.4%, 'trust local CVS to do this on our behalf' 5.4% and 'we tend to work behind the scenes' 4.9%. All five questions therefore achieved our benchmark standard for in-survey response rate of 95%. No complaints were received about the question (unlike, for example, questions on diversity). For a more detailed discussion of the approach taken to survey design, see: <https://www.stchads.ac.uk/wp-content/uploads/2022/11/Third-Sector-Trends-Research-Methods-2022.pdf>.

⁴⁹ In the absence of a specific and widely accepted definition of what constitutes 'campaigning' participants were able to interpret the question their own way.

statistical neighbour areas campaign to influence local policy compared with 46-52 per cent of statistical strangers.

- **We tend to work behind the scenes to influence policy** – to find out if organisations communicate with individuals in positions of power or influence informally to advance their organisation’s and/or beneficiaries’ interests.⁵⁰ Working behind the scenes to influence policy is an option many VCSE organisations choose to take in London (47%) and combined authority areas (47%); but this happens less often in the home counties (36%) and spatially separate town and country areas (42%).⁵¹

Table 7.4 Approaches taken by VCSE organisations to influence local social and public policy
(percent who ‘agree’ or ‘strongly agree’)

	We tend to steer well clear of political issues	We try to go to relevant meetings/events which relate to our kind of work	We campaign to further the interests of our beneficiaries	We tend to work behind the scenes to influence policy
NHS Buckinghamshire Oxfordshire and Berkshire West Integrated Care Board	75.0	65.8	39.2	43.9
NHS Hampshire and Isle of Wight Integrated Care Board	84.8	64.4	31.3	28.3
NHS Surrey Heartlands Integrated Care Board	81.5	64.1	42.6	41.3
NHS Sussex Integrated Care Board	82.0	64.4	39.8	29.3
NHS Kent and Medway Integrated Care Board	79.1	67.8	41.1	34.9
NHS Hertfordshire West Essex and Mid/South Essex Integrated Care Board	79.4	62.3	36.9	32.8
Home counties statistical neighbours	79.8	65.3	38.4	35.7
London statistical neighbours	67.1	71.9	51.6	47.1
Combined authority statistical neighbours	67.5	75.0	52.0	47.0
Town and country statistical neighbours	74.0	71.1	45.5	41.8
England and Wales	72.3	70.9	47.0	42.8

⁵⁰ The term ‘lobbying’ was purposefully not used so as not to signal negative or politically loaded connotations.

⁵¹ Interpretation of these data is difficult at this stage of the research because it is not known if some or many respondents feel uncomfortable about stating that they ‘work behind the scenes’ as this may be regarded as/or implicitly felt to be a ‘socially discrediting’ admission. Equally, many or most of these organisations may not attempt to influence behind the scenes because there are no opportunities for this to happen or because they simply do not feel that there is any need for them to do so. This issue cannot be resolved without further in-depth qualitative research which is now being planned.

Section 8

Summary and implications

This is the first time Third Sector Trends data have been used to examine the situation of the VCSE sector in detail in South East England. This means that some of the observations offered in this summary and discussion of implications emanate from much longer-term analysis in other parts of England.

In this sense, the conclusions drawn are offered as preliminary rather than concrete. In 2025, however, when the study is repeated for a third time across the entirety of England and Wales, it will be possible to develop much more robust trend analysis and build understanding of how areas with different characteristics operate.

This report, nevertheless, breaks new ground by comparing four sets of statistical neighbours in the *home counties*, *London*, major urban *combined authority areas* (mainly in the North and Midlands), and *town and country* areas, such as Cornwall, Cumbria and Suffolk which are more spatially distant from major urban or metropolitan areas.

8.1 A tale of three sectors⁵²

Third Sector Trends analysis makes it possible discern substantive differences in the experiences of organisations and groups with different characteristics. A short-hand way of demonstrating this is by distinguishing between small informal, medium-sized semi-formal and larger more formal VCSE organisations. This section compares these three categories of organisations to prepare the ground for the policy analysis on the contribution of the VCSE sector to public health and community wellbeing in the second part of this discussion.

Bigger is better?

Larger more formal VCSE organisations have income above £250,000 and comprise about 13 per cent of all organisations in Buckinghamshire, Oxfordshire and Berkshire West (14% nationally). Only about 5 per cent of organisations in the area have income between £1m-£25m (also 5% at national level). These organisations adopt progressively more formal structures the larger they become because their scale allows or demands a higher degree of occupational specialisation and the development of a complex division of labour.

Such organisations are more hierarchical and bureaucratic in structure (especially those with income over £1m) and they operate in a 'business-like' or 'professionalised' way: partly because of their scale – but also because of external policy pressures or statutory requirements to which they must accommodate.

Larger organisations are more likely to have a more secure asset-base than smaller VCSE organisations – but relatively few have substantial property and investment assets upon which they can rely. But unlike their private sector counterparts, they are

⁵² This section is an updated version of the conclusions from the last round of the Third Sector Trends study which has been revised in light of findings produced in this report for Buckinghamshire, Oxfordshire and Berkshire West.

less likely to have onerous financial liabilities such as loans and they are not beholden to the financial or operational demands of shareholders.

Most larger VCSE organisations have a mixed portfolio of income sources including self-generated income from trading and fundraising. A majority also rely on grant funding to meet core costs and/or to undertake project work (and the indications are that such sources of funding are becoming progressively more important).

Nationally, about 51 per cent of VCSE organisations with income over £1m are involved with the delivery of public service delivery contracts - mainly for local authorities, the NHS or for government departments such as the Home Office or DWP.

The wider study has identified a slow, but progressive, shift away from such work as VCSE organisations recognise that the value of contracts is too low to meet the costs of delivery. And this is likely to continue as larger organisations are the most likely to be struggling to retain and recruit employees.

While there may be similarities, to assert (as smaller and medium-sized VCSE organisations often do) that larger organisations are all 'just like private sector businesses' is not true. Many larger VCSE organisations eschew the idea of taking on contracts to deliver public services. Sometimes such decisions are made on the basis of sound financial assessment of the opportunity costs of taking a contract on. In the home counties, only a quarter of the biggest organisations (with income over £1m) take on contracts.

Many larger VCSE organisations do not want to be paid to deliver services in prescribed ways on behalf of government agencies, charitable foundations or CSR programmes for big business. Instead, they want to marshal resources to tackle issues that they judge to be important and devise approaches to practice that can deliver the results they want to achieve. This is how most bigger organisations in Buckinghamshire, Oxfordshire and Berkshire West work. But of course, doing so still costs money – and this means that they have to stake successful claims on the value of their work to big charitable trusts and foundations, large businesses, philanthropists and the giving public or the state.

Bigger VCSE organisations need money to employ staff to deliver much of their practice. Especially when delivering contracts for public sector agencies, VCSE employers need to ensure that their workforce is skilled and disciplined to ensure that they get things done in a reliable and effective way. This is getting harder. In the home counties, 68 per cent of the biggest VCSE organisations (with income above £1m) are struggling with recruitment problems – nationally it is 74 per cent. Some aspects of training are required to meet statutory requirements, but the evidence shows that largest organisations in the home counties are still investing quite heavily in staff development (about 89% do so compared with 93% nationally).

Nationally, fundamental reliance on volunteers is much lower in larger organisations – this is often because the work that needs to be done in, for example, adult social care may be unattractive to volunteers. But volunteers can still add value to the work of employees by, for example, relieving the time of social care employees by performing befriending roles. In the home counties, fundamental reliance on volunteers is slightly higher than the national average in bigger organisations because fewer engage in contract delivery (63% and 57% respectively).

While the biggest organisations have some things in common (as would be required by the complexities surrounding the running of bigger organisations) but as is the case with smaller VCSE organisations, they vary greatly in their cultures, social mission and approaches to practice.

It would be a mistake, therefore, to assume that larger VCSE organisations will respond to incentives or accede to the demands of local authorities or the NHS, private companies or big trusts and foundations simply because they are big enough to deliver complex programmes of work. As is the case with smaller VCSE organisations, many big organisations were established to meet the needs of beneficiaries that had been unrecognised, neglected or ignored by the state or private sector. In this sense, they remain firmly rooted in civil society.

Small is beautiful?

Small, informal organisations have an annual income below £50,000. They rarely employ staff and tend to operate quite informally in terms of their policies and practices – they operate mainly at a local level, but not exclusively so. They are largely or completely reliant on voluntarily given time to sustain their activity. These organisations are the bedrock of the Third Sector. In Buckinghamshire, Oxfordshire and Berkshire West, there are over 2,500 registered micro organisations with income below £10,000 (33% of the whole sector) and 2,300 small VCSE organisations (31% of the whole sector).

Small VCSE organisations generate more energy than they consume. They do not need much money because their volunteers do most of their work for free. When they do need money, it is usually to help *facilitate* their work – not to pay for it. Money may be needed to refurbish a village hall, to buy kit for an amateur community sport club, to purchase a minibus to ferry people around, to get crafting materials for a club that helps to bring lonely or isolated people together or to rent a room for a weekly tea dance. Pound for pound, the money invested in these tiny organisations and groups produces a very significant social return.

The point that funding organisations should (and usually do) bear in mind is that the majority of small organisations and groups in civil society exist because they choose to give their time freely to make things happen. For many, money is not that important – which is indicated by the fact that in the home counties 70 per cent of these organisations did not rely on grant funding in the last two years (65% nationally in 2022).⁵³

They are independent-minded entities which prefer to get on with things their own way – although many of them (62%) have useful but informal relationships with other organisations. For policy strategists to imagine that they are malleable and docile, just because they are small, would be a big mistake - they don't like being pushed around.⁵⁴ But the majority of charitable trusts and foundations do respect the fact that it is up to small VCSE organisations to decide what is important to them and define how they want to tackle issues.⁵⁵

Grant making policies vary, obviously, but most foundations happily accept their responsibility to meet these needs. And because there are plenty of trusts and foundations on the block – small VCSE organisations can usually find a way of getting what they need if they are persistent.

It is gratifying to know that most charitable trusts and foundations (and also many local authorities) are fairly relaxed about not knowing how to measure or account for the value produced by the modest awards they make to small VCSE organisations. It would be considerably more expensive to assess the impact of such awards than the

⁵³ Before the pandemic the percentage was closer to 50% indicating that many smaller organisations were less active or forced into hibernation during the pandemic.

⁵⁴ *ibid.* The social process of supporting small charities: <https://www.stchads.ac.uk/research/research-news/the-social-process-of-supporting-small-charities/>

⁵⁵ *ibid.* The strength of weak ties: how charitable trusts and foundations collectively contribute to civil society in North East England.: <https://www.communityfoundation.org.uk/knowledge-and-leadership/third-sector-trends-research/>

actual value of the grants. It would be a great shame if they succumbed to pressures from think tanks, politicians and academics to do otherwise.

Of the middling sort

In medium-sized VCSE organisations (with income between £50,000 and £250,000) practices are semi-formal because they tend to employ a few people and there is little scope for occupational specialisation or a complex division of labour. Often, middling-sized VCSE organisations are the ‘embodiment’ of their leaders in cultural and value terms. While leaders are ambitious to achieve a great deal, their organisations are usually asset poor, rely mainly on grants and self-generated income to keep going and most have limited or no interest in delivering public sector contracts.

Even though reliance on employed staff is heavier than in small informal organisations, regular volunteers and trustees underpin their work in a significant way: 82 per cent of these organisations in the home counties say that they could not survive without regular volunteer support (this is the same percentage as the national level). There are about 1,650 medium-sized VCSE organisations in Buckinghamshire, Oxfordshire and Berkshire West.

Medium-sized VCSE organisations in the local Third Sector are more likely to rely upon public sector funding than their smaller counterparts – but only rarely to deliver public service contracts (just 8% do so in the home counties compared with 11% nationally). More often they are recipients of grants from community funds or NHS or local authority departmental awards to tackle specific issues.

During a long period of government austerity policies, medium-sized organisations struggled more than most to maintain income levels. With falling income, lower employee numbers and reliance on reserves to keep going – times were hard for many of these organisations, and especially when they were based in poorer areas. But the pandemic has improved the financial fortunes of many. Recognising the role of local medium-sized organisations, and especially those which are rooted in less affluent local neighbourhoods or spatially isolated rural areas, the public sector and foundations supported many of them generously during the pandemic – often approaching them to see if they needed help.⁵⁶

Much of the funding they received was ‘unrestricted’, indicating that grant-making bodies trusted them to get on with the job in their locality rather than stipulating what needed to be done and examining whether or not it had the desired effect.

While grant funding is by far the most important source of income for medium-sized VCSE organisations, but in addition they rely on a range of other funding sources. From qualitative research in the VCSE sector Trends study it is known that medium-sized VCSE organisations maintain financial resilience by bending to circumstance. Only rarely would they choose to become too dependent on a single funding source for fear that by having all their eggs in one basket they could be vulnerable to fast changes in funding policy.

Up until 2020, debates about funding led by government, think tanks, universities and some VCSE representative bodies focused heavily on how to measure the value that

⁵⁶ A recent report from the Association of Charitable Foundations confirms that foundations invested grants more heavily during the pandemic, see Legraien, L. (2023) ‘Grant making by largest foundations rose by 13%, ACF reports’, Civil Society Media (26th May). [Grantmaking by largest foundations rose by 13% during pandemic, ACF reports \(civilsociety.co.uk\)](https://www.acf.org.uk/common/Uploaded%20files/Research%20and%20resources/Research/Foundation%20Giving%20Trends/ACF_FGT_2022.pdf). The full report Walker, C. (2023) *Foundation giving Trends 2023*. London: ACF, is available here: https://www.acf.org.uk/common/Uploaded%20files/Research%20and%20resources/Research/Foundation%20Giving%20Trends/ACF_FGT_2022.pdf

organisations produce. It is understandable that funding bodies, and especially those associated with government, want to feel that they are accountable for their decisions. More often than not that desire for accountability centres on issues associated with 'value for money'.

Government expectations need to be proportionate. Of course big, ambitious, expensive social programmes which are delivered by (usually bigger) VCSE organisations should be well constructed to ensure that outcomes are achieved more or less in line with the social value they produce. But to plant equivalent expectations on modest financial investments in medium-sized VCSE organisations is usually inappropriate.

These debates were put on hold during the pandemic and funding flowed much more freely. But many funding organisations have been reviewing their strategies, including major players such as the National Lottery Community Fund, and the likelihood is that some foundations will start to tighten up funding procedures in the future. Already, a number of funding bodies and government departments are returning to the theme of how to improve the way organisations work by building their capacity, working in partnership, scaling-up and widening the range of their programmes of work, and so on. They would do well to look more closely at how ineffective many of these programmes were in the past.

It can be wearing, being stuck in the middle between the big VCSE organisations which have the capacity to do things at scale and have more power to negotiate what is required of them, and very small organisations and groups which can operate independently without need of much financial support because they rely almost wholly upon volunteers.

Criticism of medium-sized organisations, even if meant constructively, has been delivered by commentators who have an idea in mind about what the 'gold standard' should be for an effective organisation. There is an abundance of diagnostic tools to help show medium-sized charities where they are going wrong and well-meaning (but sometimes misplaced) advice to help them step up to the mark. Doubtless, more of it will be in the pipeline.

Advice offered to medium-sized VCSE organisations is often misplaced because it was modelled on the principles of how larger, more formal and hierarchical organisations work. It is not just a question of lacking 'capacity' and 'capability' to behave like bigger organisations however – middling-sized VCSE organisations are fundamentally different from larger organisations for several reasons.⁵⁷

Firstly, many organisational leaders in middle-sized VCSE organisations actively resist the drive toward 'professionalism' and are suspicious of attempts to adopt that route. Many believe in more personal and cooperative flat structures rather than managerial hierarchies. Indeed, many VCSE organisation leaders came into the VCSE sector to escape from such organisational practices.

Secondly, they retain a higher level of dependence on volunteers (who cannot be managed and directed in the same way that big organisations can manage employees). This shapes the way they think and work. Volunteers can make a great contribution to the work they work, but they can be needy too. Two-thirds of medium-sized VCSE organisations in the home counties report that many of their volunteers are their service users (64% nationally). Middling-sized VCSE organisations are more willing to accept this than their bigger counterparts; and indeed, most see this as part of the reason for their existence.

⁵⁷ These ideas are developed further in the final report of the qualitative longitudinal study of 50 VCSE organisations operating in North East England and Cumbria which will be published in the summer by Community Foundation Serving Tyne & Wear and Northumberland.

Thirdly, middling-sized VCSE organisations tend to be locally focused. They do things for their community, but most feel that they are also part of their community. It is not surprising, therefore, that they are reluctant to scale up their activities across a wider area. They choose to work within a limited spatial area because their purpose is confined to helping their own locality or community of interest – not others'. This is not about narrow horizons so much as an investment in a meaningful place.

Fourthly, many leaders choose to remain the size they are because they do not want to undermine the equilibrium amongst their trustees, volunteers and employees who have committed their time and energy to the organisation over many years. Changing the mission, structure, scale and practices as consultants imposed upon them by funders often insist, can damage personal relationships irretrievably. 'Is it worth it', many ask, and especially so if there is tremendous uncertainty on what benefit might be gained from such sacrifices?

Finally, leaders also know that raising their own ambitions could upset the local VCSE sector equilibrium. Medium-sized VCSE organisations are generally quite good neighbours to one another. In the home counties, 70 per cent of medium sized organisations have useful but informal relationships with other local organisations. They have learned over the years to respect each other's practice strengths and are careful not to cross the boundaries or the 'patches' upon which they work. This is not just a '*voluntary sector thing*', It applies equally well to many small and medium-sized businesses which are continually criticised for their conservative attitude towards growth on the misplaced assumption that they have a low level of ambition or entrepreneurial zeal.

Being a middling-sized VCSE organisation is not, therefore, a symptom of obduracy or recalcitrance but a sign of good sense. Leaders understand the financial dangers of growth in a competitive social marketplace. Commentators would do well to remember that organisations don't have to grow to do things well.

There is a downside to all this. Leaders' laudable commitment to their mission, to their colleagues, to their beneficiaries and to the places where they work does not always serve them well when it comes to bringing in the money to keep going. Organisations can have a run of bad luck. These can be brought about by factors beyond their control – such as sudden changes in government, NHS or local authority policy or a shift in direction by a charitable trust or foundation upon whom they have come to depend.

And sometimes the cause of problems can be closer to home when organisational leaders fail to spot good opportunities or the potential dangers of taking on poor options. This can happen for all sorts of reasons such as when boards of trustees become combative, intrusive or just disinterested or when chief officers put too much of the burden upon their own shoulders and make poor decisions.

To be in the middle ground of the VCSE sector does not, in summary, mean that this a 'no place' – a liminal zone with no identity of its own. On the contrary, it is a *real* place with real purpose which needs to be respected and understood for what it is, rather than for what it is not (or is perceived to have failed to become). When that realisation is reached, it becomes clear that the policies local governments, local health authorities and charitable trusts and foundations should adopt for the middle ground must be different from those employed for the very small informal VCSE organisations or the much bigger professionalised ones.

8.2 VCSE sector impact in policy context

The VCSE sector is keen to make a strong contribution to health, personal, social and community wellbeing in Buckinghamshire, Oxfordshire and Berkshire West – and as this report shows, in many respects, it is already doing so. The social impact measures used in this study indicate that the VCSE sector invests £7.4bn in social impact in Buckinghamshire, Oxfordshire and Berkshire West. It should come as no surprise, therefore, that many organisations are keen to take up opportunities to engage with local social and public policy. They do so in the firm belief that they are already valued by local public sector organisations.

When health, public and social policy strategic initiatives are devised, emphasis is often stressed on the importance of including the VCSE sector in the definition and delivery of objectives. Some go further and aim to integrate VCSE organisations in collaborative governance initiatives.

This report shows that care needs to be taken when plans are drawn up to involve charities and social enterprises in formal partnership arrangements or to align with strategic public and social policy objectives. And certainly, it is unwise to raise expectations that sector opinion can be expressed as 'one voice' and sector interaction accessed through 'one door'.

The VCSE sector, taken as a whole, cannot and should not be expected to agree shared priorities. Civil society is not driven by principles surrounding fair distribution of services for all, as is the case in a welfare state. Instead, most organisations focus on particulars, not universals and defend their areas of interest vigorously. And while there will be alliances on specific issues from time to time, there can never be a fully shared set of values (beyond the legal right for such organisations to exist) on issues surrounding purpose, practice, need or social benefit. In a sector that is enormously ambitious to make a difference, this means that there is rivalry to highlight the importance of causes and competition to access finite resources of money, employees and volunteers.

The VCSE sector, ultimately, exists to respond to or elicit change. But that does not mean that organisations share the same values: some want to protect privilege, some want to challenge it – consequently, disagreement can often be close to the surface when expectations are raised about alignment with policy initiatives.

The workings of the VCSE sector might not be *neat*, but its members know what they are good at. And as champions of causes in need of financial support they welcome a pluralistic funding environment so they can avoid keeping all their eggs in one basket. This diminishes the risk of dependence on just one funding body and also strengthens their autonomy.

As shown in this report, it is not possible to disentangle who does what in the VCSE sector. This is because approaches to practice are sometimes shared, definitions of purpose are diverse and constituencies of beneficiaries are complex. At best, it is only possible to define general areas of activity.

Currently, two major policy initiatives driven by government focus on engagement with the VCSE sector to contribute to strategic objectives for localities. Levelling Up policies⁵⁸ lack coherence – involving a mish-mash of strategies and funding streams that are focused on the laudable objective of rebalancing inequitable conditions across localities and regions. This makes it hard for VCSE organisations and their representative bodies to know how to engage with or respond to initiatives.

⁵⁸ Department for Levelling Up, Housing and Communities (2022) *Levelling Up in the United Kingdom*, London: OGL, <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

The NHS's Integrated Care Systems (ICSs) policy framework⁵⁹ is much more coherent, but this carries the risk of raising expectations of involvement of the VCSE sector in planning and aligning the sector to specific aspects of delivery. Administrative boundaries can add layers of complexity which VCSE organisations must learn how to negotiate.

The reality is that much of the activity of the VCSE sector addresses 'intangible' aspects of social value which is nevertheless of great importance to public health – and particularly so in the realm of prevention or in complementary but autonomous aspects of activity which contribute to the alleviation of health conditions.

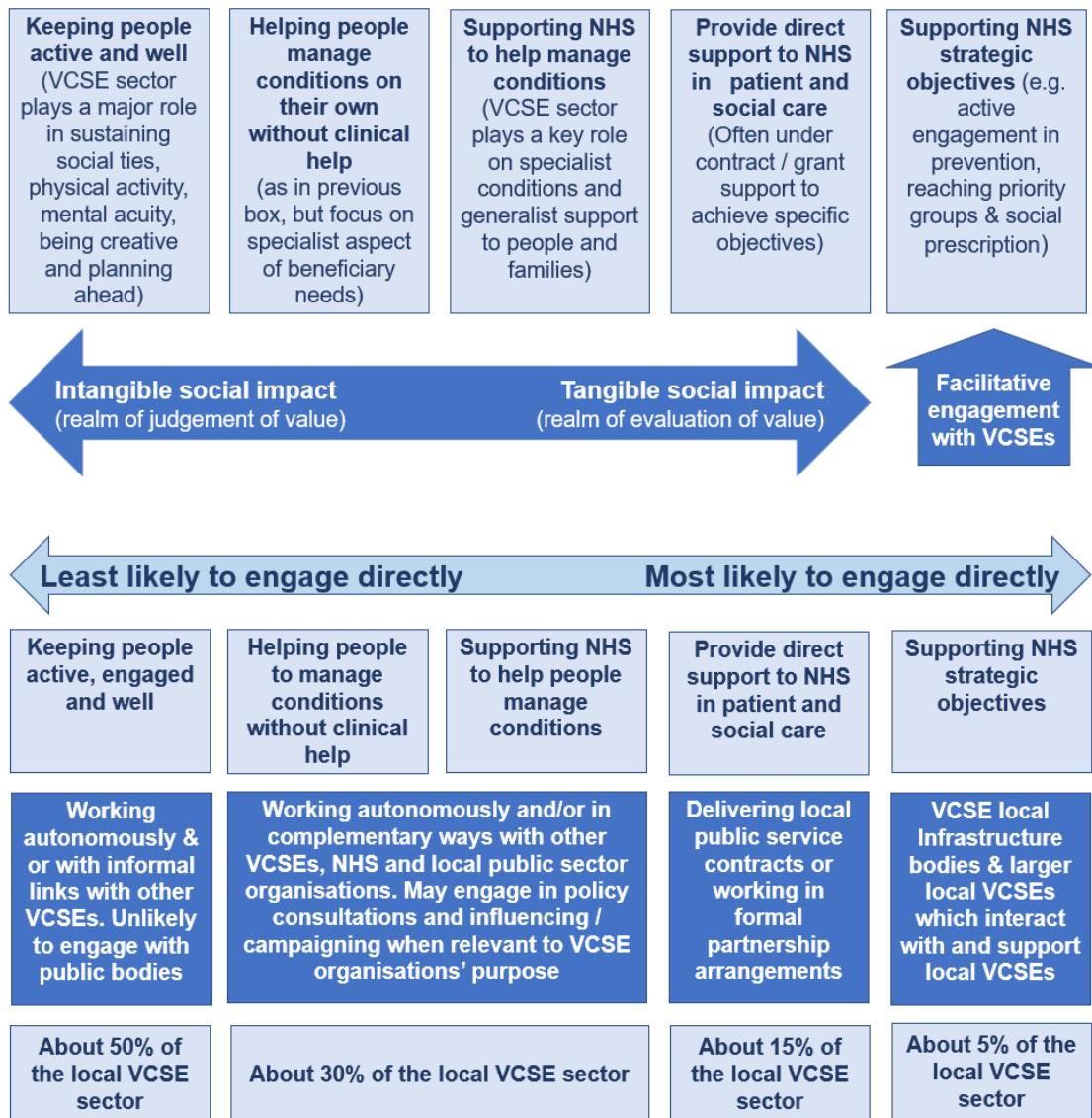
This can be a good thing. Because it means that the VCSE sector is already finding the resources to create the energy to tackle issues on its own terms which contribute to the greater public good (see Figure 8.1). Consequently, the NHS and local authorities can learn how to value that contribution and factor it into thinking about the purpose of ICSs – but without feeling the need to take responsibility for it, or to attempt to control it.

But there is a downside to this. The VCSE does not operate with the same levels of energy in poorer areas as it does in the richest. There are about two and a half as many small organisations and groups in richer areas, by resident population numbers, as there are in the poorest areas. And, of course, more affluent areas do not have more healthy, socially engaged and confident residents *because* they have a lot of charities – they have more charities because they are healthier, wealthier, socially confident and engaged.

The idea of 'unleashing' the hidden potential of poorer or more spatially isolated areas and 'harnessing' that energy (as some think tanks argue, somewhat perversely) to improve social wellbeing is therefore deeply flawed. People shape their priorities differently when in poverty and living in marginalised communities that have poorer facilities and where opportunities are limited.

⁵⁹ ICS strategy and implementation documentation can be found here: <https://www.england.nhs.uk/integratedcare/>

Figure 8.1 The VCSE sector's contribution to Integrated Care Systems



When people feel undervalued, it can undermine their sense of trust in those who want to help them. Engagement can be difficult and slow, often resulting in backward steps when things go wrong. And it means that assessments of progress have to be devised differently from better-off communities where some achievements are regarded as 'normal' but should be recognised as a 'triumph' in the poorest communities. As argued by Marmot⁶⁰, this means that purposeful and inequitable investment in the VCSE sector by public or health authorities needs to be carefully thought through and targeted to achieve objectives that are meaningful to the people they aim to serve.

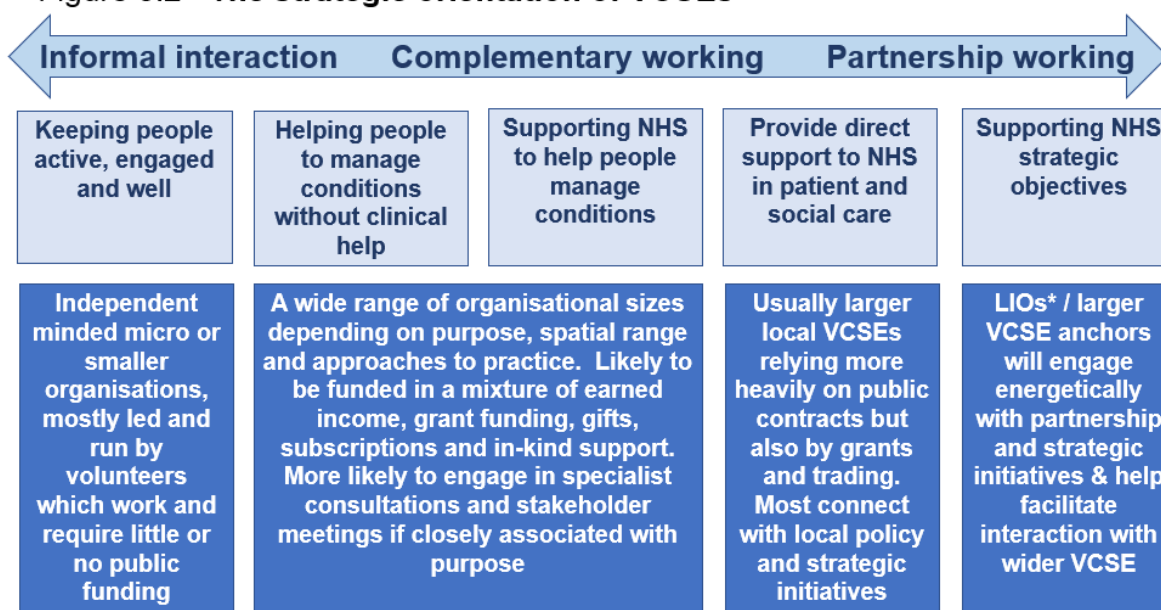
⁶⁰ Marmot, M., Allen, J., Boyce, T., Goldblatt, P. and Morrison, J. (Health Foundation (2020) *Health Equity in England: the Marmot Review 10 years on*, London: Institute of Health Equity: https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on?psafe_param=1&gclid=Cj0KCQjwr82iBhCuARIsAO0EAZwSgDf6T2TZPnb8NZx3gzniFTM1VhUHsJtsc_vlzHwugnMWJCJI4bEaAq6aEALw_wcB

This is a complex environment to understand, navigate and negotiate. But if the objective to improve prevention of health conditions is to move closer to centre stage, as indicated in ICS strategies and in the recent Hewitt Review⁶¹ to shift resources from ‘illness’ to ‘health’, then recognising and valuing what is happening on the ground now in the VCSE sector is vital.

As Figure 8.2 indicates, about half of VCSE sector organisations are very unlikely to engage directly with ICS policies at a strategic level. Indeed, many may not recognise, nor be interested in articulating how their work adds value to public health. That may not matter to them, but it does not mean that their contribution should be not valued in holistic terms. And in some cases, they may have a more direct role to play, if they are enticed to do so, by – for example an effective link worker with their ear to the ground on new avenues for social prescription.

At the other end of the spectrum – those organisations which are given major grants, or are contracted to delivery services – engagement should be much easier in principle. Although current problems with employee retention and recruitment may worsen the scope for interaction if unit costs for service delivery remain too low and organisations continue to withdraw from this marketplace.

Figure 8.2 **The strategic orientation of VCSEs**



*Local infrastructure organisations / CVSs

Next Steps

This report has laid a statistical foundation on the current strengths of the VCSE sector and the challenges it faces. Because the analysis was undertaken in comparative context, it is possible to determine where the situation of the local sector is similar to or distinctive from other areas.

Analysis at a wide area level has its shortcomings. It is not, for example, possible to get finely tuned understanding of the impact of local conditions in Buckinghamshire, Oxfordshire and Berkshire West. Consequently, the NHS BOB VCSE Health Alliance

⁶¹ (2023) *Hewitt Review: an independent review of integrated care systems*, London: OGL, <https://www.gov.uk/government/publications/the-hewitt-review-an-independent-review-of-integrated-care-systems>

has now commissioned a second phase of qualitative research to examine the detail below the statistical headlines.

The specific focus of this work is still being developed. But now it is clear that there is a pressing need to understand local sector employment conditions. In particular, qualitative researchers intend to undertake case studies to explore challenges surrounding staff and volunteer recruitment and retention.

The research will not be limited to members of the VCSE sector, but will be expanded to consider the perspectives of public authorities – especially those working in the field of public health. This will enable researchers to offer observations and recommendations on what might be done to alleviate or manage the consequences of current labour market conditions.

Additionally, it is likely that researchers will need to look in more depth at staff and volunteer training and personal development needs – not just to ensure that the workforce is properly prepared to undertake tasks – but also, crucially, to embed staff and volunteer commitment.

For the next phase of research, BOB VCSE Health Alliance has commissioned Jim Thomas and Lynda Tarpey of Hasca Ltd to undertake qualitative research to profile the professional and volunteer workforce within the VCSE sector. The key areas of focus for this research are: *skills and motivations; professional mobility and collaboration; wellbeing; diversity and lived experience.*

This work will take account of the different types and sizes of VCSE organisations highlighted by this report and it will scope opportunities for shared education and clinical placements in the context of the BOB integrated care system.

If you would like to contribute to this research during July to October 2023, please contact jim.thomas@longhouseman.co.uk.

Appendix

Additional data tables

Table A1 VCSE sector size by local authority area						
	Micro (income below £10,000)	Small (income £10,000- £49,999)	Medium (income £50,000- £249,999)	Large (income £250,000 - £999,999)	Big (income £1m-£25m)	All VCSE orgs ⁶²
Aylesbury Vale	320	292	170	50	41	873
Chiltern	185	193	100	42	26	547
South Bucks	87	109	69	32	18	315
Wycombe	195	255	155	46	23	673
Buckinghamshire	787	849	493	170	108	2,407
Cherwell	246	190	112	33	24	606
Oxford	229	224	226	146	152	978
South Oxfordshire	314	241	188	58	29	830
Vale of White Horse	345	239	168	54	32	838
West Oxfordshire	285	171	128	43	29	655
Oxfordshire	1,418	1,066	822	334	266	3,906
West Berkshire	228	222	136	36	36	658
Reading	117	121	174	64	40	517
Wokingham	135	198	145	39	18	535
Berkshire West	479	542	455	139	95	1,710
NHS BOB ICS area	2,684	2,456	1,770	644	469	8,023

⁶² Data on organisational size is only available for Charity Commission registered organisations (n=134,833), so data are scaled up to a national level (n=189,589). It is estimated that there are 200,000 VCSE organisations in England and Wales including those charities are exempted from registration and some CLGs on the Companies House register that cannot easily be identified as not-for-profit organisations.

In the NHS BOB ICS area, there are about 7,500 registered organisations with income below £25 million. A small percentage of organisations earn in excess of £25 million and are included in the above table. The data are also scaled up to reflect the likely number of exempted organisations and those which may remain undetected on Companies House register (most probably CLGs or CLSs which are non-profits but are not registered as charities or identifiable as non-profits by other means).

In this study, these 'exempted' or 'other undetected' organisations are left out of the analysis because of uncertainties about their number or types of activities.

Table A.2 Estimated employees in Buckinghamshire, Oxfordshire and Berkshire West⁶³

	Total estimated part-time employees	Full-time equivalent part-time employees	Estimated full-time employees	Estimated total full time equivalent employees
Aylesbury Vale	3,371	1,151	2,781	3,933
Chiltern	2,095	747	1,825	2,572
South Bucks	1,441	522	1,294	1,817
Wycombe	2,148	772	1,878	2,650
Buckinghamshire	9,055	3,193	7,778	10,971
Cherwell	2,052	707	1,701	2,409
Oxford	10,226	3,477	8,660	12,137
South Oxfordshire	2,621	950	2,323	3,273
Vale of White Horse	2,800	991	2,409	3,400
West Oxfordshire	2,384	834	2,031	2,865
Oxfordshire	20,082	6,959	17,124	24,083
West Berkshire	2,871	962	2,324	3,286
Reading	3,148	1,123	2,819	3,943
Wokingham	1,768	639	1,566	2,205
Berkshire West	7,787	2,724	6,710	9,434
NHS BOB ICS area	36,924	12,877	31,612	44,488

⁶³ Data reliability is compromised at local authority level because it is not known whether VCSE sector organisation employees are located within that area or are employed elsewhere. Part-time and full-time numbers, similarly, are generated using standardised multipliers. This may inflate or deflate the numbers at the local level.

Definitions of part-time staff are unclear from the perspective of survey respondents. It is assumed that the ratio is around 3:1 full-time equivalent employees but that may not be accurate as emerging qualitative evidence suggests that fractional employment is becoming more common: i.e. when staff are employed on a 0.8 FTE basis – which would not normally be counted as part time employment where average working hours will be around 16 per week. Many part-time staff may also work very few hours – such as when small organisations employ persons for perhaps just half a day a week to perform administrative or service roles.

Table A.3 VCSE sector regular volunteer statistics by local authority area

	Regular volunteers	Hours worked ⁶⁴	Value at National Living Wage (£millions)	Value at 80% of average area wage (£millions) ⁶⁵
Aylesbury Vale	16,737	1,205,067	11.9	21.0
Chiltern	10,720	771,815	7.6	13.4
South Bucks	6,521	469,523	4.6	8.2
Wycombe	12,929	930,917	9.2	16.2
Buckinghamshire	46,907	3,377,322	33.4	58.8
Cherwell	11,386	819,777	8.1	16.5
Oxford	24,401	1,756,836	17.4	35.4
South Oxfordshire	15,911	1,145,615	11.3	23.1
Vale of White Horse	15,965	1,149,494	11.4	23.2
West Oxfordshire	12,569	904,944	9.0	18.2
Oxfordshire	80,231	5,776,666	57.2	116.4
West Berkshire	12,791	920,966	9.1	18.3
Reading	11,547	831,402	8.2	16.5
Wokingham	10,438	751,561	7.4	14.9
Berkshire West	34,777	250,3929	24.8	49.7
NHS BOB ICS area	161,916	11,657,917	115.4	224.9

⁶⁴ Based on qualitative case study work, Third Sector Trends assumes that regular volunteers, on average, produce 72 hours of work per year – that is 6 hours per month.

⁶⁵ Average area wages are calculated at 80% of county averages: Buckinghamshire = £33,255, Oxfordshire = £28,271, Berkshire = £32,739. Area wages refer only to the local working population and not the resident population where average wages are likely to be higher due to higher salary levels of commuters.

