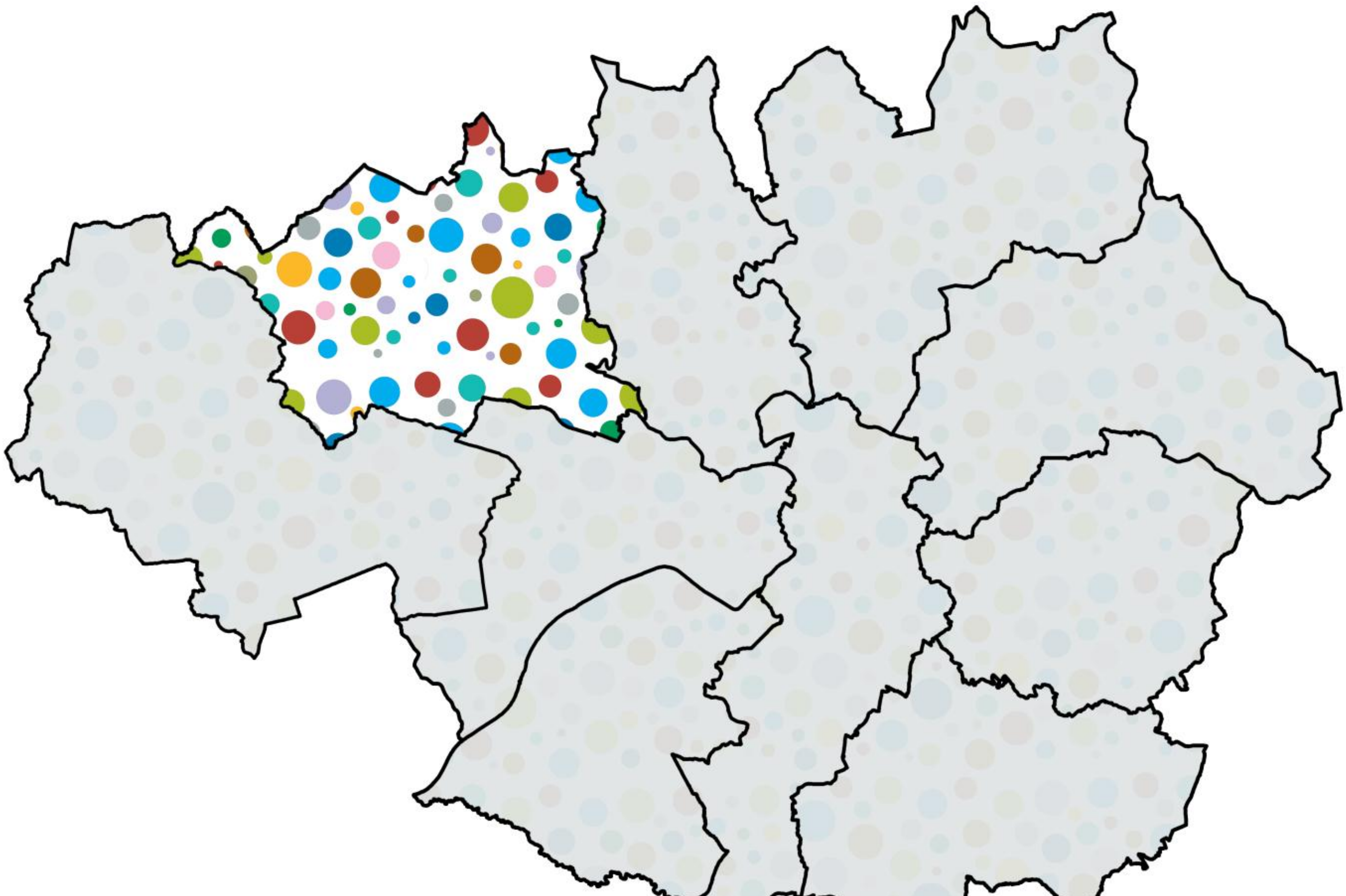
Bolton CVS

# Bolton State of the Voluntary Sector 2013

## *A report on social and economic impact*



Sheffield Hallam University | Centre for Regional Economic and Social Research

# Bolton State of the Voluntary Sector 2013

**Centre for Regional Economic and Social Research**

**Sheffield Hallam University**

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May 2013

# Acknowledgements

This research has been commissioned by a partnership of local support and development organisations in Greater Manchester and undertaken by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University. This Bolton report forms part of a wider collection of reports: there is a Greater Manchester wide report and a report for each of the six other local authority areas participating in the study[1]. The full collection of reports can be downloaded from the CRESR website (http://www.shu.ac.uk/research/cresr/reports) and the websites of the project partners.

In completing the report we are particularly grateful to members of the Research Steering Group[2] and the Bolton CVS staff team for their support in developing and administering the survey and for their input into earlier drafts of the report. We are also grateful to the many employees and volunteers from across the voluntary sector who took the time to complete a questionnaire.

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[1] The other areas are: Manchester, Oldham, Salford, Tameside, Trafford and Wigan.

[2] The following organisations were represented on the Research Steering Group: CRESR, Salford CVS (lead partner), Greater Manchester Centre for Voluntary Organisation (GMCVO), Bolton CVS, Manchester Community Central, Voluntary Action Oldham, Community and Voluntary Action Tameside, Voluntary and Community Action Trafford, and Wigan and Leigh CVS

# Definitions

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

# Foreword

Bolton is home to some of the liveliest and most diverse voluntary, community, faith and social enterprise groups that I have ever met throughout my 30+ years of volunteering within and being employed by a range of voluntary organisations. When I joined Bolton CVS in 1999 the local voluntary and community sector was already starting to experience what became a decade or more of major expansion, to be followed most recently by a period of on-going contraction. Over the years people have asked me 'How many voluntary groups are there in Bolton?' and my answer has always been that there are 'Over a thousand' but that it is difficult to be more precise. This survey has allowed us to take a localised detailed snapshot of the wide ranging groups that make up Bolton's very special voluntary, community, faith and social enterprise sector. With the assistance of Sheffield Hallam University, we are now able to offer a picture of how many organisations are currently active; categorize the size of the organisations from micro to large; show who benefits from the work being carried out; estimate the economic value of our local sector and the numbers of paid workers; and evidence the extraordinary contribution made by the thousands of volunteers who give their time and energies freely to improve life for everyone here in Bolton.

These are hard times for groups, with funding cuts at both the national and local level, and the survey demonstrates how vitally important Bolton Council is as a provider of funding to many groups. The survey also reveals an overall reduction in income for individual groups and shows that a significant number have utilised their reserves to maintain services, clearly not a practice that can continue indefinitely. Charging for goods and services, levying membership fees and subscriptions, carrying out Do It Yourself fundraising, and accessing charitable trust and Lottery funds represent the most important ways of generating income in addition to public funding which, in total, bring significant extra resources into the Bolton economy.

This survey offers a unique insight into the very special contribution that our rich tapestry of local groups makes to the everyday lives of people in Bolton, working alongside our partners from the public and private sectors. We hope that this report will help to underpin a new understanding of the social and economic value of our sector and that it will also promote an informed appreciation of the positive work undertaken on a daily basis by unpaid volunteers and paid staff.

Special thanks go to every single group who took the time to complete the complex survey form. Over 240 groups in Bolton contributed, a response rate of 25%, the highest return rate for any district within Greater Manchester! We should rightly be proud of this first report of its kind for Bolton. Now please read on…

**Karen Minnitt**

Chief Executive

Bolton CVS

May 2013

# Contents

# Executive Summary

## The state of the voluntary sector in Bolton: 12 key questions answered

This report provides the main findings of quantitative research aimed at improving understanding of the social and economic impact of the work undertaken by voluntary organisations, community groups, social enterprises and faith groups in Bolton. The study had two main objectives:

- to produce reliable, statistically significant and current data on the voluntary sector in Bolton
- to provide intelligent information on the key issues affecting the voluntary sector in Bolton.

In this executive summary we answer 12 key questions about the voluntary sector and its role across the borough.

### *Q1. How many organisations are there?*

There are an estimated **1,418 organisations** operating in the voluntary sector in Bolton. This estimate includes formally registered organisations, such as charities, social enterprises and co-operatives, but it also includes a large number of 'below the radar' organisations that are not formally registered or incorporated. Overall, it is estimated that 78 per cent of organisations are micro (annual income under £10,000) in size, 13 per cent are small (annual income between £10,000 and £100,000), eight per cent are medium sized (annual income between £100,000 and £1 million), and one per cent are large (annual income greater than £1 million).

### *Q2. Who benefits from their work?*

It is estimated that the voluntary sector in Bolton made **1.8 million interventions with clients, users or beneficiaries** in the previous year.

The overall client group is diverse and wide ranging. The client groups being served by the largest proportions of organisations can be broadly characterised as being demographic:

- women (29 per cent)
- children aged under 13 years (28 per cent)
- men (27 per cent)
- young people aged 13 to 25 years (25 per cent)
- older people (25 per cent).

Disabled (14 per cent) and unemployed people (13 per cent) were also listed as a main client, user or beneficiary group for sizable proportions of organisations. Eleven per cent of organisations cite people from Black and Minority Ethnic groups as a main client group.

'Everyone' was listed as a main client group for 25 per cent of organisations.

The majority of organisations had a local focus: 38 per cent identified particular Bolton neighbourhoods or communities as their highest main geographic focus and a further 38 per cent stated the whole local authority was their highest main geographic focus.

### *Q3. What does the voluntary sector in Bolton do?*

The voluntary sector in Bolton works across **a diverse range of thematic service areas**. However, the proportion of responding organisations working in each area varies. This most likely reflects local needs and funding opportunities.

More than a quarter of organisations worked in each of the following four areas:

- sport and leisure (36 per cent)
- health and well-being (35 per cent)
- community development (34 per cent)
- and education, training and research (28 per cent).

### *Q4. How much is the voluntary sector in Bolton worth?*

The total income of the voluntary sector in the borough was an estimated **£70 million in 2011/12 but year-on-year reductions in income have been identified.** It represents a reduction of two per cent compared to 2010/11 and follows a larger reduction between 2009/10 and 2010/11 when the total income of the sector reduced by an estimated six per cent, from £77 million to £72 million.

The majority of income is concentrated in large and medium sized organisations even though the majority of organisations are micro or small. Micro and small organisations account for more than nine in ten organisations in the sector but only a tenth of total income. By contrast medium and large organisations account for less than one in ten of the sector's organisations but receive 85 per cent of its income. Income is concentrated particularly heavily in the largest organisations, with more than half of all income (58 per cent) into the sector received by only 14 organisations.

It is estimated paid staff and volunteers working within the sector in Bolton contribute equivalent to £146.2 million worth of 'Gross Value Added' GVA to the economy; this is comparable to 0.3 per cent of the value of Greater Manchester's GVA[3].

### *Q5. Where does the voluntary sector in Bolton receive its funding from?*

***Public sector sources***

**37 per cent of respondents reported having at least one source of public sector funds**. By far the most frequently identified public sector funding source was Bolton Council (32 per cent).

***Other sources***

**70 per cent of respondents received funds from at least one non-public sector source**. The most frequently identified sources of other funds were:

- fundraising (34 per cent of respondents)
- grants from charitable trusts and foundations (28 per cent)
- membership fees and subscriptions (26 per cent) and,

[3] Please note the Gross Value Added of volunteers is not currently included with official reporting, therefore the value of Greater Manchester's GVA does not include that of volunteers.

- charging for goods and services (17 per cent).

### *Q6. How sustainable is the voluntary sector in Bolton?*

The decline in the voluntary sector's income over the last three years represents **the first long term economic contraction in the sector in at least 10 years**. This is likely to be an indication of the effect of the economic downturn of the past few years, and subsequent reductions in income from the public sector, charitable donations and independent funders. This trend seems likely to continue, as further large reductions in public sector spending are expected over the next few years and the economy continues to falter. In this context the financial sustainability of the sector's organisations is an important and current issue and **the survey highlights some areas for concern**:

- 42 per cent of respondents reported increasing their expenditure but only 32 per cent had experienced an increase in income
- 41 per cent of respondents reported a decrease in income but only 27 per cent reduced their expenditure
- 38 per cent reported a reduction in their financial reserves compared to only 17 per cent reporting an increase.

This means that a significant number of organisations have spent more money than they received in the past 12 months: 42 per cent of respondents provided an expenditure figure for 2011/12 that was greater than their income. This picture is reflected across Greater Manchester and could be indicative of a longer term trend in response to the economic downturn and subsequent reductions in the sector's income. In light of this trend it seems likely that the sustainability of a significant number of organisations could be under threat.

The precarious financial situation of some organisations is further emphasised by the state of their reserves:

- 18 per cent had reserve levels of less than one month's expenditure
- 49 per cent had reserve levels of less than three month's expenditure.

This suggests that a number of organisations that are dependent on external funding (particularly medium and large organisations that need high levels of income to carry out their work) could be particularly vulnerable should their funds be severely reduced or withdrawn.

### *Q7. Who works in the voluntary sector and what do they do?*

#### *Paid Staff*

The voluntary sector in Bolton employed an estimated **1,800 full-time equivalent (FTE)[4] paid staff in 2012/13**. This was eight per cent of the estimated total number of FTE paid staff working within the voluntary sector in Greater Manchester.

It is estimated that paid employees of Bolton organisations contribute equivalent to £55.8 million worth of GVA to the economy per annum; this represents 0.1 per cent of Greater Manchester's GVA.

Forty two per cent of FTE paid staff were employed in large organisations with an income of at least one million pounds. In comparison the 1,296 micro and small organisations employed just 11 per cent of FTE paid staff.

[4] FTEs are calculated on the basis that one worker in one paid full time job for a year would be one FTE and if that person worked half time they would be 0.5 FTE.

***Volunteers***

In 2012/13, an estimated **32,300 volunteers** were part of the voluntary sector workforce in Bolton, contributing an estimated **100,900 hours** of their own time per week.

It is estimated that volunteers in Bolton organisations contribute equivalent to £90.4 million worth of GVA to the economy per annum[5].

Assessment of the breakdown of volunteers by job role reveals:

- 25 per cent of volunteers were in management roles, including committee/board members
- 11 per cent of volunteers were in administrative roles
- 62 per cent of volunteers were in roles delivering services.

***Work placements***

An estimated **170 FTE work placements** contributed to the voluntary sector's workforce in 2012/13.

## *Q8. How good are relationships with local public sector bodies?*

Survey respondents had dealings with a range of local public sector bodies. The **two most prominent were Bolton Council and NHS Bolton**:

- Bolton Council: 72 per cent had some dealings with the Council
- NHS Bolton (the Primary Care Trust): 42 per cent had some dealings with NHS Bolton.

This highlights the central importance of the Council and NHS to the voluntary sector's work. The relationship between the voluntary sector and its local public sector partners is therefore crucial to its ability to operate effectively. To this end survey respondents were asked about the quality and effectiveness of their relationships with key public sector bodies. Responses to these questions followed a clear trend in which **the voluntary sector's satisfaction with working with Bolton Council was less positive than with other local public sector bodies. However, respondents were more positive regarding funding relationships with Bolton Council than they were with other public sector bodies.**

## *Q9. How well does the sector work with commercial businesses?*

The relationship between the voluntary sector and commercial businesses is likely to increase in importance over the next few years as funding from public, charitable and philanthropic sources becomes less readily available. However, the survey evidences suggests there is some way to go: only 12 per cent of respondents had frequent direct dealings with local commercial businesses and less than a fifth were generally positive about their relationship with the commercial sector. Overall, **only 14 per cent of respondents felt that the commercial business community in Bolton was a positive influence on their organisation's success**: **this is considerably less than the Council and other public sector bodies.**

[5] Please note the Gross Value Added of volunteers is not currently included with official reporting.

### *Q10. How well does the voluntary sector work together?*

Compared to the public and commercial sector, **respondents were more positive about their relationships with other voluntary and community sector organisations**. Collaborative working is a key feature of the sector's work: more than half of respondents had frequent and direct dealings with other organisations in the sector. Respondents were generally positive about these relationships: 51 per cent were satisfied with opportunities to work together to influence decisions and 50 per cent were satisfied with opportunities to work together to deliver services.

### *Q11. Does the voluntary sector get the support it needs?*

Survey respondents were asked if their organisation currently received support from a list of named local support and development organisations based in the Bolton area. **Bolton CVS provided support to more than nine in ten survey respondents (98 per cent)**. Other organisations provided support to far fewer organisations but this is likely to be a function of the fact that they were not borough wide and tended to support groups within defined local areas (i.e. wards or neighbourhoods) or those working with specific beneficiary groups (i.e. faith based).

Survey respondents were also asked how satisfied they were with the support available from these local support and development organisations. Overall, **75 per cent of organisations were satisfied with the support available from local support and development organisations** in Bolton. Of the organisations that had received support 83 per cent were satisfied. These findings provide an important endorsement for the work that these organisations do to provide help, advice and support, and facilitate partnership working across the voluntary sector in Bolton.

### *Q.12. What are the key challenges facing the voluntary sector in Bolton?*

**Reduced access to funding and rising costs has left much of the voluntary sector facing an uncertain future.** This was particularly the case for those reliant on public sector funding, and many respondents expressed concerns about the future sustainability of their organisations. Securing and generating sustainable funding was the key challenge facing organisations in the immediate and longer-term.

Alongside reducing resources, the voluntary sector faces **increasing demand for its services, and is identifying new needs, which in many cases it is unable to meet**. Respondents were fearful for the future, especially about the impact on Bolton of the government’s programme of welfare reform.

# Introduction

1

The voluntary sector plays an important part in the life of the town of Bolton: it is estimated that 1,418 organisations are working every day to improve the lives of local people and communities through a wide range of services. They are supported by a large workforce of paid staff and unpaid volunteers and provide advice, help, support and resources in areas often missed out by mainstream public and private sector provision.

This report provides the main findings of quantitative research aimed at improving understanding of the social and economic impact of the voluntary sector in Bolton. The research was commissioned by Bolton Community and Voluntary Services and undertaken by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University.

The study had two main objectives:

- to produce reliable, statistically significant and current data on the voluntary sector in Bolton
- to provide intelligent information on the key issues affecting the voluntary sector in Bolton

The research involved a large postal survey of organisations based in and supporting the people and communities of Bolton. A web based survey was also distributed. At least partial responses were received from 243 of the 965 organisations that were sent a survey questionnaire: this represents an **overall response rate of 25 per cent**. For certain questions the analysis also draws on the responses of 21 organisations that operate Greater Manchester wide but deliver a proportion of their activity in Bolton. These respondents participated in a web based questionnaire administered by Greater Manchester Centre for Voluntary Organisation (GMCVO).

The questionnaire was based on the one developed for a 2010 study in Salford, but was revised following input from the Research Steering Group. It also included questions from the Cabinet Office's National Surveys of Third Sector Organisations (2008) and Charities and Social Enterprises (2010) to enable findings about the voluntary sector in Bolton to be compared to the national picture[6].

It provided data on various aspects of the voluntary sector including:

- **the scale and scope of its activity**, including the roles organisations undertake, the people they support, and the areas they benefit

[6] It should be noted that these two national surveys did not include unregistered or unincorporated organisations and groups in their samples. As these constitute a significant proportion of respondents to this study some caution should be taken when making direct comparisons with national and local results from the 2008 and 2010 National Surveys.

- **the economic impact of its work**, including income and expenditure, sources of funding, the role of paid staff and volunteers, and financial sustainability
- **relationships with the public sector**, including Bolton Council, NHS Trusts, and a range of other local statutory bodies
- **relationships with other local organisations,** including voluntary and community organisations and commercial businesses
- **views about the help, support and advice available** from local infrastructure and support and development organisations.

When reading the report it is important to acknowledge two key points. First, the results reported are based on the survey responses received. Therefore it is possible that if a different sample of organisations had taken part in the survey different results may have emerged. It is estimated that the results reported are within +/- 5.5 percentage points of the true value.

Secondly, in a number of instances the report presents grossed up estimates for all organisations within the area; for example estimates are provided of income, staffing and volunteers. These have been created using the estimated average for micro, small, medium and large organisations within Greater Manchester who took part in the survey. The averages are then multiplied by the estimated number of organisations within these size bandings within the area. These have then been summed to provide aggregate area level results. Please note it has been assumed here that the estimated averages for Greater Manchester organisations are representative for organisations within Bolton. So for example it is has been assumed that the estimated average income of approximately £301,000 for medium sized organisations across Greater Manchester is representative of the income for medium sized organisations within Bolton. Appendix 1 provides more detail on this estimation approach.

The remainder of this report has been structured into the following chapters:

- **chapter 2** briefly outlines the context for the research through discussion of recent policy debates and developments
- **chapter 3** is the first of four evidence based chapters, this chapter describes the anatomy of the voluntary sector in Bolton
- **chapter 4** assesses the income, expenditure and sustainability of the voluntary sector in Bolton
- **chapter 5** reports on the size and form of the voluntary sector's workforce
- **chapter 6** explores relationships and partnership working with key local public sector bodies
- **chapter 7** explores relationships with commercial businesses
- **chapter 8** explores relationships with other voluntary and community organisations, and satisfaction with local support and development providers
- **chapter 9** is the conclusion and highlights the main findings from the research.

# Context for the Research

2

This research comes during a period of considerable change for voluntary organisations, community groups, faith groups and social enterprises operating at every level. The period between 1997-2010 provided a very positive political climate for the sector and its activities with unprecedented levels of policy attention, including major investment in national sector-wide programmes and support for 'strategic partners' to provide voice and policy input to government. According to the National Council for Voluntary Organisations (NCVO) the sector grew considerably during this period[7]: there were only 98,000 active voluntary organisations in 1991 but by 2001 there were 153,000, and 164,000 by 2009/10; income increased 77 per cent from £20.7 billion in 2000/01 to £36.7 billion in 2009/10; likewise expenditure was up 83 per cent from £19.8 billion in 2000/01 to £36.3 billion in 2009/10.

Since 2010 the major parties have continued to see the voluntary sector playing an important and expanding role in the social and economic development of the country, including in delivering public services and engaging citizens and communities. The current coalition Government has voiced its support for the sector through its vision for a Big Society and policy initiatives such as the Localism Act (2011), Public Services (Social Value) Act (2012) and Giving Green and White Papers (2010 and 2011). Within these proposals there has been much greater emphasis on citizen-led social action and investment in programmes like the National Citizen Service and Community Organisers that reflect new Government priorities. Although there have been fewer national sector-wide programmes some of the policy trends developed by the previous Government have continued to receive support: this includes encouragement for the sector's involvement in public service delivery and support for 'social investment' funding (i.e. loans and other equity models), based on the assumption that this will help the sector develop more sustainable market-based business models.

However, the current policy environment needs to be understood in the context of the long term economic downturn and alongside considerable reductions in public expenditure that will have a substantial impact on many organisations' income streams and programme budgets for the duration of this parliament (2010-15). Estimates indicate that if the sector were to experience reductions in public sector funding equivalent to the 27 per cent planned cut in local government support, it would amount to £3.3 billion (around 9 per cent of total revenues) being lost from the sector each year[8]. This is particularly important considering that a key feature of the 1997-2010 period was a rise in income from public sector sources: NCVO estimate that statutory funding of the sector increased by 60 per cent between 2000/01 and 2007/08, and overall, it accounted for 36 per cent of the sector's funding in 2007/08. This likely reduction in funding from public sector sources follows a period during

[7] Figures taken from http://www.ncvo-vol.org.uk/policy-research/what-voluntary-sector/what-research-tells-us. Last accessed 22 March 2013.
[8] NCVO (2011). *Response to the Giving Green Paper*. London: NCVO.

which competition for other resources available to voluntary organisations, particularly grants and philanthropic donations, has already intensified[9]. These changes in the economic environment in which the sector operates are likely to put pressure on the financial health of voluntary organisations of all shapes and sizes but the impact of the economic downturn goes beyond income and expenditure. There is growing evidence to suggest organisations are trying to meet greater levels of need from existing and new beneficiaries – particularly in areas such as poverty relief and advice services - and this will only be exacerbated by the likely effects of the Government's programme of welfare reform.

Against this background, this research provides in depth data about the 'state of voluntary sector' in Bolton at the start of 2013 and answers some important questions. For example, what is the size, scale and scope of the sector; what role does it play in the social and economic life of the borough; how has it been affected by the economic downturn and public sector funding cuts; and what are the prospects and possibilities for the future?

[9] On the prospects for grants see for example Macmillan, R. (2007). 'Understanding the idea of 'grant dependency' in the voluntary and community sector'. *People, Place & Policy Online*, 1 (1): 30-38.
On the prospects for giving and philanthropy see for example Pharoah, C. (2011a). *Charity Market Monitor 2011*. London: CaritasData, and, Pharoah, C. (2011b). 'Private giving and philanthropy – their place in the Big Society'. *People, Place & Policy Online*, 5(2): 65-75.

# 3

# The Anatomy of the Voluntary Sector in Bolton

This chapter develops a picture of the core features of the voluntary sector in Bolton. It focuses on a series of general questions in which respondents were asked about their group or organisation: what it is, what it does, who for, where and how?

This chapter considers seven questions in turn:

- how many organisations are there?
- what size are they?
- what types of organisations are there?
- how long have they been operating?
- what do these organisations do?
- who are their clients, users or beneficiaries?
- at what geographical levels do they operate?

## 3.1. How many organisations are there in the voluntary sector in Bolton?

Estimating the number of organisations represents a major challenge. This is because **a large proportion of organisations are small, local and not formally constituted** as charities, limited companies or other recognised forms which require registration (i.e. industrial and provident societies). As a result they do not appear on formal central records such as those held by the Charity Commission or the Department for Business Innovation and Skills (BIS) so are considered **'below the radar' (BTR)**. Any estimate of the total number of organisations in an area therefore requires information on the numbers of registered and unregistered (i.e. BTR) organisations.

In estimating the total number of organisations in Bolton we drew on information from three sources:

- a sample of **965** organisations compiled from information held on Bolton CVS's database
- official Cabinet Office figures indicate that the total number of registered organisations in the voluntary sector in Bolton is **443**[10]

[10] This estimate was calculated as part of the 'National Survey of Charities and Social Enterprises' undertaken by Ipsos MORI for Cabinet Office in 2010.

- research by NCVO and the University of Southampton[11] which found that on average there are 3.66 BTR organisations per 1,000 population. If this figure is applied to Bolton[12], it can be estimated that there are **975 below the radar organisations in the borough**.

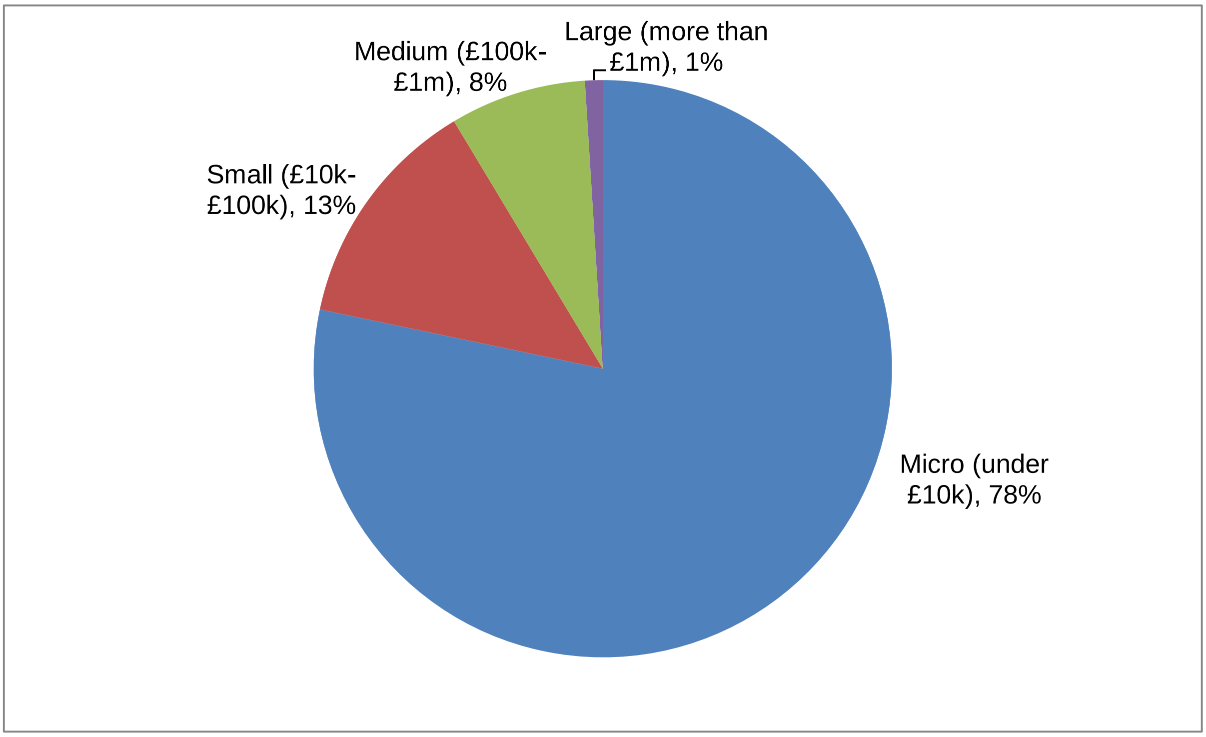
Summing the official Cabinet Office figures and BTR[13] estimates produces an estimated figure of **1,418** for the total number of organisations operating in the voluntary sector in Bolton. In addition to organisations based in Bolton, there are a number of organisations based elsewhere in Greater Manchester providing services to people in the Borough. Based on responses to surveys undertaken in other areas as part of this study, it is estimated that there are **at least 52 of these organisations**.

## 3.2. What size are organisations in Bolton?

The size of organisations is traditionally measured using their annual income[14]. When the distribution of Bolton organisations was explored by size category based on income for 2011/12, it showed that **the majority of organisations were either micro or small**. But the survey was under-representative of BTR organisations (only 36 per cent of survey respondents were identified as BTR), so this did not present an accurate picture of the actual distribution. The figures were therefore adjusted based on the assumption that the estimated 453 organisations not included in the survey sample were BTR and micro in size[15]. The outcome of this process is shown in figure 3.1, which demonstrates that 78 per cent of the sector (an estimated 1,110 organisations) are micro in size, 13 per cent are small (186 organisations), eight per cent are medium (108 organisations), and one per cent are large (14 organisations). This is consistent with the trend across Greater Manchester.

[11] Mohan, J et al (2010). *Beyond 'flat-earth' maps of the third sector: enhancing our understanding of the contribution of 'below-the-radar' organisations*. Northern Rock Foundation Briefing Paper
[12] Based on Office for National Statistics 2010 population estimates
[13] It is important to note that the BTR figure is an estimate based on an average across 46 local authorities. The BTR research found significant variability, with some local authorities reaching over seven BTR organisations per 1,000 population, and in one case exceeding 10.
[14] In exploring organisation size we used the categories developed by NCVO for use in their Almanac series (see e.g. Clark, J *et al*., 2010)
[15] The basis for these assumptions is discussed in more detail in the methodological annex

**Figure 3.1: Proportion and number of voluntary organisations in Bolton by organisation size**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

Introducing the BTR figure produces a much higher estimate for the number and proportion of micro organisations and emphasises the finding that a very large proportion of organisations in the voluntary sector in Bolton are very small. This is consistent with national trends: NCVO[16] estimate that 85 per cent of the sector is made up of micro or small organisations, 12 per cent are medium, and three per cent are large.

## 3.3. What types of organisations operate in the voluntary sector in Bolton?

The questionnaire asked two questions to elicit information which describe the types of organisations in the voluntary sector in Bolton.

In the first question respondents were asked to identify the legal status of their organisation. For this question it was possible for organisations to select registered charity in addition to identifying their legal form. Figure 3.2 shows:

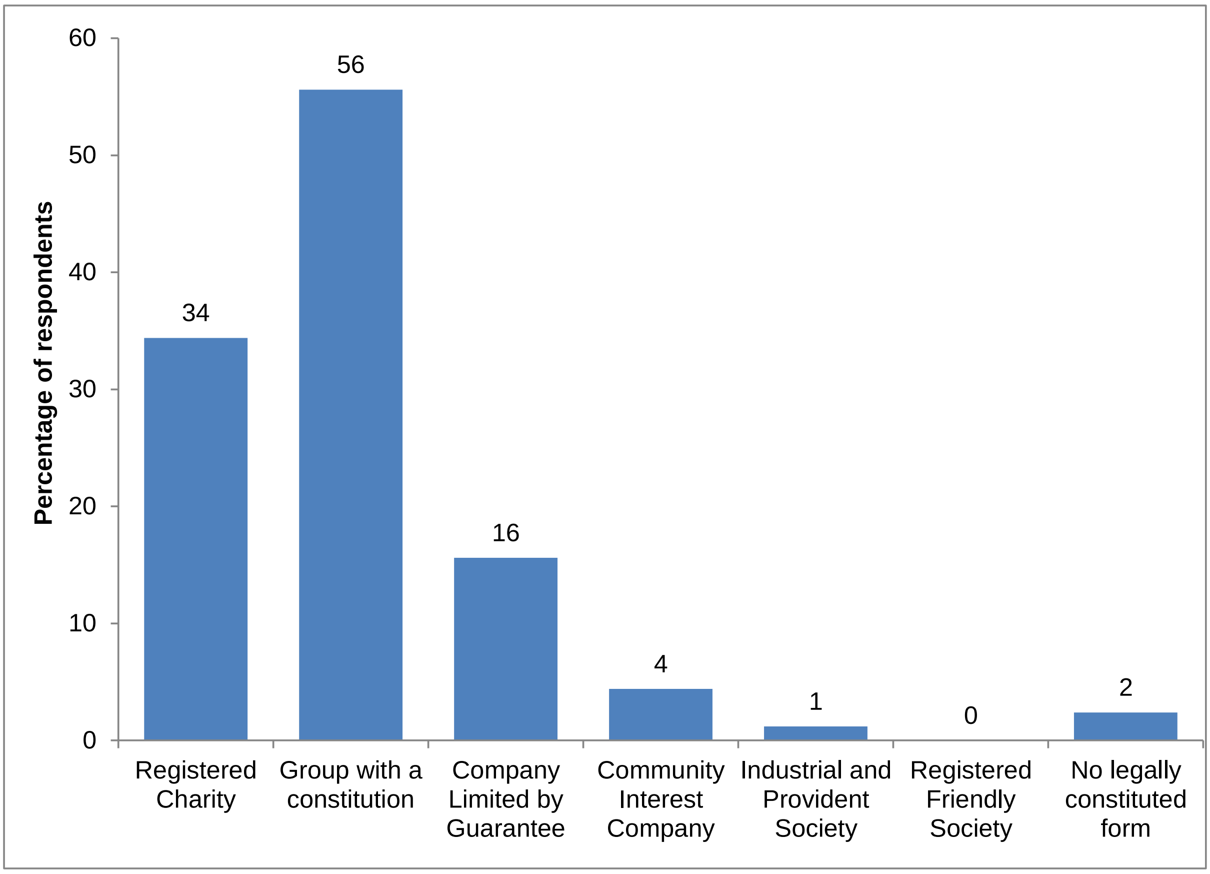
- 56 per cent of organisations were a group with a constitution, but not registered charities
- 16 per cent of organisations were companies limited by guarantee
- two per cent of organisations responding to the survey had no legally constituted form
- separate to identifying their legal status **34 per cent identified that their organisation was a registered charity.**

[16] See Clark, J *et al.*, (2010)

The Greater Manchester surveys combined found:

- 48 per cent of organisations were registered charities
- 38 per cent of organisations were a group with a constitution, but not a registered charity
- 22 per cent were a company limited by guarantee
- 4 per cent of organisations had no legally constituted form.

**Figure 3.2: The legal status of organisations**

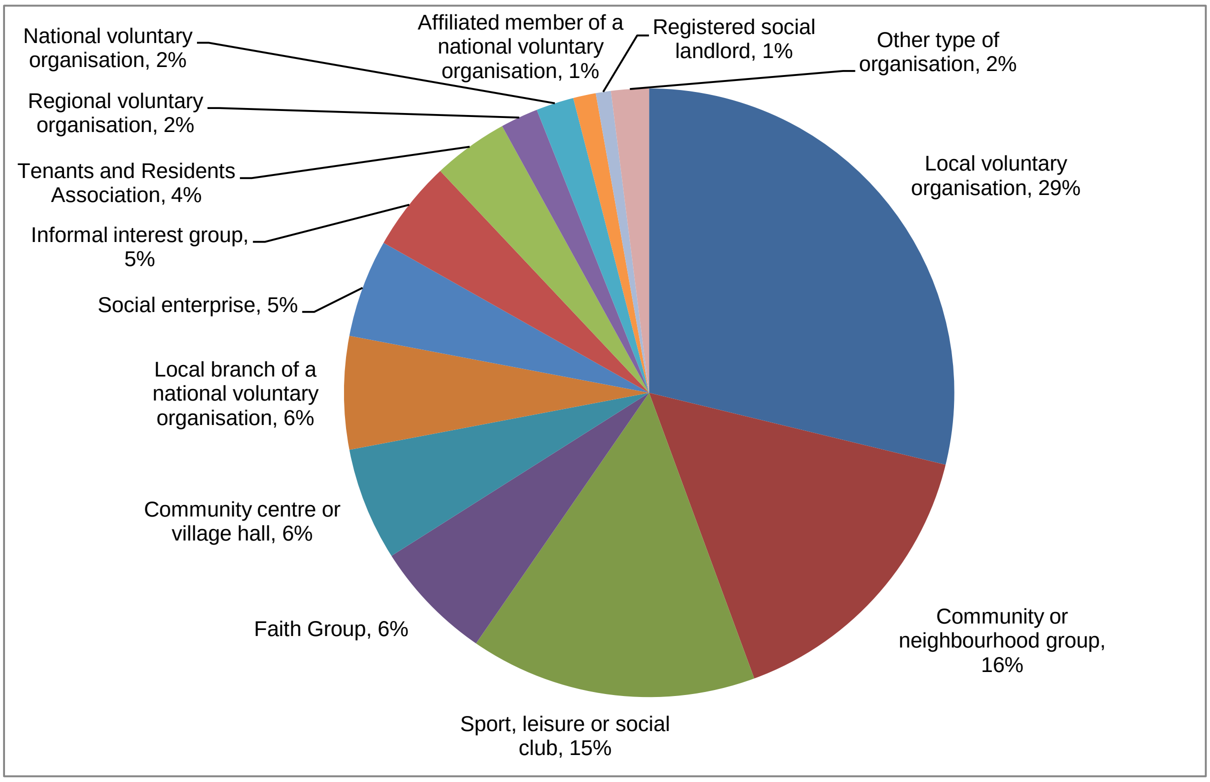



Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 250

In the second question respondents were asked to identify which category from a list of 'organisation types' best described their organisation. The results indicate that many organisations in the voluntary sector are likely to have had a local focus; a theme developed later in this chapter. Figure 3.3 shows that the largest proportion, **29 per cent, identified their organisation as being a local voluntary organisation**. This proportion was some 13 percentage points higher than the next most common type: community or neighbourhood group (16 per cent). National organisations were less common: just eight per cent of organisations were either a national voluntary organisation (two per cent) or a branch of a national voluntary organisation (six per cent).

Analysis across Greater Manchester as a whole found a similar pattern with local voluntary organisations (26 per cent) and community or neighbourhood groups (18 per cent) having accounted for 43 per cent of respondents. Only 11 per cent of respondents were either a local branch of a national voluntary organisation (seven per cent) or a national voluntary organisation (four per cent).

**Figure 3.3: Type of organisations**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 250

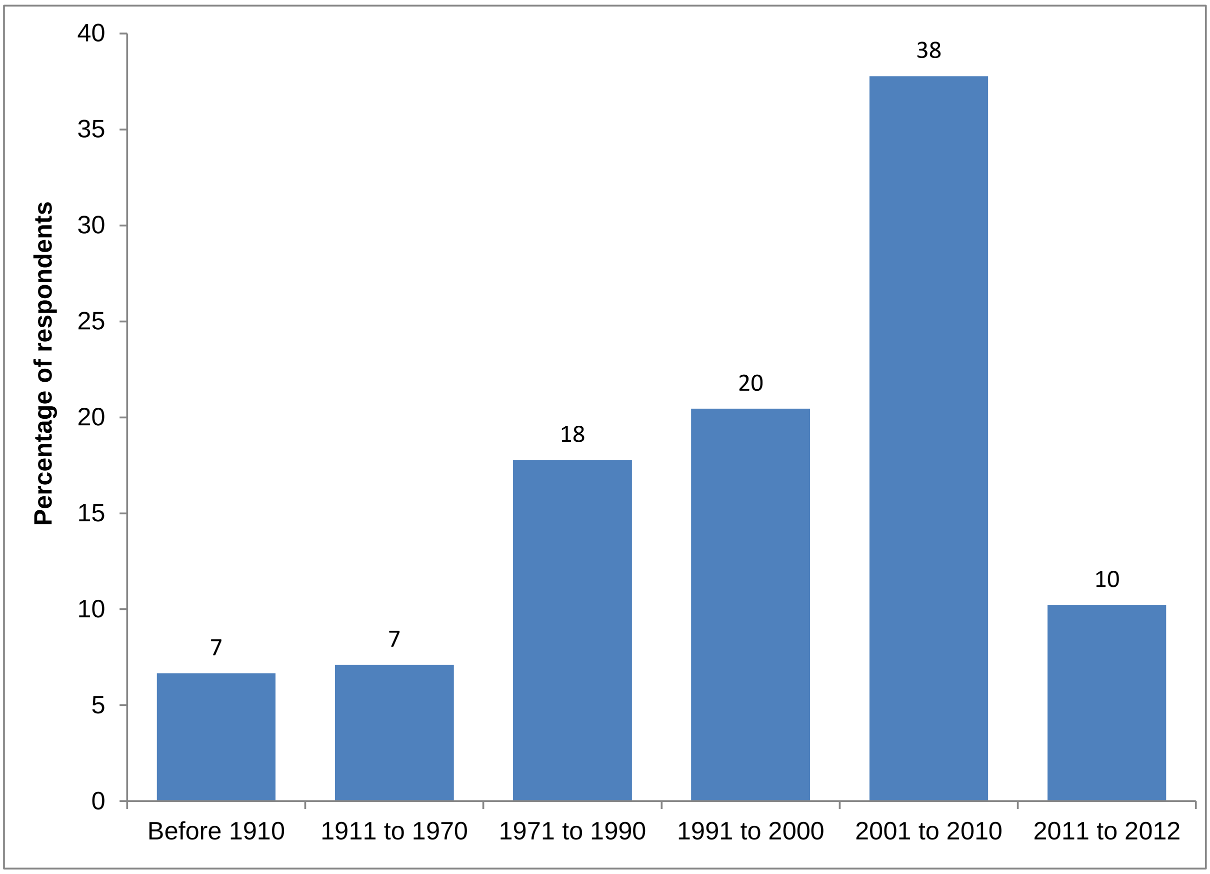
## 3.4. How long have organisations in the voluntary sector been operating?

The questionnaire asked respondents to indicate when their organisation was formed. Assessment of organisations by the year in which they were formed provides an indication of how established the voluntary sector was in Bolton. In addition it might also be possible to identify patterns: for example time periods when greater numbers of organisations had been formed.

The responses received build a picture of a voluntary sector that has a fairly well established core. However, the sector in Bolton has also seen the formation of many new organisations since 2001. Figure 3.4 shows that 48 per cent of organisations responding to the survey had been formed since 2001, including 37 per cent in the past 10 years (i.e. since 2003). Furthermore, an additional 20 per cent were formed between 1991 and 2000; this means **just over two thirds (68 per cent) of organisations were formed in the previous 22 years.** This suggests that there has been considerable growth to the voluntary sector over more recent years. At the other end of the spectrum 14 per cent of organisations had been formed before 1971, including seven per cent formed in 1910 or before.

The pattern for organisations across the whole of Greater Manchester was similar. Thirty seven per cent of respondents had been formed in the past 10 years, including a slightly higher figure, 10 per cent of organisations, which had been formed since 2011. Seven per cent of Greater Manchester organisations had been formed before 1911.

**Figure 3.4: Year in which organisations were formed**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 225

It is important to conclude this section by drawing an important qualification. Although the results suggest that it is likely that the voluntary sector in Bolton has experienced growth in the number of organisations established in the last 10 years or so, it may not be as dramatic as the figures suggest. By definition, the survey is of organisations still operating in Bolton in 2012/13, not those which have closed down or ceased operations. Of the organisations which have survived through to 2012/13, the results suggest that a high proportion were established in the last 10 years. But some of the organisations established before, and since, may have subsequently closed down. Because we do not know the rate of closure over time we cannot be certain that the aggregate number of organisations being established or surviving is increasing.

## 3.5. What does the voluntary sector in Bolton do?

To elicit a picture of what the voluntary sector in Bolton does the survey asked respondents to identify up to three main areas in which their organisation operates. Figure 3.5 presents the results to this question and confirms the message that the voluntary sector in Bolton works in a diverse range of thematic service areas. However, the proportion of responding organisations working in each area varies. This is most likely dependent on need and funding opportunities.

Figure 3.5 shows more than a quarter of organisations worked in each of the following four areas:

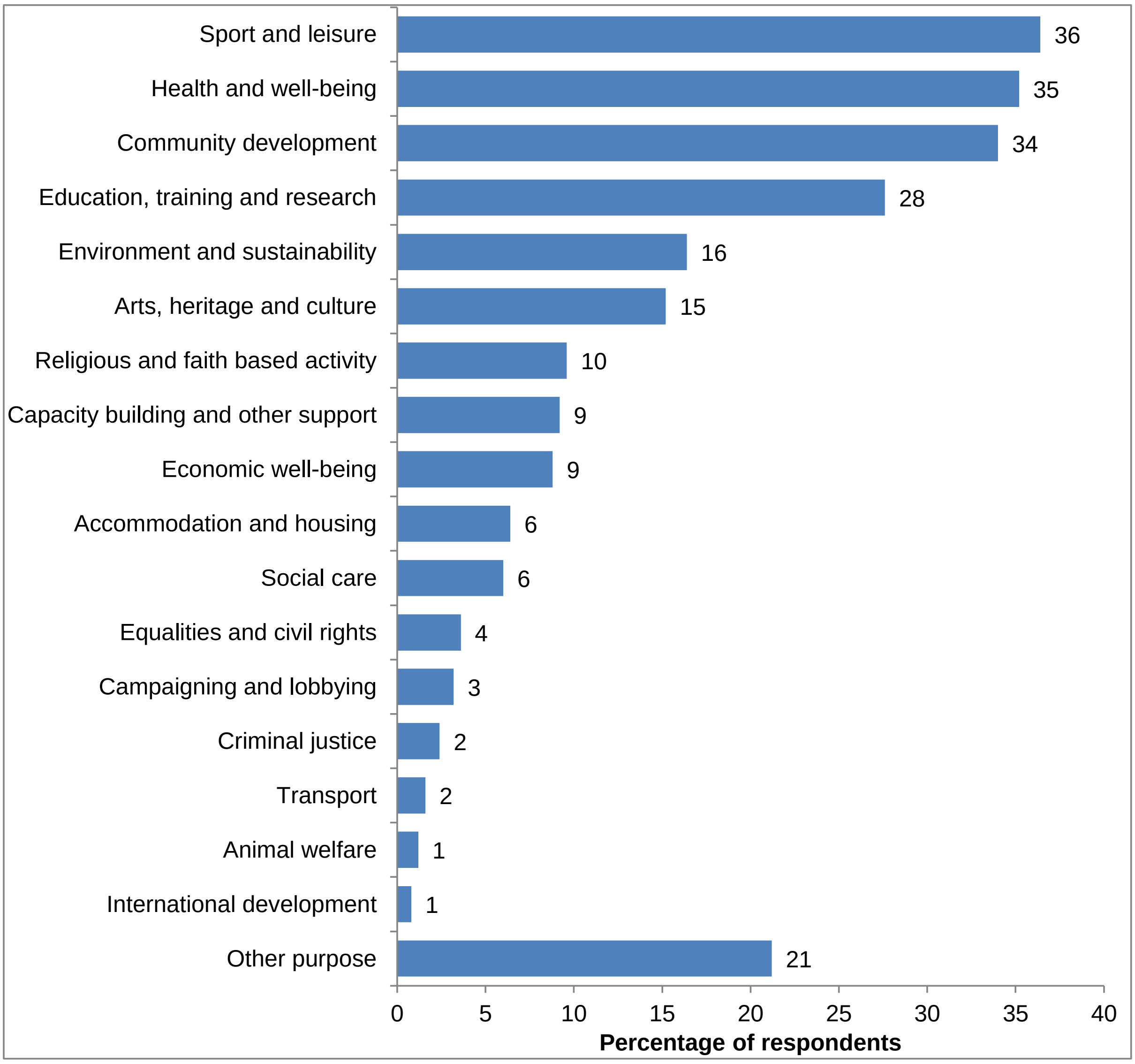
- sport and leisure (36 per cent)
- health and well-being (35 per cent)

- community development (34 per cent)
- education, training and research (28 per cent).

Across Greater Manchester as a whole the same four areas of work were reported as being the most common to work within, however the ordering was different:

- health and well-being (37 per cent)
- community development (37 per cent)
- education, training and research (28 per cent)
- and sport and leisure (28 per cent).

**Figure 3.5: Main areas in which organisations work**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 250

## 3.6. Who are the clients, users or beneficiaries of the voluntary sector in Bolton?

The questionnaire asked respondents to provide the total number of individual clients, users or beneficiaries that their organisation had supported in the last year. Analysis of responses to this question by size and type of organisation revealed that in many cases organisations had provided the number of 'interventions' or 'contacts' that they had had with clients, users or beneficiaries. So for example an individual who visited a community centre once a week would have been counted 52 times within the year. Whilst some organisations will have provided the number of unique clients, users or beneficiaries, so as not to overestimate, in our analysis we have assumed the number provided represents the total number of interventions.

Summing across the 174 organisations that responded gives a total of 156,000 interventions. The responses received can be extrapolated for the estimated 1,418 organisations thought to be operating in the voluntary sector in Bolton to provide an estimate of the total number of interventions by Bolton organisations. Working through the calculation it is estimated that **Bolton organisations had 1.8 million interventions with clients, users or beneficiaries** in the past year.

The questionnaire also asked respondents to identify up to three groups that make up the main clients, users or beneficiaries of their organisation. Figure 3.6 shows that, as might be expected, the voluntary sector in Bolton served a diverse and wide ranging client group. In many cases, client groups were served by relatively small numbers of organisations: ten per cent of organisations or fewer served 12 of the client groups listed.

Figure 3.6 shows the client groups served by the largest proportions of organisations can be broadly characterised as being demographic: gender - women (29 per cent) and men (27 per cent) - and age - children (28 per cent), young people (25 per cent) and older people (25 per cent). A quarter of organisations identify 'everyone' a main client, user or beneficiary group.

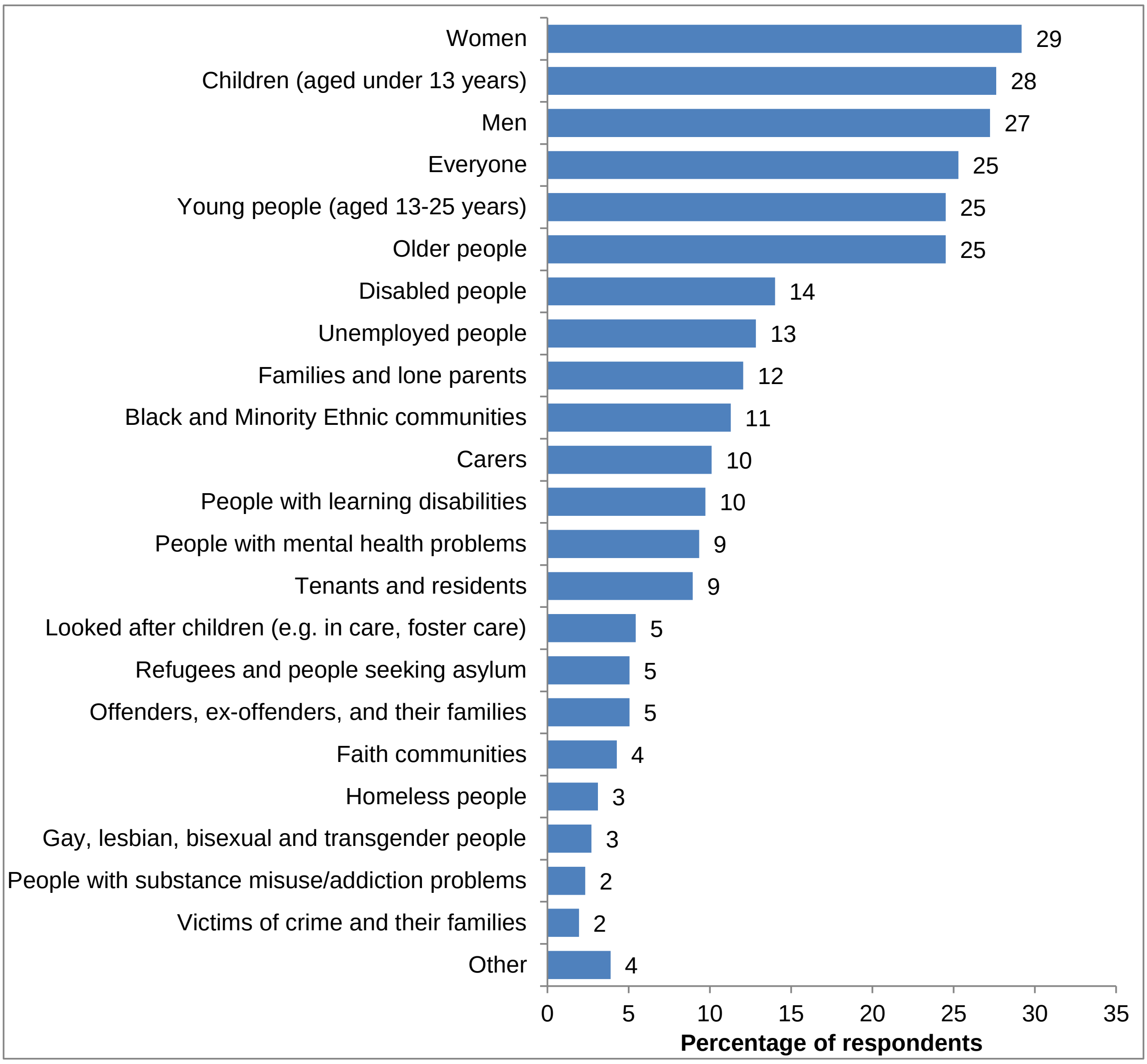
It will be interesting to monitor how the proportion of organisations who work mainly with children and young people changes with reductions in funding in this area.

Individuals with health issues were also served by relatively high proportions of organisations. Disabled people were a main client, user or beneficiary group for 14 per cent of organisations.

Analysis of responses to all of the Greater Manchester surveys found a similar pattern with general and demographic client groups being the most common beneficiary groups identified:

- everyone: 31 per cent
- women: 26 per cent
- young people (aged 13-25 years): 24 per cent
- men: 23 per cent
- older people: 23 per cent

**Figure 3.6: Main client groups of Bolton organisations**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 257

## 3.7. What geographical levels does the voluntary sector operate at?

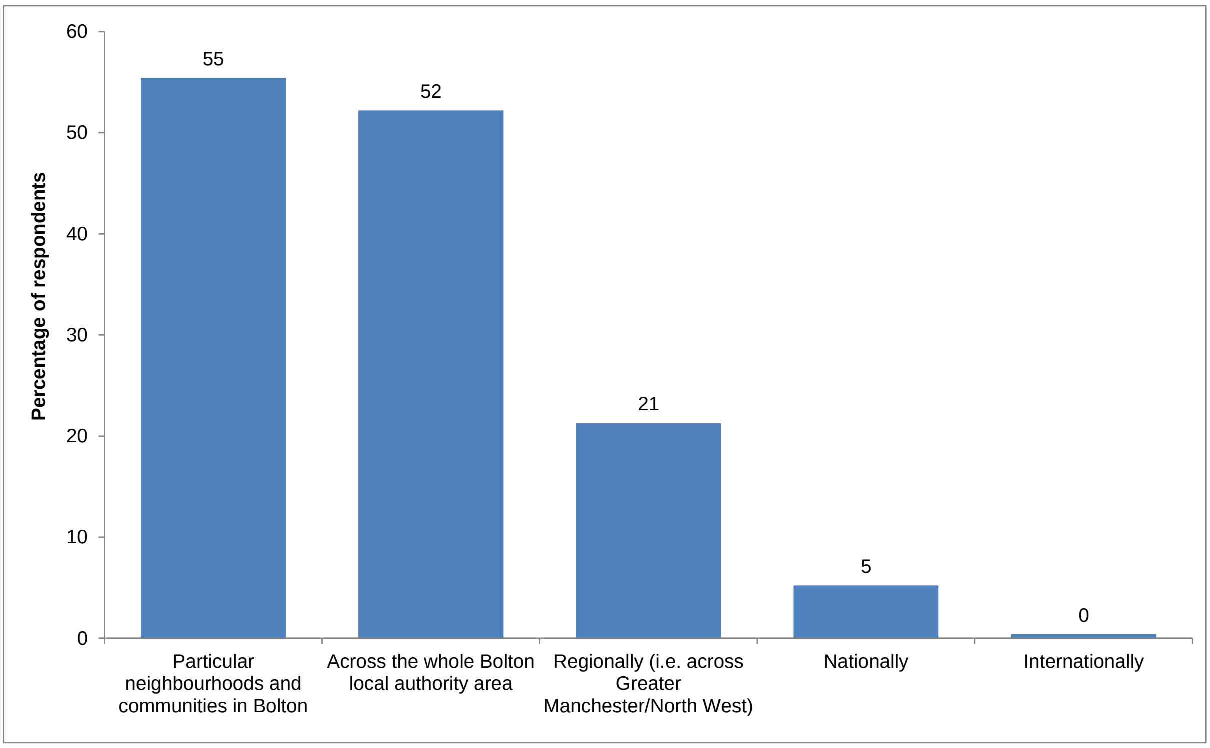
The survey asked respondents to identify the main geographical levels at which they operated - this ranged from the neighbourhood level, to those operating across England, the UK or overseas. In this question respondents were asked to pick out up to three main geographic levels, the results of which are presented in figure 3.7. This shows that the **local area is a main focus for a majority of organisations**:

- over half (55 per cent) identified particular Bolton neighbourhoods or communities were a main focus
- 52 per cent identified the whole of the Bolton local authority area as a main focus of their work.

Only a small proportion of organisations cited that a main geographic area at which they worked was either national (five per cent) or international (less than one per cent).

Across Greater Manchester, 57 per cent of organisations identified particular neighbourhoods and communities as a main geographic focus. The percentage of organisations who said they worked nationally and internationally was higher across Greater Manchester as a whole: 11 per cent and four per cent respectively.

**Figure 3.7: Main geographic focus**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 249

Using the responses to this question it is also possible to identify the highest geographic area that was the main focus. This analysis finds:

- for 38 per cent of organisations their highest main geographic focus was particular Bolton neighbourhoods or communities
- for 38 per cent of organisations their highest main geographic focus was the Bolton local authority area
- for 18 per cent of organisations their highest main geographic focus was the region
- for five per cent of organisations their highest main geographic focus was the nation as a whole
- for less than one per cent of organisations their highest main geographic focus was international.

Comparing this breakdown with that for organisations across all of Greater Manchester identifies two main differences:

- a higher proportion of organisations in Bolton whose highest geographic focus was the whole local authority area: 38 per cent compared with 28 per cent
- a lower proportion of organisations in Bolton whose highest geographic focus was national or international.

Respondents who reported that the whole Bolton local authority area or particular Bolton neighbourhoods or communities are a main geographic focus of their organisation were asked to identify in which wards their work was focused. Map 3.1

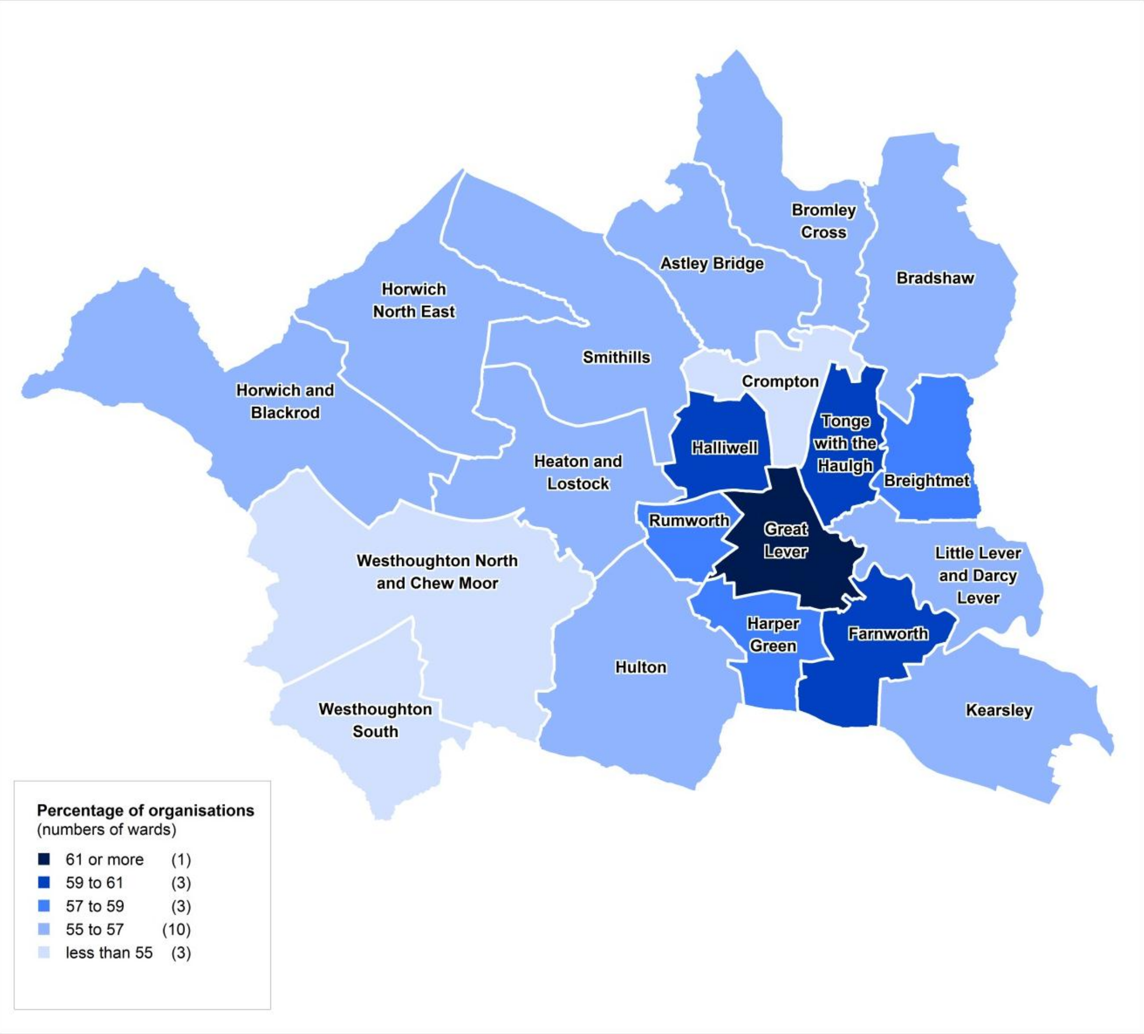
shows the percentage of all organisations that identified each of Bolton's wards as a main focus of their work.

Sixty three per cent of Bolton organisations identify Great Lever as a main focus of their work. In addition between 59 and 61 per cent of Bolton organisations identified each of Farnworth (61 per cent), Halliwell (60 per cent) and Tonge with the Haulgh (59 per cent) as a main focus.

The three wards which are a main focus for the lowest proportions - least numbers - of Bolton organisations were:

- Crompton (55 per cent)
- Westhoughton North and Chew Moor (55 per cent)
- Westhoughton South (55 per cent).

**Map 3.1: Percentage of organisations that identify Bolton's wards as a main focus of their work**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 249

# Finances and Income

4

This chapter provides an overview of the finances and income of the voluntary sector in Bolton. It includes estimates of the overall income received by the sector between 2009/10 and 2011/12, analysis of the different sources of income received (public sector and non-public sector) and their relative contribution, and an assessment of the financial sustainability of the sector in the context of the economic uncertainty and large scale public sector expenditure cuts during this period.

## 4.1. Income

Based on the average (mean) income of respondents to the survey across Greater Manchester, and drawing on the assumptions used to estimate the total number of organisations in Bolton, it is estimated that **the total income of the voluntary sector in the borough was just over £70 million in 2011/12**[17] - around seven per cent of the total income of the voluntary sector in Greater Manchester. However, **year-on-year reductions in income have been identified**: it represents a reduction of two per cent compared to 2010/11 and follows a larger reduction between 2009/10 and 2010/11 when the total income of the sector reduced by an estimated six per cent, from £77 million to £70 million. This data is outlined in more detail in table 4.1.

**Table 4.1: Estimated annual income of the voluntary sector in Bolton (2009/10-2011/12)**

| | Total Income | % Change |
|---|---|---|
| 2009/10 | £77m | |
| 2010/11 | £72m | -6 |
| 2011/12 | £70m | -2 |

Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212
All figures are in 2011/12 prices[18]

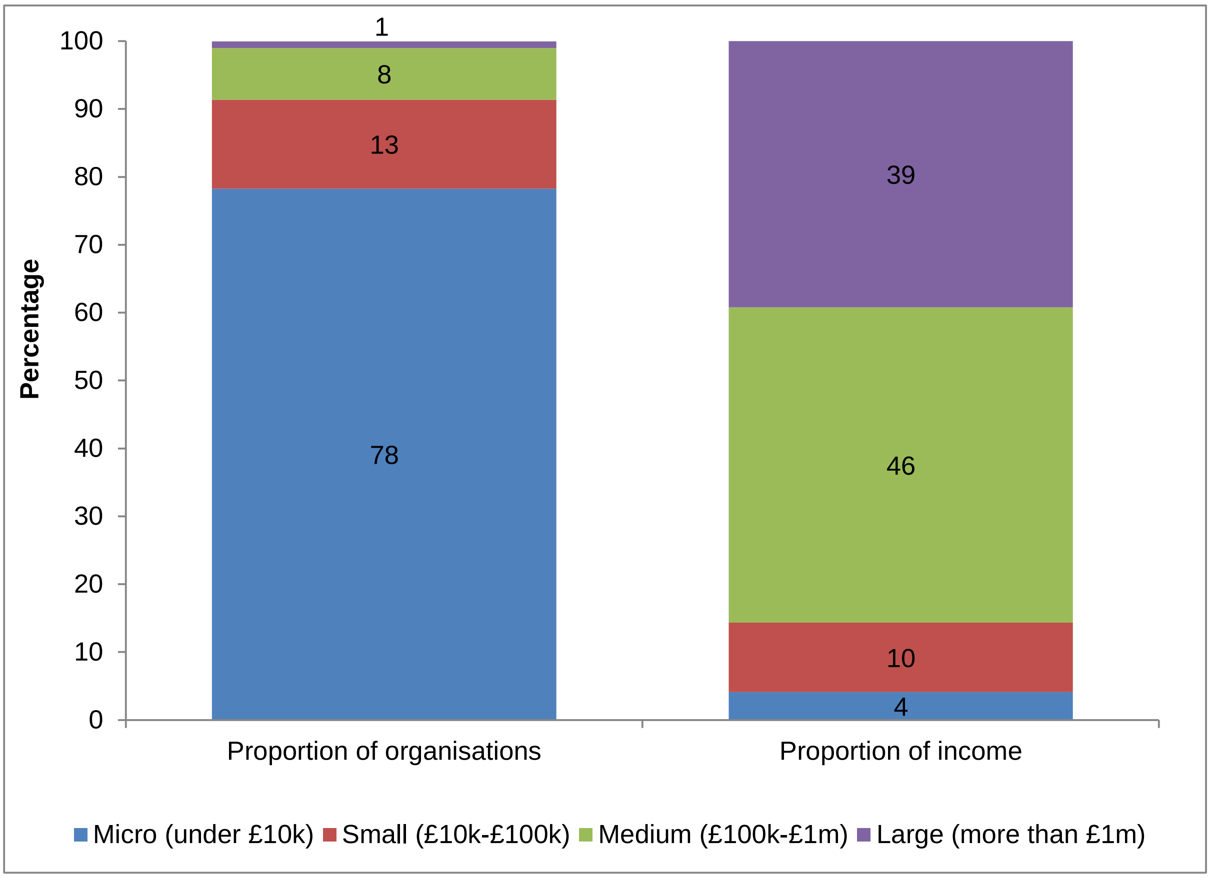
This decline in income between 2009/10 and 2011/12 needs to be considered in the context of national trends discussed in chapter 2. Although there are no figures for Bolton during the 2000/01-2007/08 period, nationally the voluntary sector's income

[17] This figure is based on a weighted average (mean) for each size category for respondents from across Greater Manchester. The methodology is explained in more detail in the methodological appendix.
[18] It should be noted that these figures do not include Bolton at Home, which had income of £65 million in 2011/12 but was not registered as a charity prior to that. Including Bolton at Homes income figures would have skewed the analysis an painted a misleading picture of income change in the sector between 2009/10 and 2011/12.

grew by an average of five per cent a year over these six years[19]. If it is assumed that the sector in Bolton developed at a similar rate during this period, then **the decline in income over last three years represents the first long term economic contraction in the sector in at least 10 years**. This is likely to be an indication of the effect of the economic downturn of the past few years which, as discussed in chapter 2 is likely to have led to a reduction in income from public sector sources, charitable donations, and independent funder. **This trend seems likely to continue**, as further large reductions in public sector spending are expected over the next few years and the economy continues to falter.

When the voluntary sector's income is explored in more detail it shows significant variations according to organisation size[20]. In 2011/12, the majority of income was concentrated in large and medium sized organisations even though the majority of organisations were micro or small. This is outlined in more detail in figure 4.1.

**Figure 4.1: Proportion of organisations and proportion of income by organisation size (2011/12)**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

This shows that micro and small organisations account for over 90 per cent of organisations in the voluntary sector but only 850 per cent of total income. By contrast medium and large organisations account for 9 per cent of the sector's organisations but receive 85 per cent of its income. Income is concentrated particularly heavily in the largest organisations, with more than half of all income (58 per cent) into the sector received by only 14 organisations.

[19] See Clark, J *et al.*, (2010)
[20] In exploring organisation size we used the categories developed by NCVO for use in their Almanac series (see e.g. Clark *et al*,. 2010)

Analysis of income data from survey respondents from across Greater Manchester[21] identified further variations according to organisation size when we explored how income levels had changed between 2009/10 and 2011/12. These are summarised in table 4.2.

**Table 4.2: Estimated change in annual income by organisation size (2009/10-2011/12)**

| | Micro (under £10k) | | Small (£10k-£100k) | | Medium (£100k-£1m) | | Large (more than £1m) | |
|---|---|---|---|---|---|---|---|---|
| | *Income* | *% change* | *Income* | *% change* | *Income* | *% change* | *Income* | *% change* |
| 2009/10 | £32.9m | | £61.2m | | £340.6m | | £635.7m | |
| 2010/11 | £34.5m | 5 | £60.7m | -1 | £302.9m | -11 | £620.1m | -2 |
| 2011/12 | £30.4m | -12 | £62.3m | 3 | £290.9m | -4 | £615.9m | -1 |

Source: Greater Manchester State of the Voluntary Sector survey 2012/13
Base: 1,018
All figures are in 2011/12 prices

This shows that across Greater Manchester the medium and large organisation categories experienced year on year reductions in total income between 2009/10 and 2011/12. Medium organisations experienced a particularly large reduction of more than ten per cent between 2009/10 and 2010/11. By contrast micro organisations experienced a small increase between 2009/10 but a large reduction of more than ten per cent between 2010/11 and 2011/12 and the income of small organisations remained relatively stable.

## 4.2. Sources of Income

### *4.2.1. Public sector income*

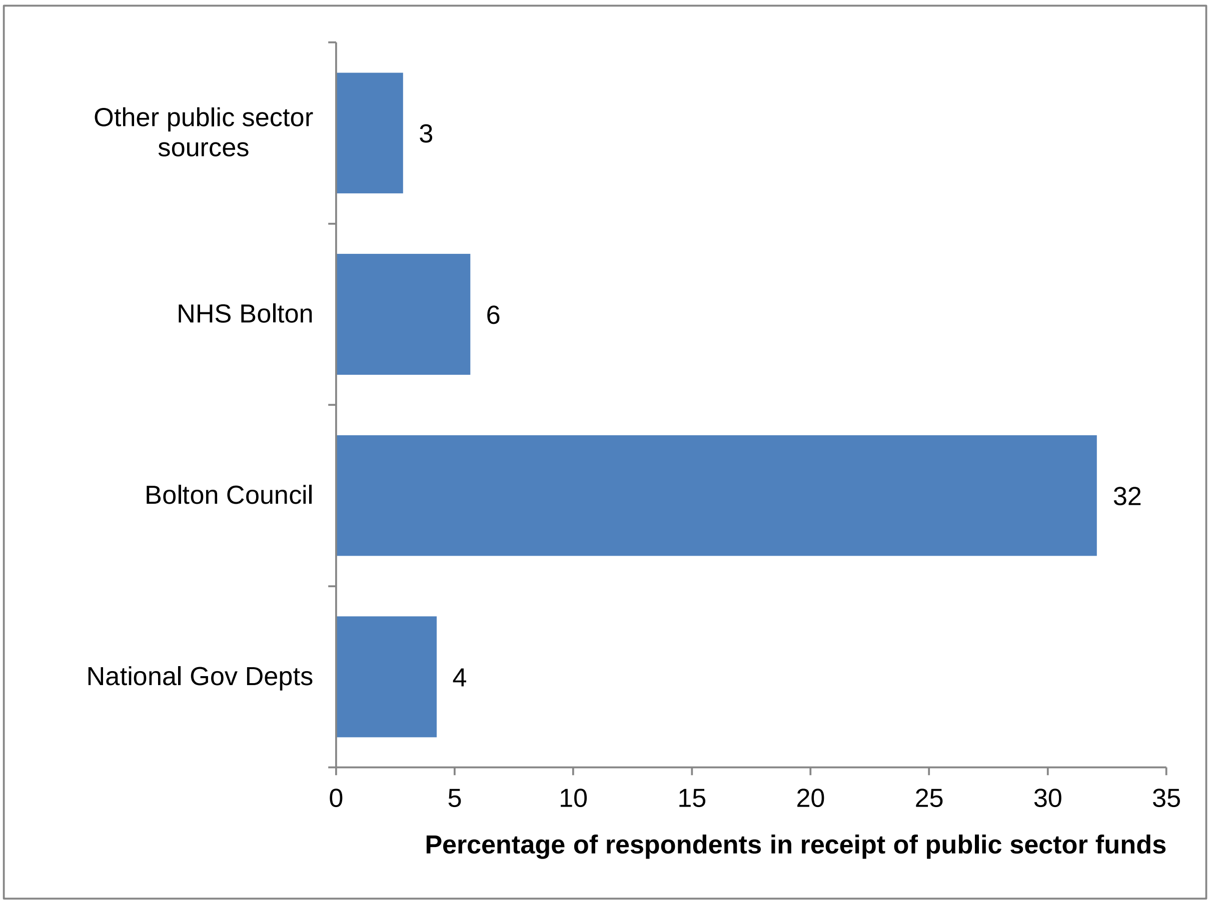
Survey respondents were asked to identify the public sector bodies from which they received funding in 2011/12 and the value of that funding. Overall, **37 per cent of respondents reported having at least one source of public sector funds**. The results are outlined in figure 4.2.

This shows that **Bolton Council was the most frequently identified source of public sector funding** (32 per cent). Only 6 per cent of respondents receive income from NHS Bolton, followed by 4 per cent from national Government Departments and collectively only three per cent of respondents received income from other public sector bodies. This pattern was reflected across Greater Manchester, where local authorities consistently emerged as the most frequent source of public sector funds.

The survey also asked respondents with public sector income whether they had received a formal funding agreement for each source. Of the three largest sources, 90 per cent of Government department funding, 62 per cent of Bolton council funding, and 42 per cent of NHS Bolton funding, was made with a formal agreement.

[21] It was not possible to undertake sufficiently robust analysis of these trends at a local authority level

**Figure 4.2: Public sector funds received by Bolton respondents (2011/12)**

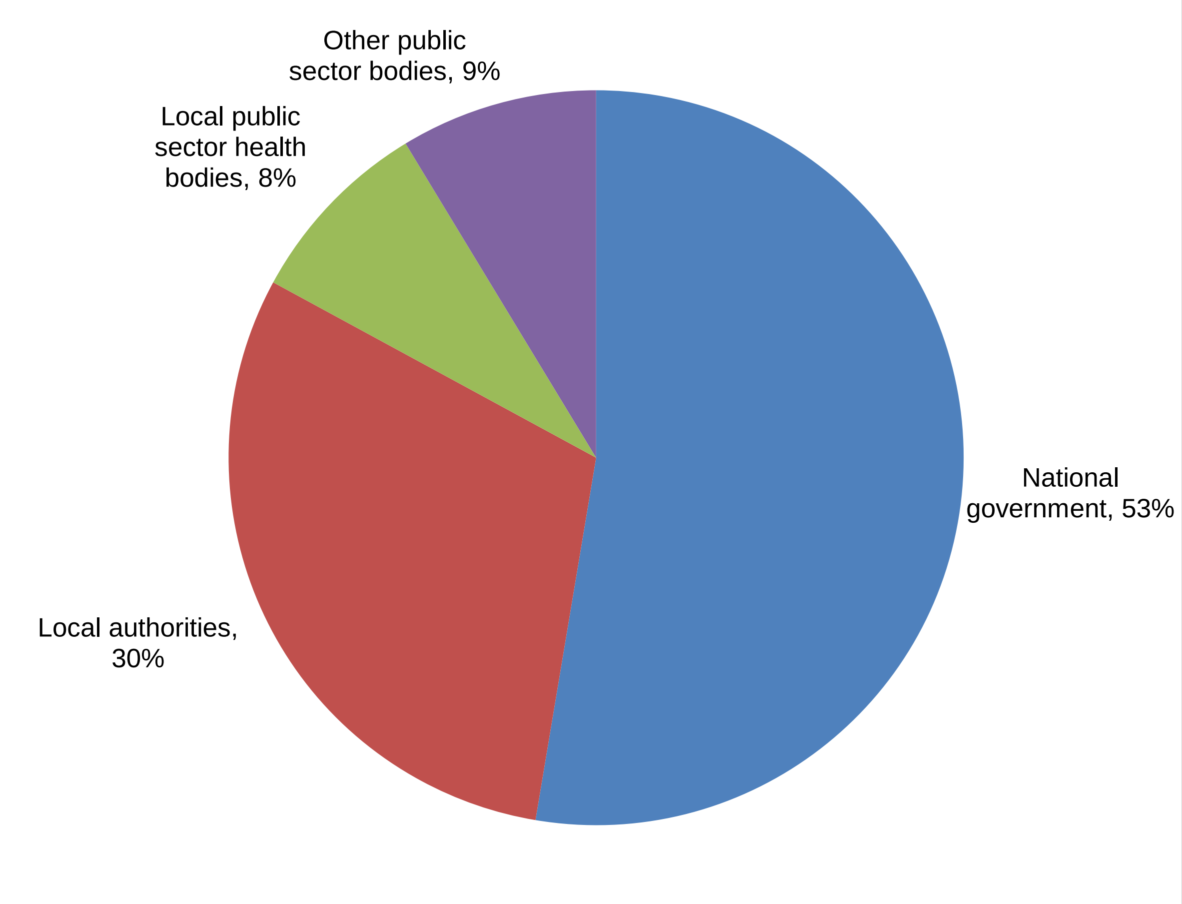



Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

An insight of the relative value of public sector funds can be gained through analysis of the Greater Manchester wide responses[22]. These are summarised in Figure 4.3 which shows that income from National Government Departments accounted more than half of all public sector funds received. By contrast local authorities provided around a third of funds, and health bodies and other public sector bodies less than an tenth each. It is important to recognise that this figure is affected by a number of large national public sector contacts: across Greater Manchester the average value of income from national Government sources was £586,000, including three organisations with more than £1 million from national Government departments. By contrast the average value of local authority income was only £76,000 and for health bodies was £134,000.

[22] It was not possible to undertake sufficiently robust analysis of this data at a local authority level

**Figure 4.3: Relative value of public sector funds received by Greater Manchester organisations (2011/12)**

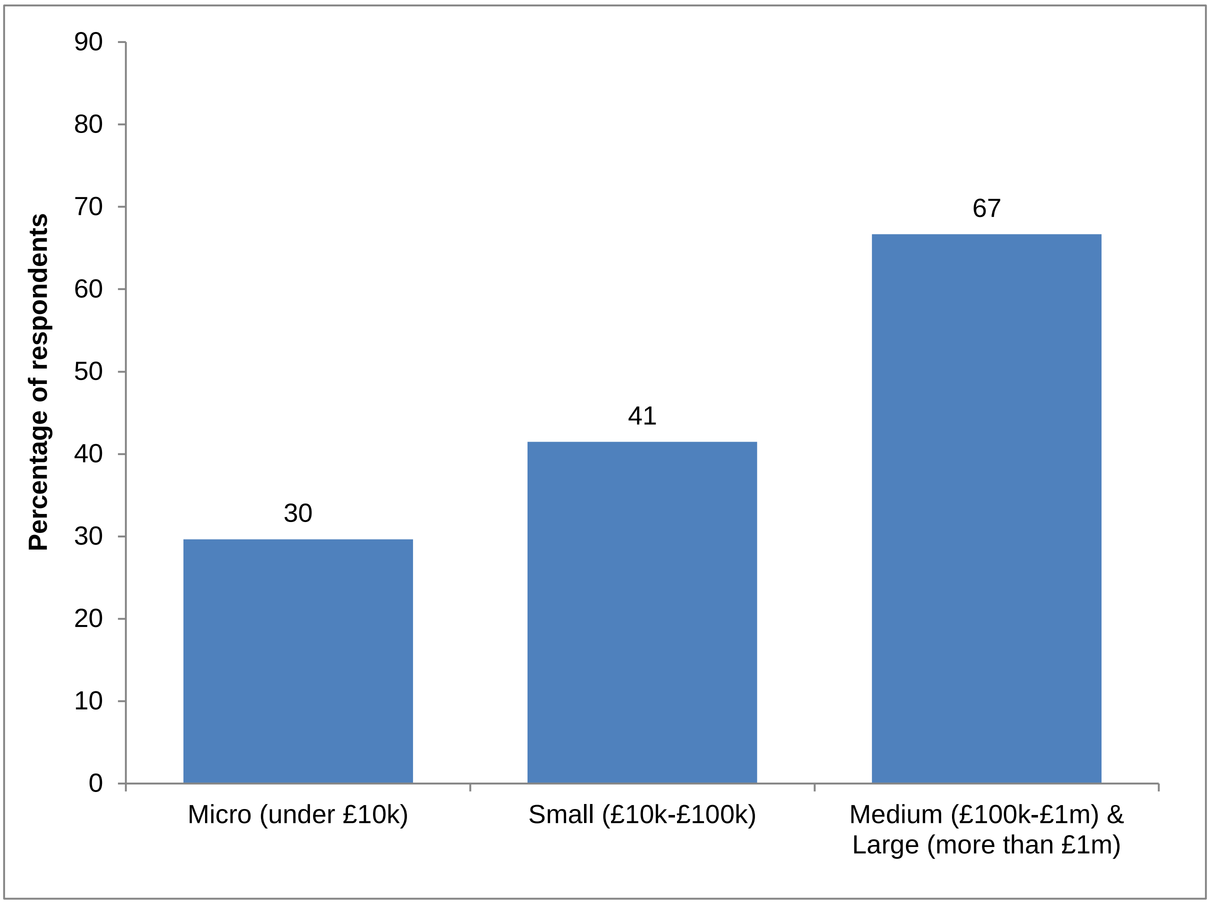



Source: Greater Manchester State of the Voluntary Sector survey 2012/13
Base: 437

The survey also revealed significant variations in public sector income received by organisations of different sizes in Bolton. Micro organisations were less likely than small, medium and large organisations to have at least one source of public sector income. This is outlined in more detail in figure 4.4.

This shows that only 30 per cent of micro organisations that responded to the survey received public sector funding compared to 41 per cent of small organisations and 67 per cent of medium and large organisations. This indicates that public sector funding is a particularly important source of funding for large and medium sized organisations and suggests that these organisations will be most susceptible to cuts in public sector funding.

**Figure 4.4: Proportion of Bolton organisations in receipt of public sector funds by organisation size (2011/12)**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

### *4.2.2. Other sources of income*

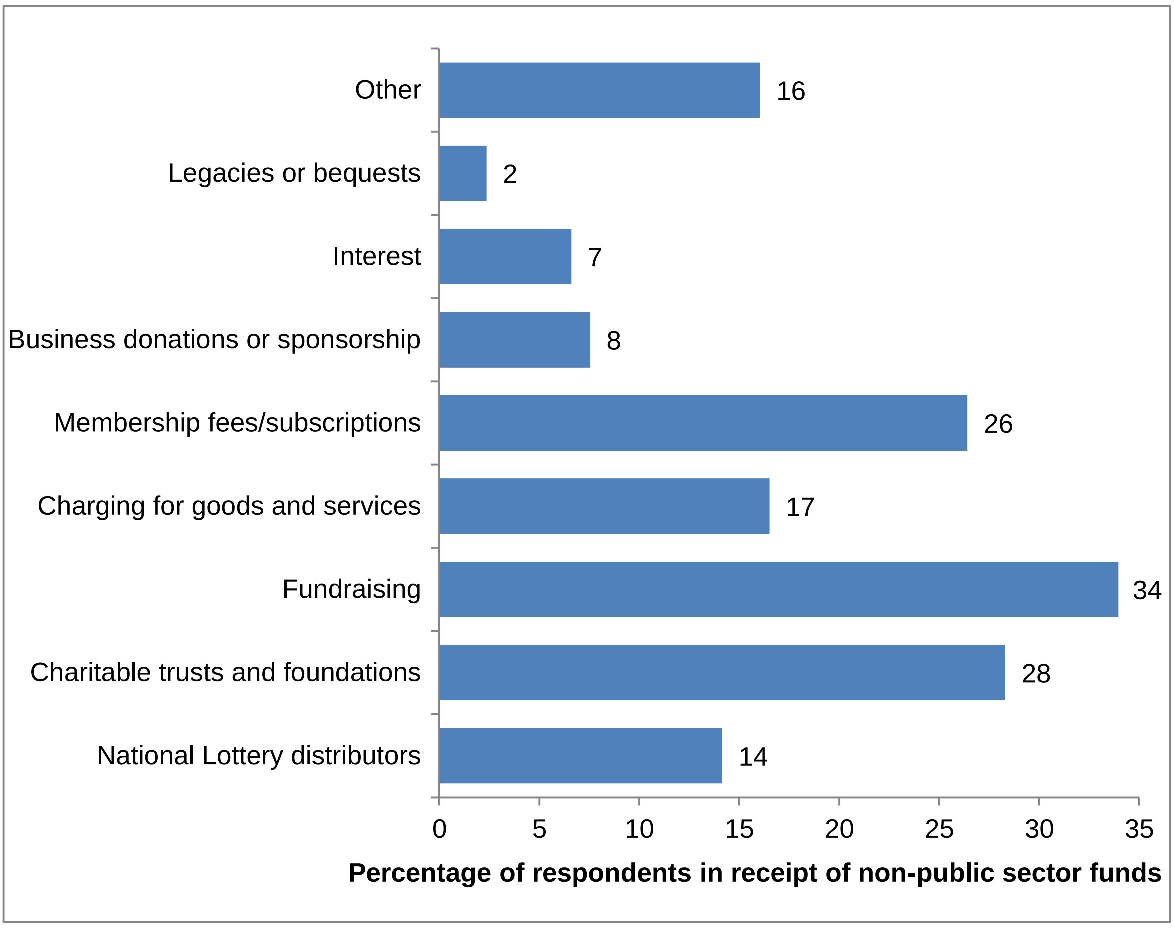
Survey respondents were also asked to identify any other sources of income (i.e. non-public sector) they received in 2011/12. Overall, **70 per cent of respondents received funds from at least one non-public sector source**. This is outlined in more detail in figure 4.5.

This shows that fundraising was the most frequently identified source of other funds (34 per cent of respondents) followed by grants from charitable trusts and foundations (28 per cent), membership fees and subscriptions (26 per cent) and charging for goods and services (17 per cent). The trend was broadly similar across Greater Manchester.

An insight of the relative value of non-public sector funds can be gained through analysis of the Greater Manchester wide responses[23]. These are summarised in Figure 4.6 which shows that income from charging for goods and services provided the most value (28 per cent), followed by fundraising (21 per cent), lottery grants (18 per cent) and grants from trusts and foundations (15 per cent). It therefore seems that non-public sector income is more evenly distributed, in terms of value, than public sector income, which was dominated by large national government contracts.

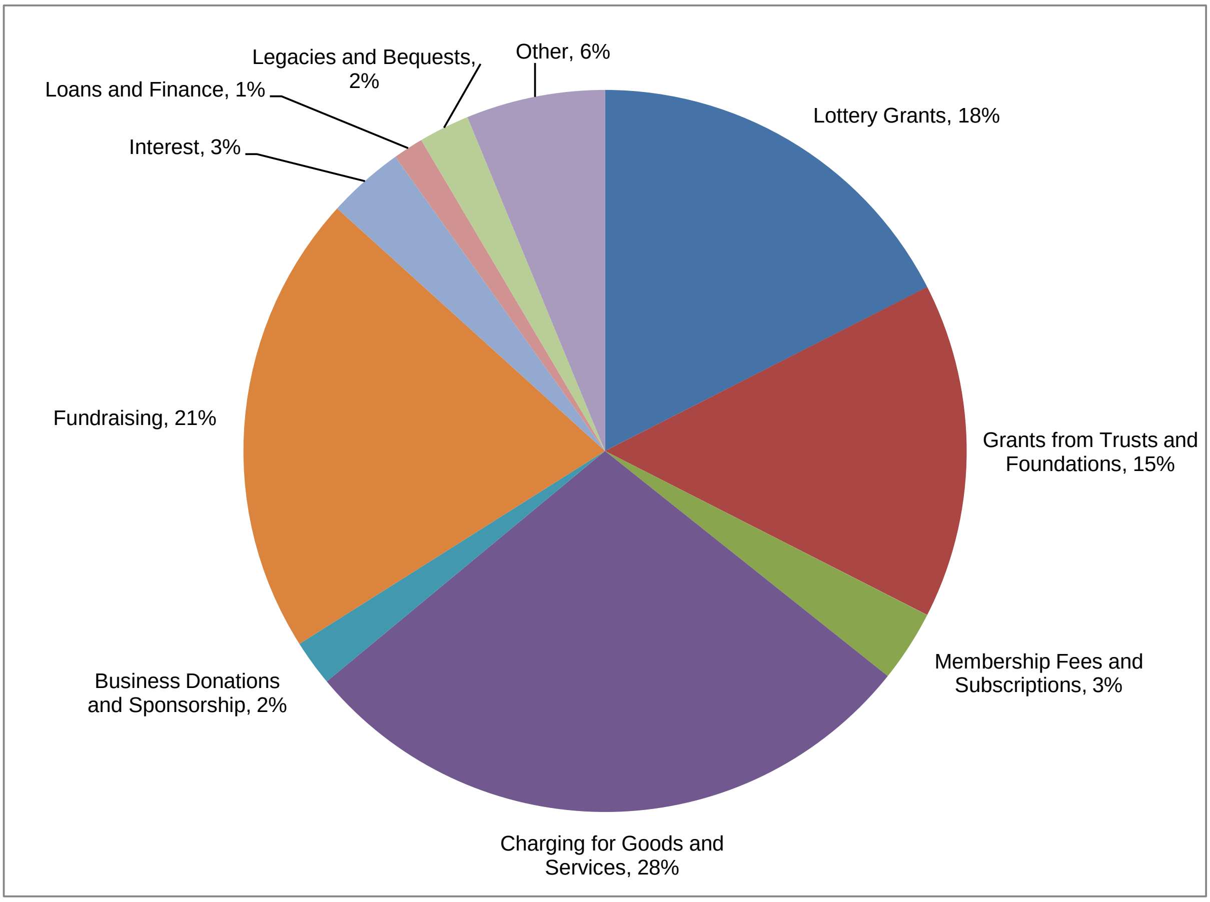
[23] It was not possible to undertake sufficiently robust analysis of this data at a local authority level

**Figure 4.5: Other funds received by Bolton organisations (2011/12)**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

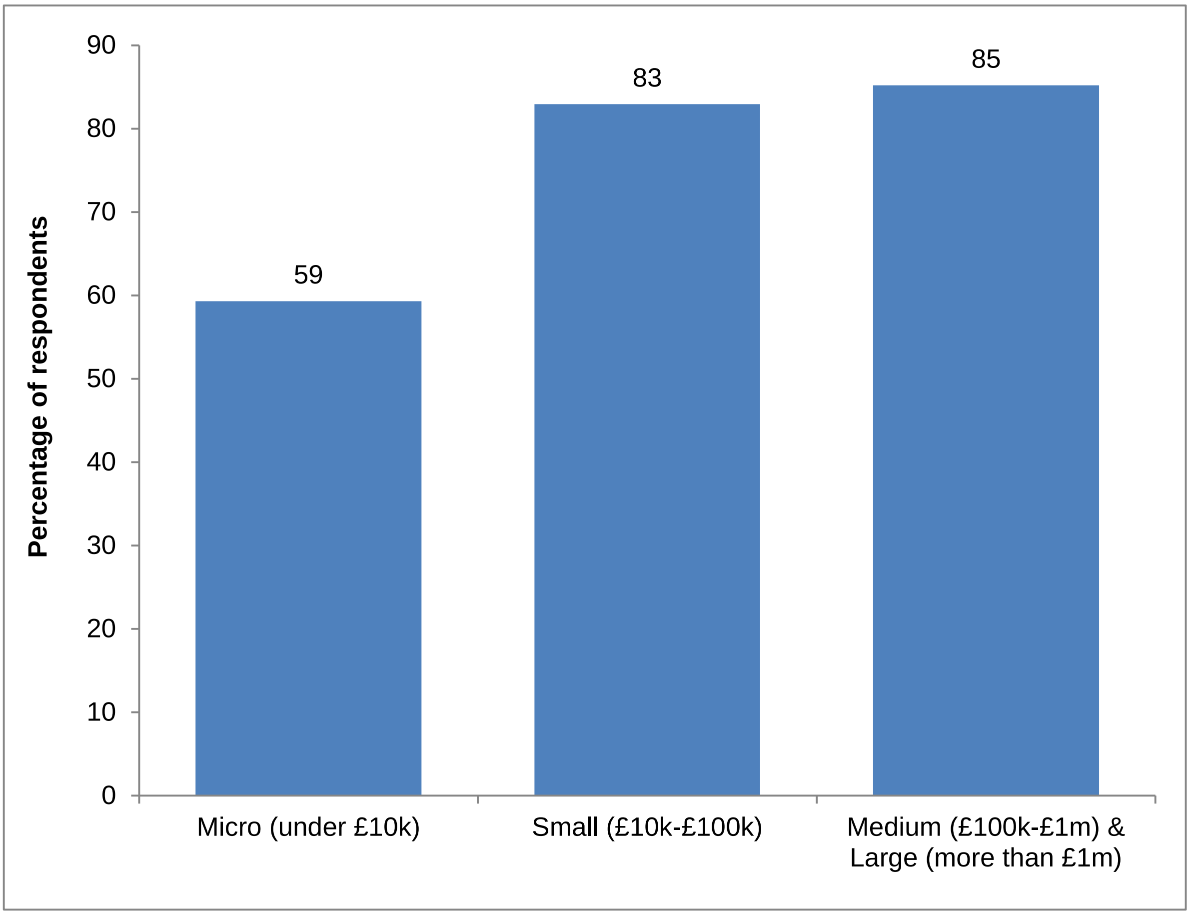
**Figure 4.6: Relative value of non-public sector funds by Greater Manchester organisations (2011/12)**




Source: Greater Manchester State of the Voluntary Sector survey 2012/13
Base: 594

The survey also revealed variations in non-public sector income received by organisations of different sizes. Micro organisations were less likely than small, medium and large organisations to have income from non-public sector sources. This is demonstrated by figure 4.7.

**Figure 4.7: Proportion of Bolton organisations in receipt of other funds by organisation size (2011/12)**

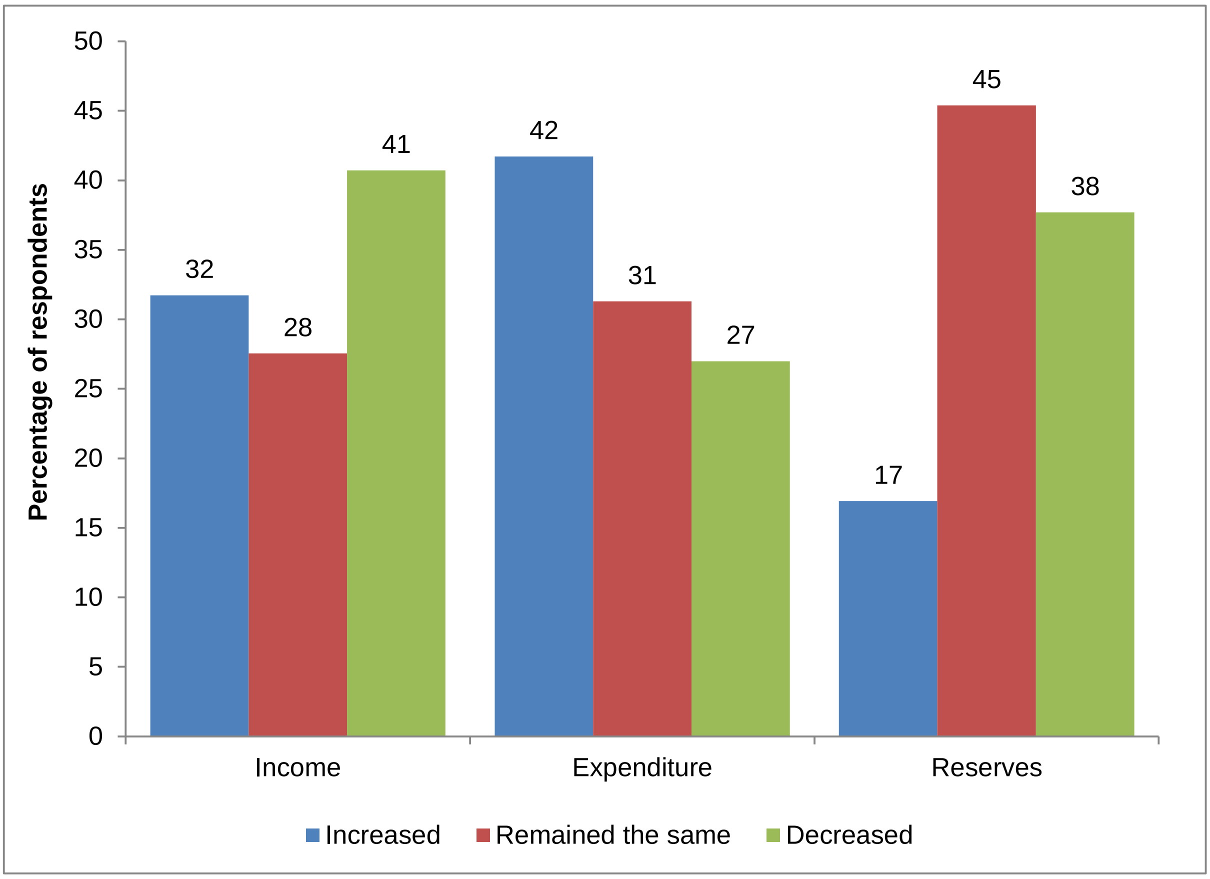



Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 212

## 4.3. Financial Sustainability

Earlier in this chapter we discussed the probable impact of the economic downturn on the voluntary sector's income: funding from the public sector, charitable donations and independent funders has reduced and may fall yet further whilst competition for these funds increases. This is likely to put pressure on the financial health of voluntary organisations and community groups of all shapes and sizes. The survey therefore asked respondents about how their organisation's financial situation had changed in the past 12 months (i.e. during the current financial year). The results are outlined in figure 4.8.

**Figure 4.8: Change in financial circumstances in the last 12 months**

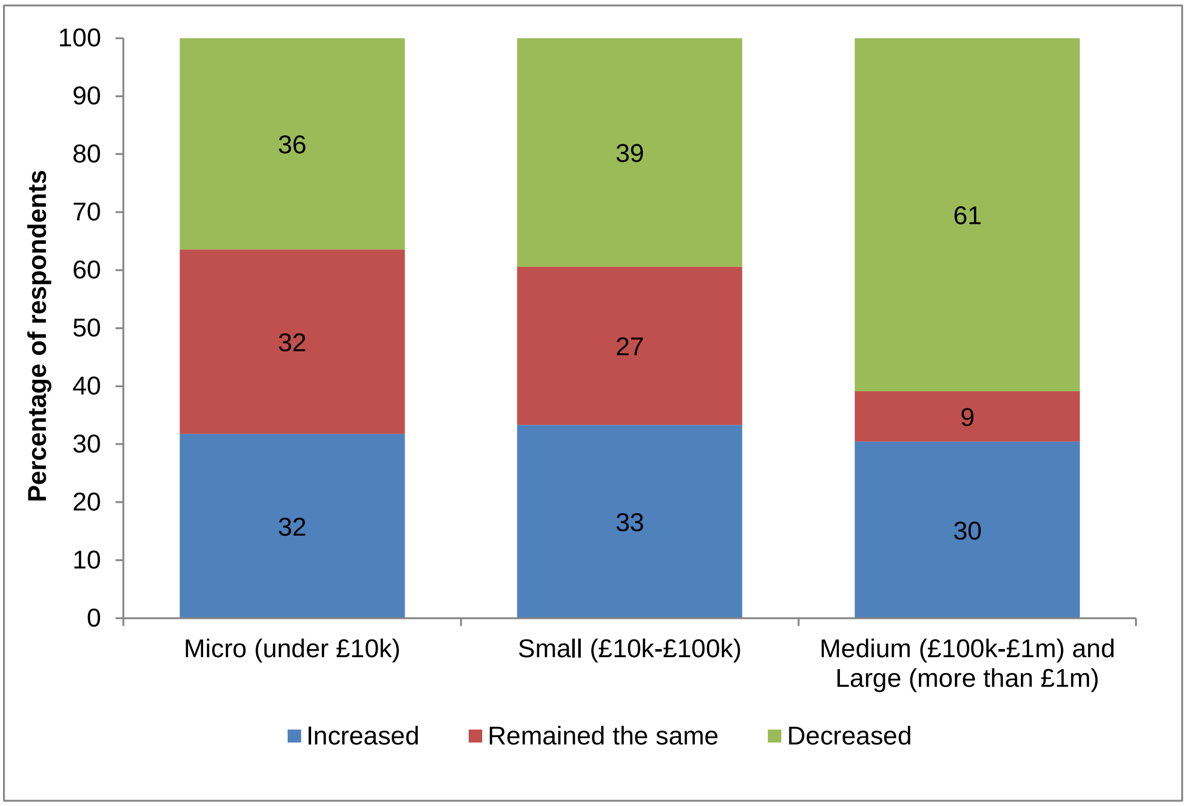



Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 167, 163, 130

This raises some concerns: 42 per cent of respondents reported increasing their expenditure but only 32 per cent had experienced an increase in income and only 17 per cent report an increase in reserves; in addition, 41 per cent of respondents reported a decrease in income but only 27 per cent reduced their expenditure and 38 per cent reported a reduction in their financial reserves. This means that **there were a significant number of organisations that spent more money than they received in the past 12 months**: 42 per cent of respondents provided an expenditure figure for 2011/12 that was greater than their income. This could be indicative of a longer term trend in response to the economic downturn and subsequent reductions in the sector's income. In light of this trend it seems likely that the sustainability of a significant number of organisations could be under threat.

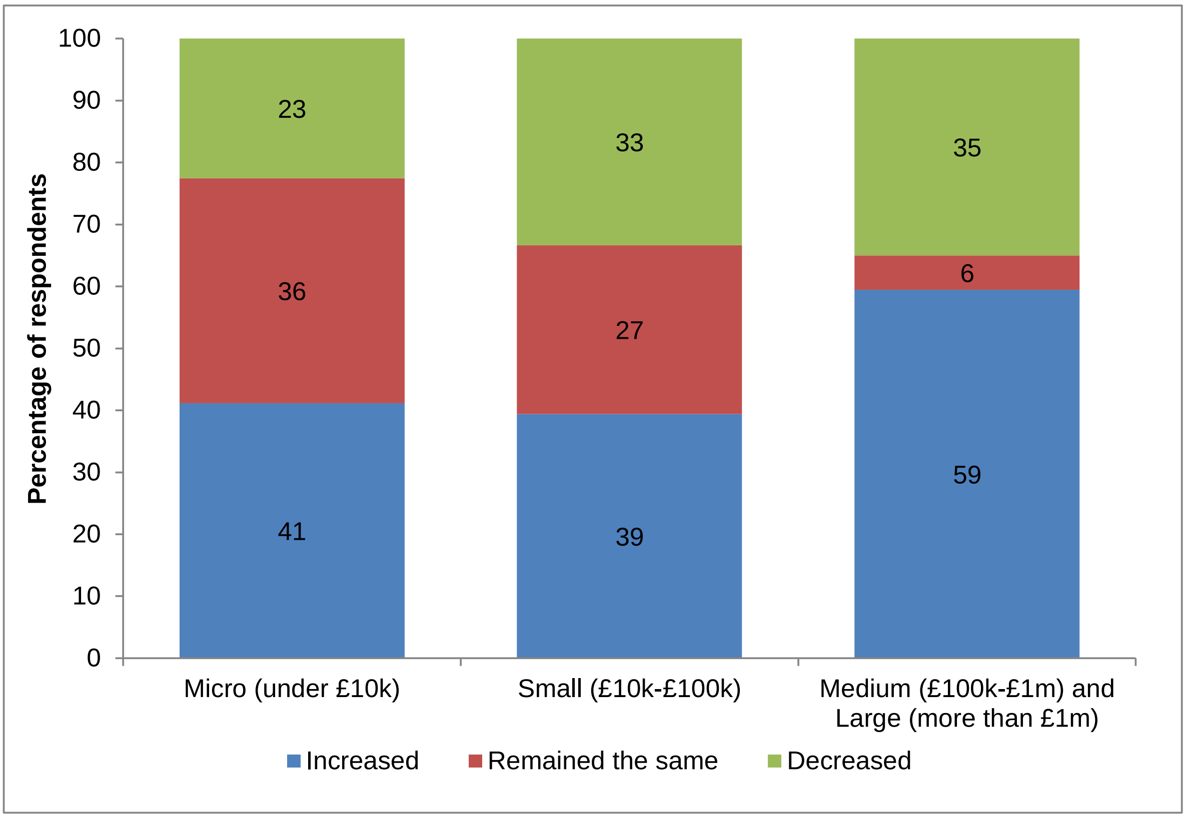
Collectively, the data indicates that the sustainability of medium and large sized organisations is of particular concern: 59 per cent reported increasing their expenditure in the past 12 months but only 30 per cent increased their income. This is outlined in more detail for all sizes of organisations in figures 4.9a and 4.9b overleaf.

**Figure 4.9a: Change in income in the last 12 months by organisation size**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 167, 163, 130
Note: 'cannot say' response has been excluded from the analysis

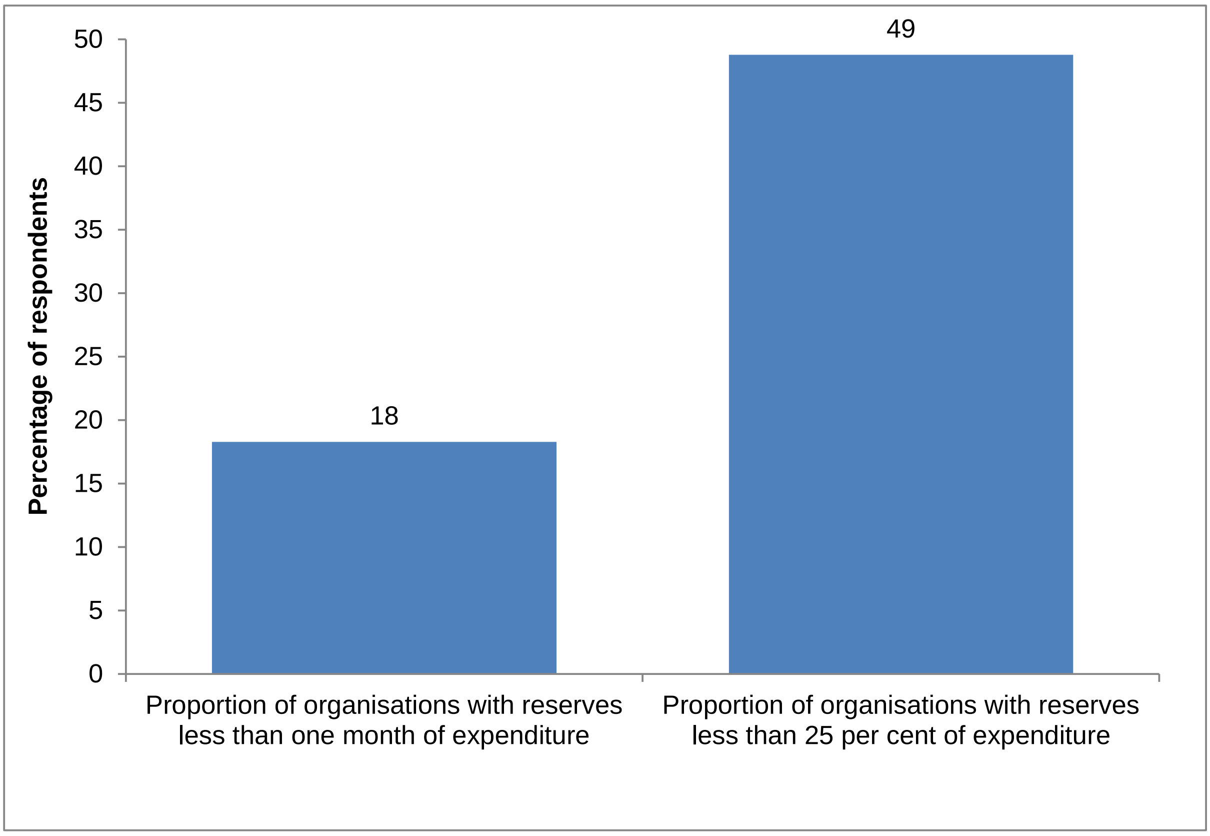
**Figure 4.9b: Change in expenditure in the last 12 months by organisation size**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 167, 163, 130
Note: 'cannot say' response has been excluded from the analysis

Further analysis of the financial reserve levels reported by respondent organisations provides an additional insight in to the financial health of the voluntary sector. Reserves are important as they provide organisations with funds to fall back in the short term should other sources of funding reduce or be withdrawn. They also provide organisations with the flexibility to develop new and innovative activity that might not have attracted external funding from the outset. Organisations with low reserves relative to expenditure are therefore more likely to be restricted in their ability to adapt if key external funding is lost. In order to explore this issue in more detail reserves (2011/12) were calculated as a proportion of expenditure (2011/12) for each respondent. The results are shown in figure 4.10.

**Figure 4.10: Financial vulnerability of organisations in Bolton**




Source: Bolton State of the Sector survey 2010
Base: 82

This shows that **18 per cent had reserve levels of less than one month's expenditure**, and a further 31 per cent had reserves that covered less than three months expenditure. This suggests that almost half of all organisations in the voluntary sector could be vulnerable should their funds be severely reduced or withdrawn. In reality it is likely to be the medium and large organisations in this category that are most at risk: they have greater financial commitments and require higher levels of income to carry out their work.

# 5

# The Workforce

This chapter looks at the human resources employed in the voluntary sector in Bolton: paid staff, work placements and volunteers. The survey asked organisations to record:

- the number of full time equivalent (FTE)[24] members of paid staff that they employ
- the number of FTE people on work placements that are part of their workforce
- the number of volunteers that are part of their workforce, the number of hours each week that they contribute and their broad role type.

To provide context on how the workforce has changed the survey also asked organisations how aspects of their workforce had changed in the 12 months prior to the survey.

## 5.1. How many FTE paid staff are employed in the voluntary sector in Bolton?

Based on the average number of FTE paid staff employed by respondents to the survey across Greater Manchester, and drawing on the assumptions used to estimate the total number of organisations in Bolton, it is estimated that the 1,418 organisations in Bolton employed **1,800 FTE paid staff (2,700 employees)** in 2012/13. This was eight per cent of the estimated total number of FTE paid staff working within the sector in Greater Manchester.

Gross Value Added (GVA), the value of goods and services produced, is a key measure of the economic contribution of organisations or sectors. It can be estimated for paid employees working in Bolton organisations by multiplying the number of FTE paid staff by the estimated gross value added (GVA) per FTE employee.[25] From this calculation it is estimated paid employees of Bolton organisations contribute £55.8 million to the economy **per annum**.

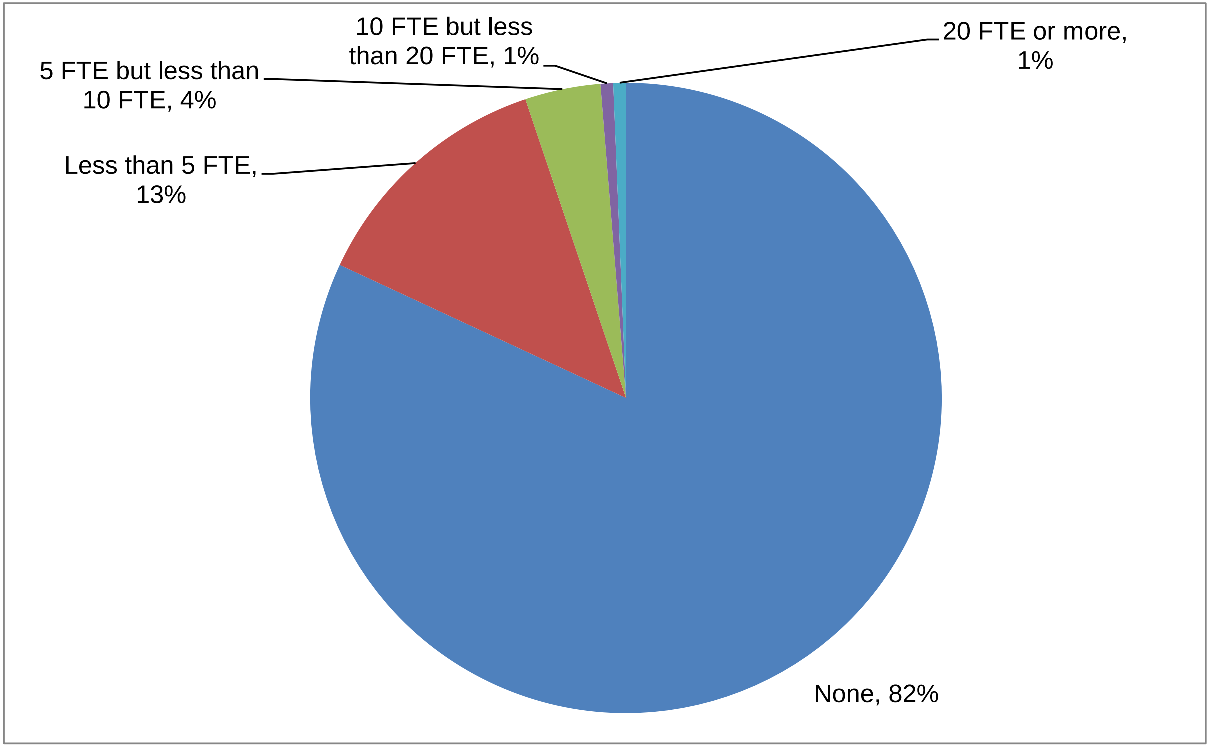
Forty two per cent of FTE paid staff were employed in large organisations with an income of at least one million pounds. In comparison the 1,296 micro and small organisations employed 11 per cent of FTE paid staff.

[24] FTEs are calculated on the basis that one worker in one paid full time job for a year would be one FTE and if that person worked half time they would be 0.5 FTE.
[25] This study used North West GVA per employee averaged across the following three sectors: public administration and defence, education and health and social work ONS

Figure 5.1 presents a breakdown of responding organisations by the number of FTE paid staff they employed. Over four fifths of organisations (82 per cent) did not employ any paid staff. At the other end of the spectrum just two per cent of organisations employed 10 or more.

Compared with the Greater Manchester sample as a whole, a far lower proportion of organisations within Bolton had FTE paid staff: 12 per cent in Bolton compared with 36 per cent in Greater Manchester. Also of note eight per cent of Greater Manchester organisations had 10 FTE paid staff or more compared with just two per cent within the Bolton sample.

**Figure 5.1: Organisations by numbers of FTE paid staff**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 155

## 5.2. How many FTE work placements are employed in the voluntary sector in Bolton?

Around one in ten (nine per cent) of responding organisations reported that part of their workforce were on work placements (e.g. students or trainees). Furthermore, no organisation had work placements that contributed more than ten FTE hours a week. Similar to the previous section, survey responses can be extrapolated to the total number of organisations thought to be operating in the voluntary sector in Bolton to provide an estimate of the total number of FTE work placements in the voluntary sector. From this calculation there were **an estimated 170 FTE work placements** contributing to the workforce in Bolton in 2012/13. This was nine per cent of the estimated total across Greater Manchester.

## 5.3. How many volunteers are part of the voluntary sector workforce in Bolton and what is their economic contribution?

This section assesses the contribution of volunteers to the voluntary sector in Bolton.

Based on responses to the survey across Greater Manchester on numbers of volunteers and the hours which they contribute, and drawing on the assumptions used to estimate the total number of organisations in Bolton, it is estimated:

- **32,300 volunteers** were part of the sector's workforce in Bolton in 2012/13; this represents 12 per cent of Bolton's total population (277,300)[26] and ten per cent of the estimated total for Greater Manchester organisations
- these volunteers provided an estimated **100,900 hours of their time per week**; this was ten per cent of the estimated number of volunteer hours for all Greater Manchester organisations.

There are two broad approaches to valuing the contribution of volunteers. One method, and this study's preferred approach, is to value the output that they produce. In effect this is the value to society of the goods and services that volunteers produce. This can be estimated by multiplying the number of FTE volunteers by the estimated gross value added (GVA) per FTE employee[27]. From this calculation, assuming there were 1,418 organisations in the voluntary sector in Bolton, **the economic contribution of volunteers is estimated to be £90.4 million per annum[28]**.

The use of estimated GVA per FTE employee to measure the value of the output produced by volunteers assumes that paid employees would not be used in the absence of volunteers to produce the same level of goods and services. In such a situation the value of output is the value of the labour input (wages and benefits) plus the value of the capital input (for example office space and computers). If paid employees would be used to produce the same level of goods and services then the value of capital input would be borne whether or not volunteers were used. Therefore value of the output from volunteers would be just the value of the labour input. This value would be roughly equivalent to the value estimated from the input method of valuation which is outlined in the next paragraph.

In the second method, the value of the input of volunteers is used to value the contribution of volunteers[29]. This is the amount that it would cost to pay employees to do the work carried out by volunteers. As such, this can be considered to be the benefit to organisations[30]. However, this benefit might also be passed onto society via lower prices for goods and services due to lower costs of production. The input value of volunteers can be calculated by multiplying the number of hours that volunteers give per week by an estimate of how much it would cost to employ someone to do that work. There are a number of widely accepted hourly rates that could be used to estimate this value; these include: the national minimum wage, the local median wage, the local mean wage and the reservation wage. The latter, the hourly rate associated with the actual role of volunteers is the preferred option; however incomplete responses to the breakdown of volunteers by their role

[26] It is likely that a number of these volunteers could be the same person volunteering for multiple organisations; additionally, residents from outside of Bolton volunteering within Bolton; and conversely there will be Bolton residents volunteering for organisations outside of Bolton

[27] This study used North West GVA per employee averaged across the following three sectors: public administration and defence, education and health and social work ONS

[28] Please note currently the work of volunteers is not included within official GVA figures

[29] This is the approach recommended by Volunteering England

[30] This assumes that there are no additional costs faced by organisations in using volunteers: for example extra management costs

prevented an accurate calculation using this method. Therefore the preference in this study has been to provide a range using the national minimum wage (low estimate) and the local median wage (high estimate). In reality the true value of the input provided by volunteers will lie between the two estimates. Given the results to the survey it is estimated that:

- assuming the national minimum wage for adults[31] it would cost **£32.5 million annually to employ staff to do the work provided by volunteers in Bolton organisations**
- assuming the median gross hourly wage for full time employees in the North West[32] it would cost **£62.6 million annually to employ staff to do the work provided by volunteers in Bolton organisations.**

Figure 5.2 presents a breakdown of survey responses by the number of volunteers that they use. It shows:

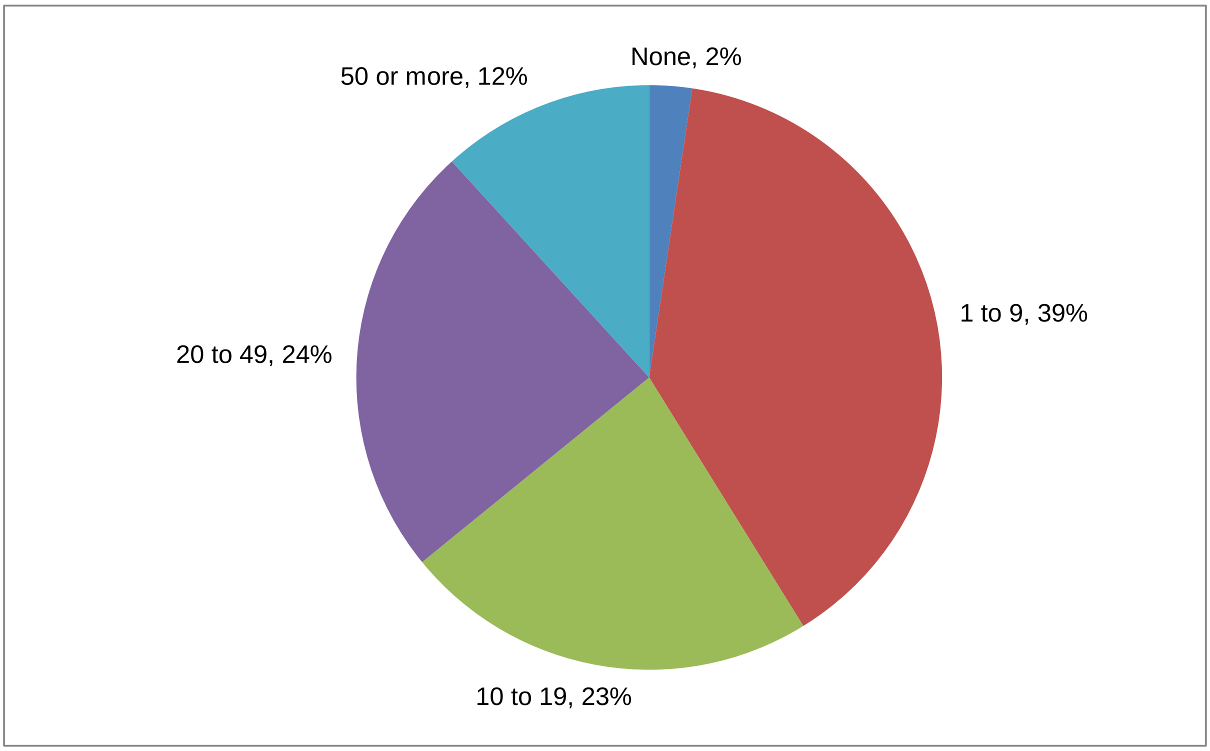
- just two per cent of organisations reported having no volunteers
- 39 per cent of organisations had between one and nine volunteers
- 23 per cent of organisations had between ten and 19 volunteers
- 24 per cent of organisations had between 20 and 49 volunteers
- just over one in ten organisations (12 per cent) had 50 or more volunteers.

This pattern was largely representative of the picture for organisations across Greater Manchester as a whole, where:

- one per cent of organisations had no volunteers
- 31 per cent of originations had one to nine volunteers
- 26 per cent of organisations had ten to 19 volunteers
- 27 per cent of organisations had 20 to 49 volunteers
- and 14 per cent of organisations had more than 50 volunteers.

[31] £6.19 for 21 years and older in 2012
[32] £11.94 for 2012

**Figure 5.2: Organisations by numbers of volunteers**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 155

Assessment of the breakdown of volunteers by job role reveals:

- 25 per cent of volunteers were in management roles, including committee/board members
- 11 per cent of volunteers were in administrative roles
- 62 per cent of volunteers were in roles delivering services.

## 5.4. How has the sector's workforce changed in the last 12 months?

The final part of this chapter reports on how respondents perceived three aspects of their workforce have changed in the past 12 months. The survey asked respondents whether the following aspects of their organisations workforce had 'increased', 'stayed the same' or 'decreased' in the last 12 months:

- the total number of paid employees
- the total number of work placements
- the total number of volunteers.

Figure 5.3 presents the results to these questions, the key findings of which are:

***Paid employees:***

- nearly 80 per cent of organisations employed a similar number of paid employees to a year ago
- of organisations reporting a change more organisations reported a decrease in paid staff (13 per cent) than an increase (eight per cent)

- across Greater Manchester 17 per cent of organisations reported an increase in their number of paid employees; the same percentage reported a decrease.

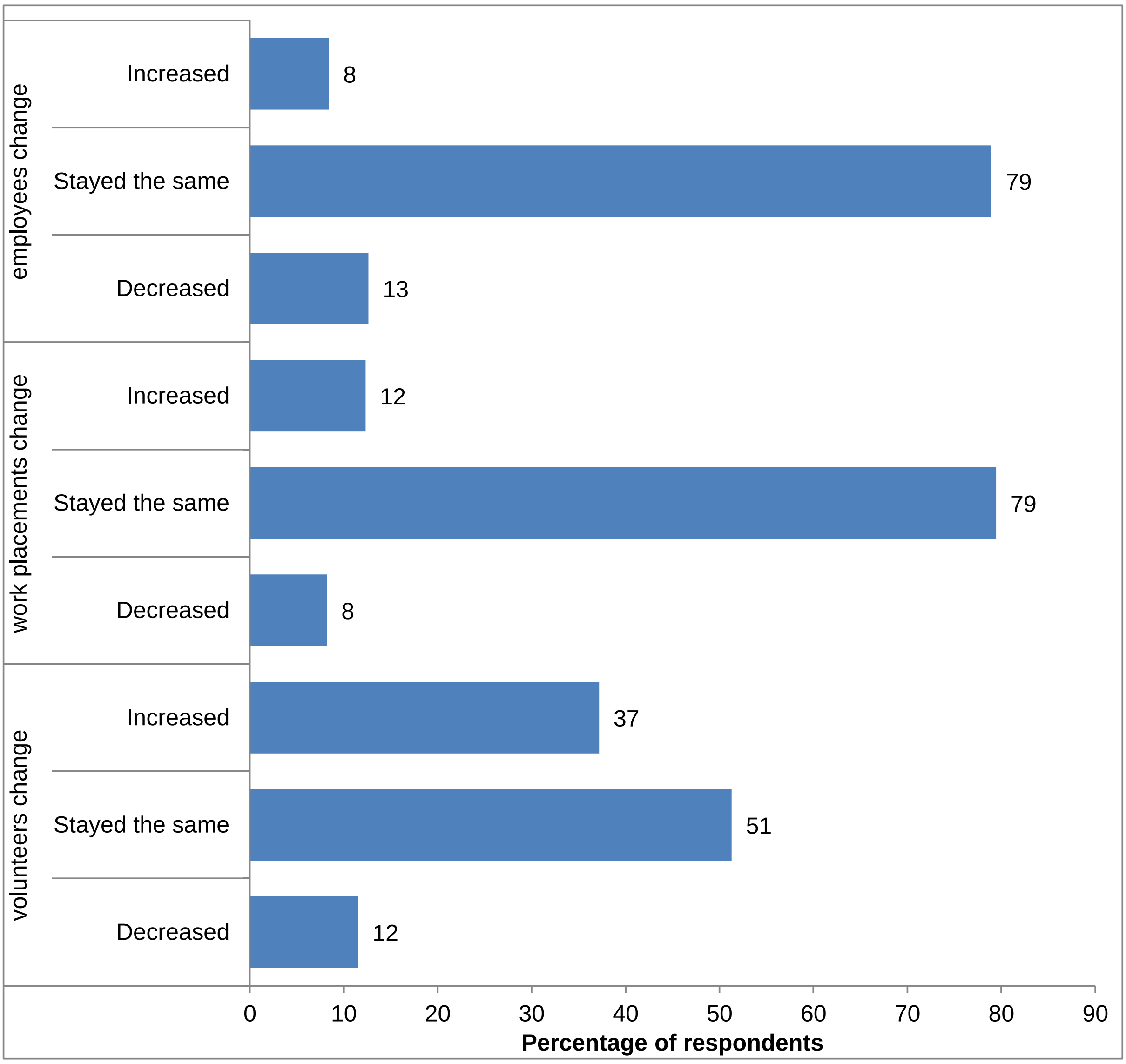
***Work placement:***

- 12 per cent of respondents reported an increase in their number of work placements over the previous year
- fewer organisations (eight per cent) reported a decrease in the past year
- 14 per cent of Greater Manchester organisations reported an increase in their number of work placements compared with 8 per cent who reported a decrease.

***Volunteers:***

- 37 per cent of respondents reported increased numbers of volunteers now compared to a year ago; this might have been the result of an increasing number of short term volunteer placements sent from job centres via volunteering centres and those unable to find work, and those that have lost their job turning to volunteering to maintain skills and to gain new ones
- in comparison 12 per cent of organisations reported a decrease in volunteer numbers
- half of organisations reported that their volunteer numbers were the same
- nearly two fifths of Greater Manchester organisations reported an increase in their number of volunteers over the previous year, compared with 11 per cent who reported a decrease.

**Figure 5.3: Change in aspects of the workforce in the last 12 months**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: paid employees (95) work placements (73) volunteers (156)
Note: 'cannot say' response has been excluded from the analysis

6

# Partnership Working: the Public Sector

Chapter 4 revealed the importance of public sector funding for the voluntary sector in Bolton: two fifths of survey respondents received income from public sector bodies to support their work. This chapter considers these relationships in more detail by exploring survey respondent's experiences of partnership working with a range of public sector bodies. It covers the extent of their engagement with key public sector bodies in Bolton, how these statutory agencies perceive and influence their work, and their satisfaction with funding arrangements.

## 6.1. Relationships with local public sector bodies

Survey respondents were asked about the extent of their dealings with each of the main public sector bodies covering the Bolton area. An overview of their responses is provided in figure 6.1, along with the local authority figure for Greater Manchester combined.

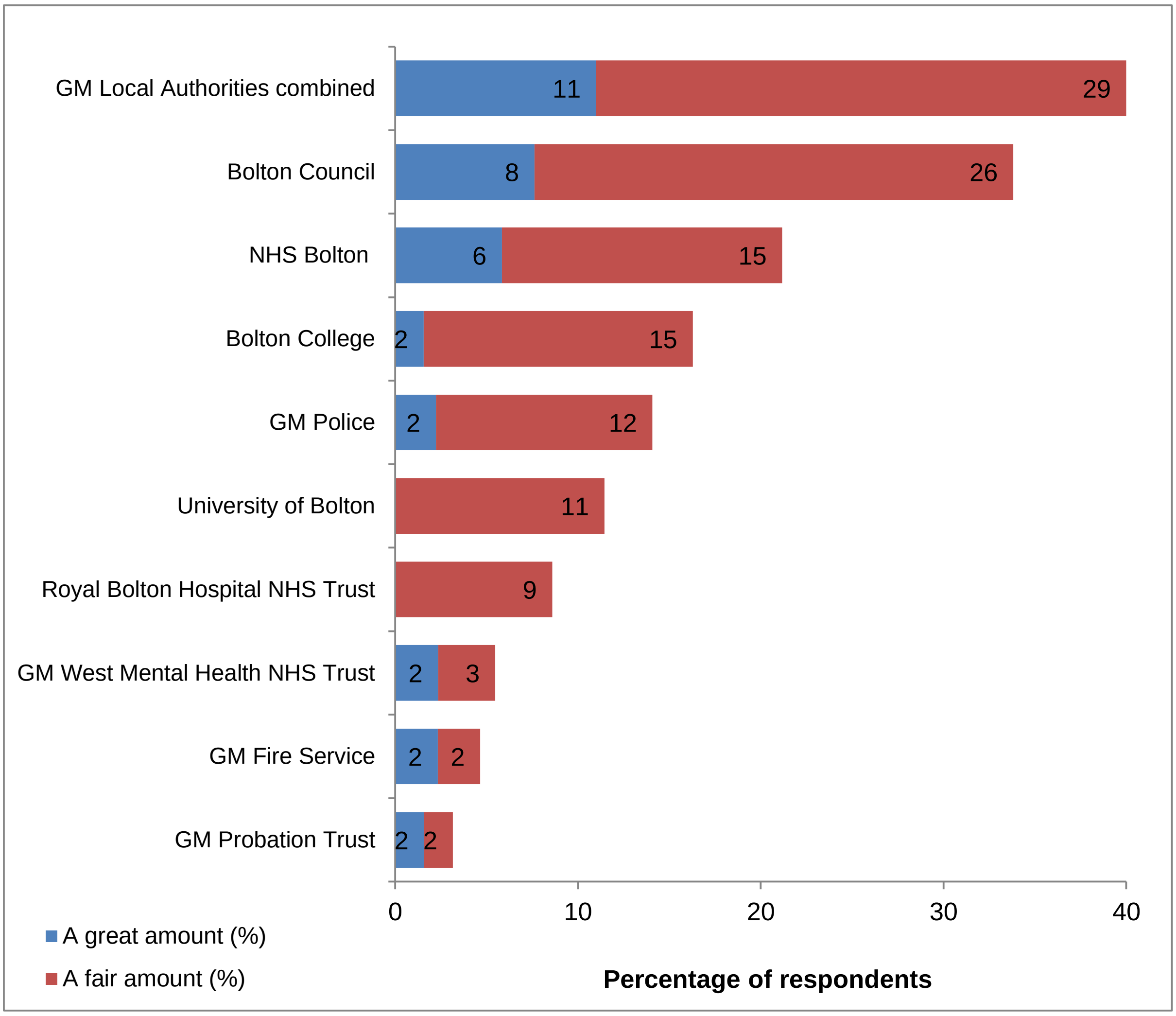
This shows that survey respondents had dealings with a range of local public sector bodies. The three most prominent were Bolton Council, NHS Bolton and Bolton College:

- **Bolton Council**: 72 per cent had some dealings with the Council; including 26 per cent who had a 'fair amount' of dealings and eight per cent who had a 'great amount' of dealings
- **NHS Bolton (Primary Care Trust):** 42 per cent had some dealings with NHS Bolton; including 15 per cent who had a 'fair amount' of dealings and 6 per cent who had a 'great amount' of dealings
- **Bolton College:** 39 per cent had some dealings with the college; including 15 per cent who had a 'fair amount' of dealings and 2 per cent who had a ‘great amount’ of dealings.

Local authorities consistently emerged as the most prominent public sector contact for respondents to this study across Greater Manchester. Overall, 11 per cent of respondents said they had a 'great amount' of dealings with their local authority and 29 per cent said they had a 'fair amount'. Although the Bolton figure is slightly lower than this it is broadly consistent with similar boroughs, such as Wigan, where 27 per cent of respondents had a 'fair amount' and eight per cent had a 'great amount' of contact.

By contrast, in the two cities of Greater Manchester (Manchester and Salford), higher proportions of respondents had frequent dealings with the local authority. Variations by area are discussed in more detail in the Greater Manchester survey report.

**Figure 6.1: Dealings with local public sector bodies**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 127-210

## 6.2. Relationships with local public sector bodies

The previous section highlighted the central importance of Bolton Council, NHS Bolton, and Bolton College to the voluntary sector's work. The relationship between voluntary organisations and their local public sector partners is therefore important to their ability to operate effectively. To this end survey respondents were asked about the quality and effectiveness of their relationships with key public sector bodies. The questions covered the extent to which respondents said each public sector body:

- valued their organisation's work
- understood the nature and role of their organisation
- respected their organisation's independence
- informed their organisation about the issues which affected them or were of interest to them

- consulted their organisation about issues which affected them or were of interest to them
- involved their organisation appropriately in developing and carrying out policy on issues which affected them
- acted upon their organisation's opinions and/or responses to consultations.

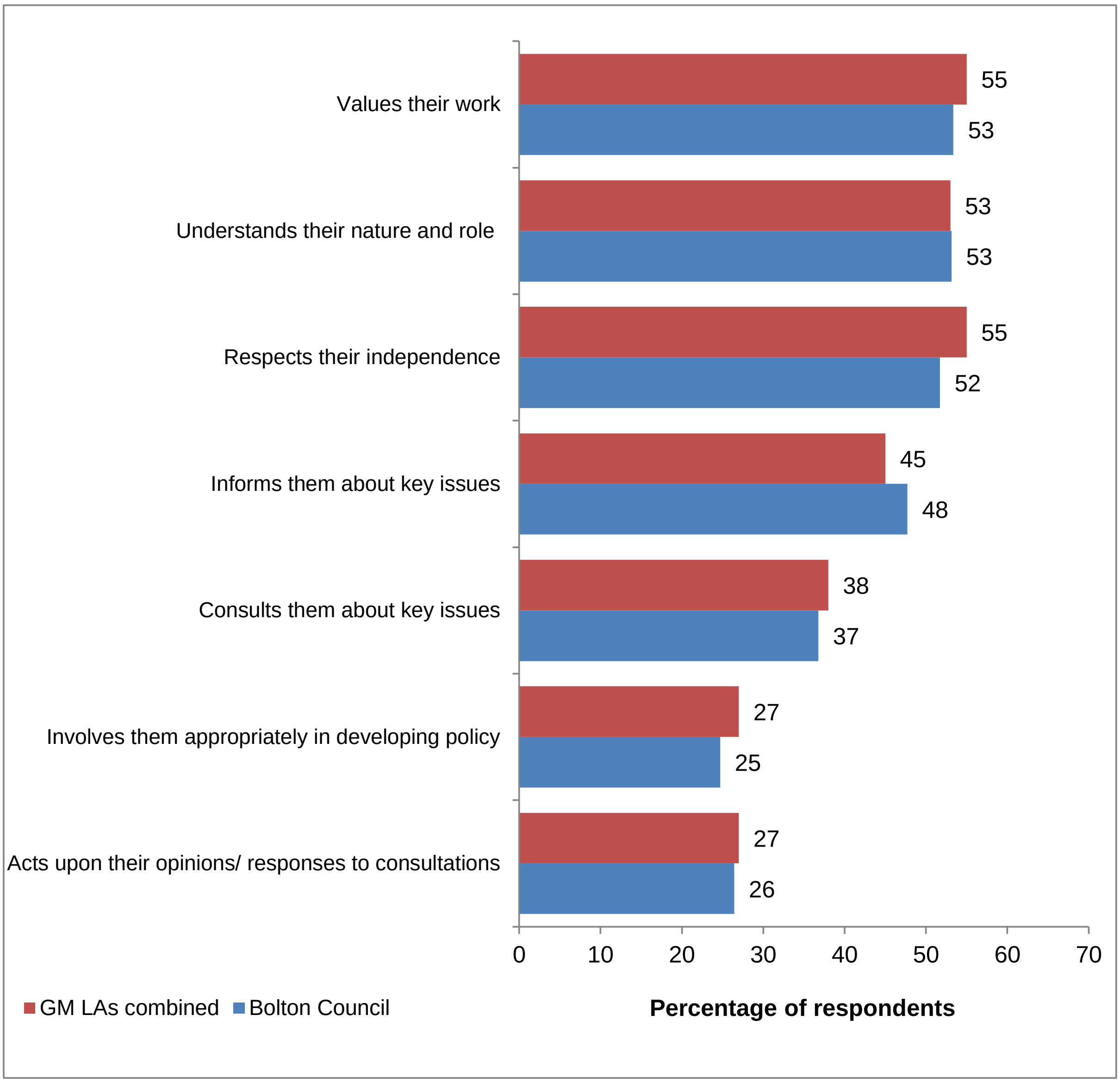
Respondents were asked to provide an answer for Bolton Council and their most frequent contact from the list of other public sector bodies. The results of each question are summarised in figures 6.2a and 6.2b. A comparison with the Greater Manchester average is also provided.

Figures 6.2a and 6.2b show that the voluntary sector's experiences of working in partnership with local public sector bodies were quite mixed:

- **valuing their work:** 53 per cent of respondents said that Bolton Council valued the work they did. In addition, 64 per cent of respondents said that their most frequent other public sector contact valued their work
- **understanding their role:** 53 per cent of respondents said that Bolton Council understood the role and nature of their organisation's role. In addition, 68 per cent of respondents said that their most frequent other public sector contact understood their role
- **respecting their independence:** 52 per cent of respondents said that Bolton Council respected their organisation's independence. In addition, 61 per cent of respondents said that their most frequent other public sector contact respected their independence
- **informing about key issues:** 48 per cent of respondents said that Bolton Council kept their organisation informed about issues which affected them or were of interest to them. In addition, 54 per cent of respondents said that their most frequent other public sector contact kept them informed
- **consulting about key issues:** 37 per cent of respondents said that Bolton Council consulted their organisation about issues which affected them or were of interest to them. In addition, 45 per cent of respondents said that their most frequent other public sector contact consulted them
- **involving in policy development:** 25 per cent of respondents said that Bolton Council involved their organisation appropriately in developing and carrying out policy on issues which affected them. In addition, 40 per cent of respondents said that their most frequent other public sector contact involved them in policy development
- **acting on their views:** 26 per cent of respondents said that Bolton Council acted upon their organisation's opinions and/or responses to consultations. In addition, 43 per cent of respondents said that their most frequent other public sector contact acted on their views.

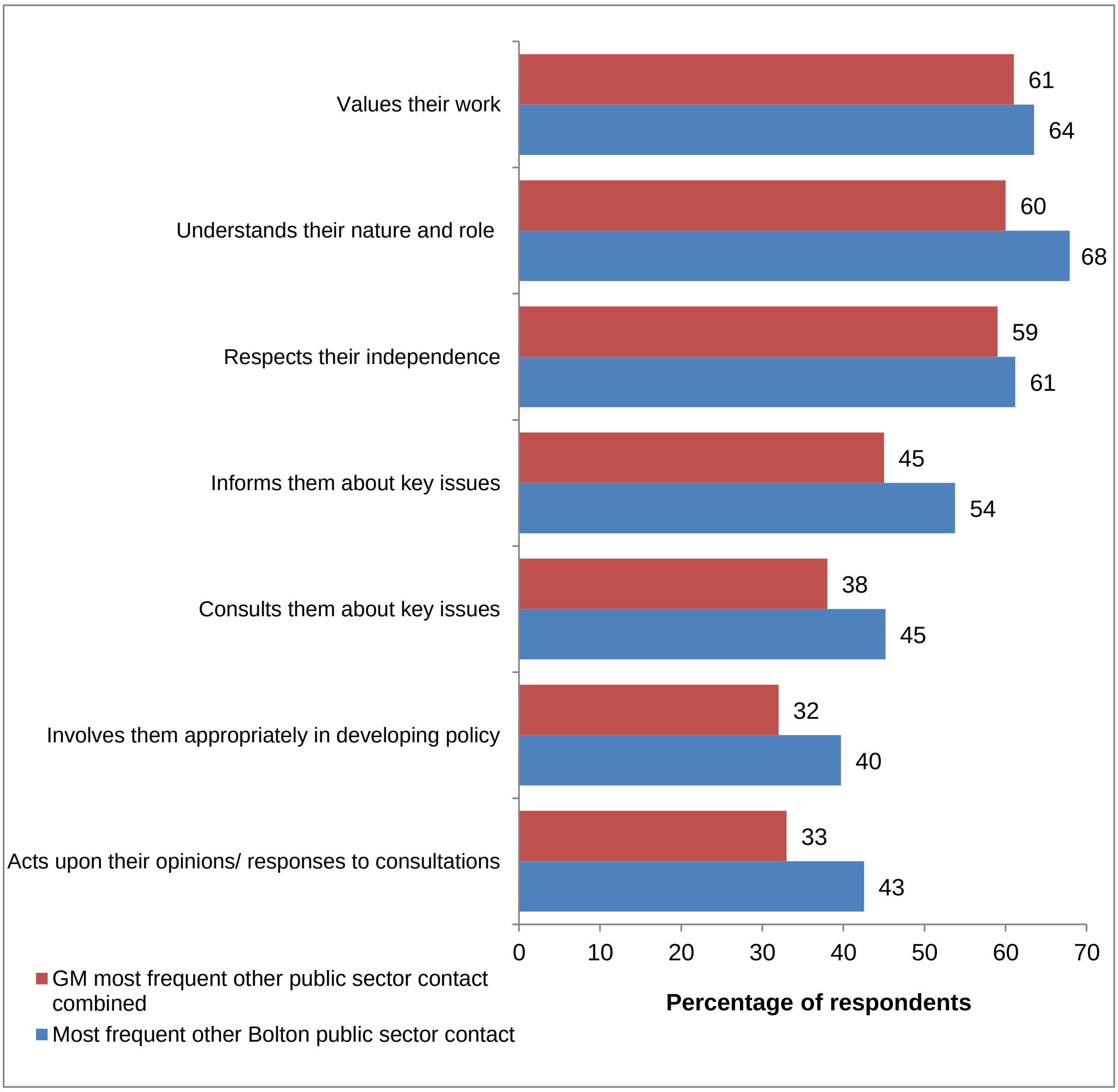
This suggests an overall trend in which the voluntary sector's experience of working with Bolton Council was less positive than with other local public sector bodies. However, this trend was reflected across Greater Manchester and the views of Bolton respondents were broadly comparable with the Greater Manchester combined figures, both for the local authority and other most frequent public sector contacts. **Importantly, respondents to this survey were considerably more positive about their relationship with the public sector than the 2010 national survey.**

**Figure 6.2a: Relationships with Bolton Council**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 174-178

**Figure 6.2b: Relationships with other most frequent public sector contact**

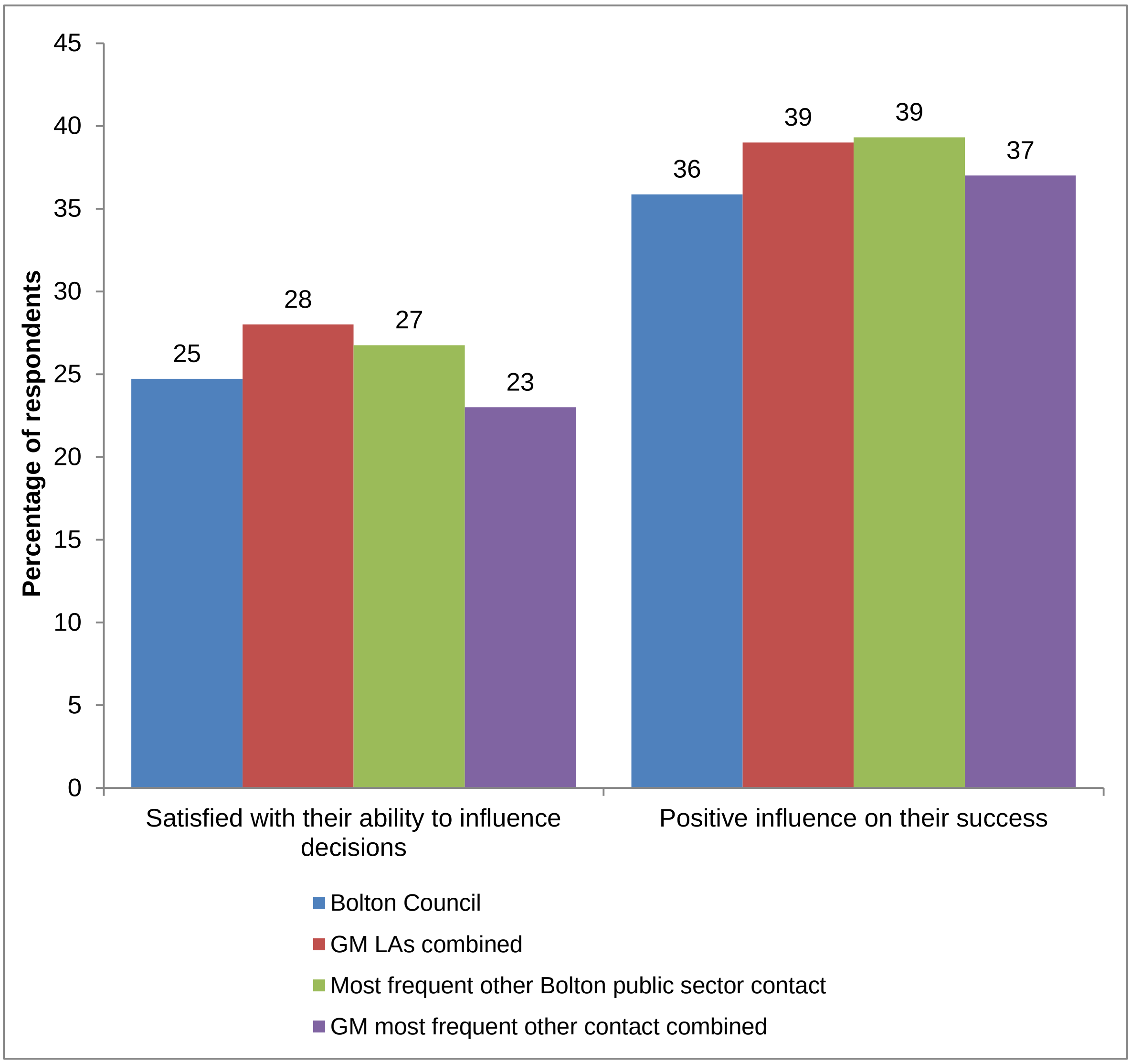



Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 174-178

The survey findings regarding relationships with local public sector bodies are reinforced by responses to two further questions which asked the extent to which organisations were satisfied with their ability to influence public sector decisions of relevance to their organisation and the extent to which they thought local statutory bodies influenced their success[33]. The results of these questions are summarised in figure 6.3. A comparison with the Greater Manchester average is also provided.

[33] This latter measure was used in 2008 and 2010 to provide evidence of local authority performance against 'National indicator 7: the environment for a thriving third sector'. It therefore provides an important national benchmark against which local sector relationships can be judged.

**Figure 6.3: Proportion of organisations who said they were satisfied with their ability to influence public sector decisions of relevance to their organisation and who said local public sector bodies influence their organisation's success**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 182 / 184

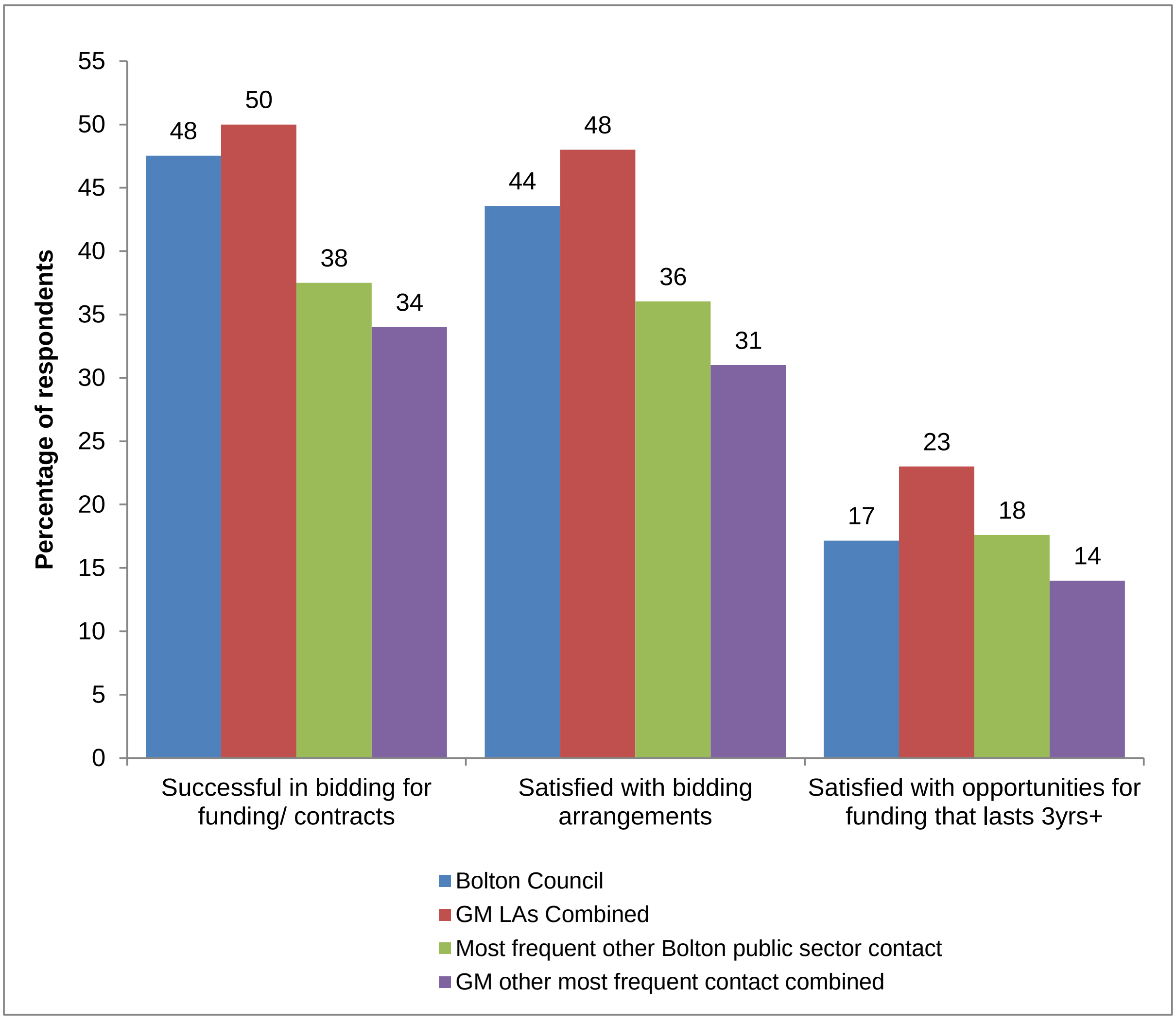
This shows that 25 per cent of respondents were satisfied with their ability to influence Bolton Council decisions of relevance to their organisation and 36 per cent said that the council had a positive influence on their organisation's success. This is broadly consistent with the Greater Manchester combined figures and considerably higher than the national average.

In addition, 27 per cent of respondents said they were satisfied with their ability to influence key decisions of their most frequent other public sector contact and 39 per cent said this contact had a positive influence on their success. Again, this is broadly consistent with the Greater Manchester combined figures.

## 6.3. Funding from local public sector bodies

Respondents were also asked to reflect on their experiences of public sector funding in terms of how successful they had been; how satisfied they were with bidding arrangements; and how satisfied they were with the level of opportunity to bid for long-term funding. The responses are illustrated in figure 6.4 and are split between perceptions of Bolton Council and of organisations' most frequent other public sector contact. A comparison with the Greater Manchester average is also provided.

**Figure 6.4 Experiences of bidding for funding and contracts with the public sector**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 169-183

This shows that 48 per cent of respondents were successful in bidding for contracts with Bolton Council compared to a 38 per cent success-rate with other public sector bodies. 44 per cent were satisfied with bidding arrangements for Bolton Council contracts and 36 per cent for their most frequent other public sector contract. 17 per cent were satisfied with the opportunities for funding or contracts with Bolton Council that last three years or longer; and 18 per cent felt the same for their most frequent other public sector contact.

## 6.4. Qualitative perspectives on local public sector bodies

Following on from quantitative questions regarding the nature of respondents' relationships with local public sector bodies, respondents were also asked to provide further qualitative (i.e. written) information about these relationships. Positive comments tended to reflect the role of funding streams or council contracts in maintaining or strengthening the provision of organisations:

> *“Bolton council have funded us for the past few years and appreciate the work we do. We tend to work closely with them and we have a good relationship with them. Without the funding from them our work would not be possible.”*

> *“Without the support of these organisations it would be impossible to continue with our aims and objectives.”*

> *“NHS Bolton have been supportive in funding a post within our organisation for approximately 15 years and assisting us to access (service users) in health settings.”*

Non-financial forms of support such as provision of training, advice and facilities were also important to survey respondents:

> “*(Our work) relies on the Council's official approval and support in order that we gain accreditation. Councillors and council officials are supportive in this.*”

> *“They offer us a considerable amount of training. They help with equipment required for a successful fun day each year.”*

> *“Bolton Council Arts Development Officers have been very supportive since the organisation has started and have supported our work to develop.”*

> *“We have a very good relationship with all the council officers with whom we come into contact and get positive responses. The relationship with councillors both in (the local wards) is very positive indeed and greatly valued by us.”*

However, the impact of reduced public sector capacity both in terms of funding and ability to offer wider support meant that relationships between the voluntary sector organisations and the public sector were becoming more distant:

> *“There have been issues regarding funding and this is likely to become worse over coming months due to on-going cuts. However, Council has funded our service for (a long time) and has overall helped us to promote our service. The concern at present is how local voluntary sector services are being squeezed and vying for the ever-reducing monies available from the Council.”*

> *“Little understanding on the way Bolton Council support local groups. The council seems to be a distant entity because of the Government cuts, the Council has become a dominant figure, should become more transparent.”*

More generally, some respondents felt that public bodies did not understand the role of voluntary organisations and that communication between the two sectors could be improved. This included a need for a more strategic approach to working together:

> *“Only complaint is that there's not a joined up approach to sports between schools/ the council and voluntary clubs which means facilities and opportunities are lost and participation is not maximised. Action plans need to be created which link clubs to local schools.”*

# 7

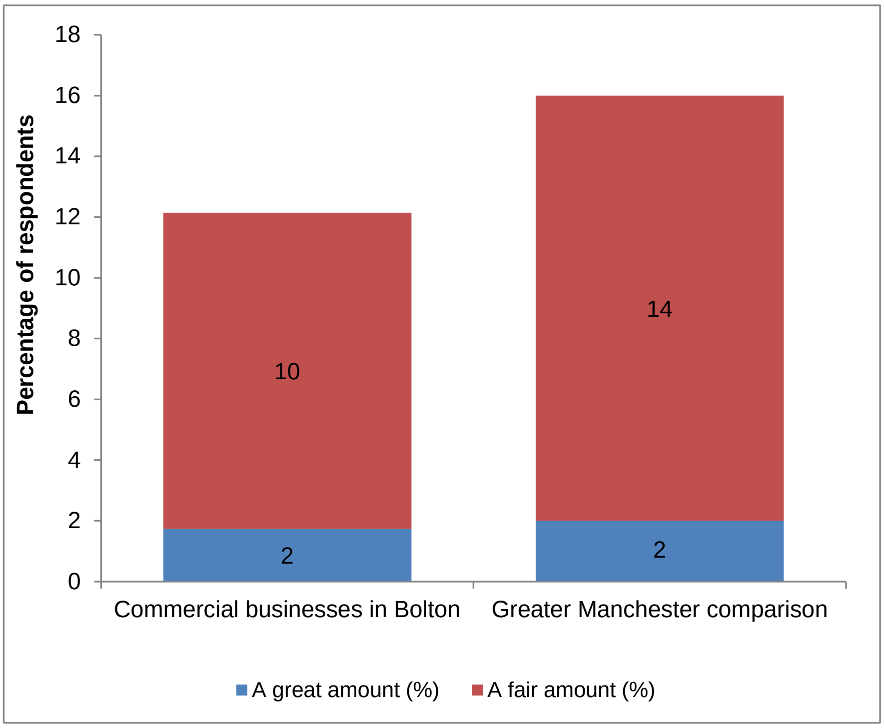
# Partnership Working: Commercial Businesses

The previous chapter explored respondents' experiences of partnership working with public sector bodies. This chapter moves on to explore their experiences of working with the commercial sector. This is new territory for many voluntary and community organisations: chapter 4 revealed that only 8 per cent of survey respondents received any income through business donations. However, relationships with the commercial sector will become more important as funding from public sector, charitable and philanthropic sources reduces. Survey respondents were asked about their dealings and experiences of working with commercial businesses in Bolton.

## 7.1. Working with commercial businesses

Survey respondents were asked to indicate the extent to which they had direct dealings with commercial businesses in Bolton. 45 per cent reported that they had some direct dealings, with 12 per cent having a 'great' or 'fair' amount of contact. This is slightly lower than the average for Greater Manchester as a whole (figure 7.1).

**Figure 7.1: Extent of direct dealings with commercial businesses**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 155

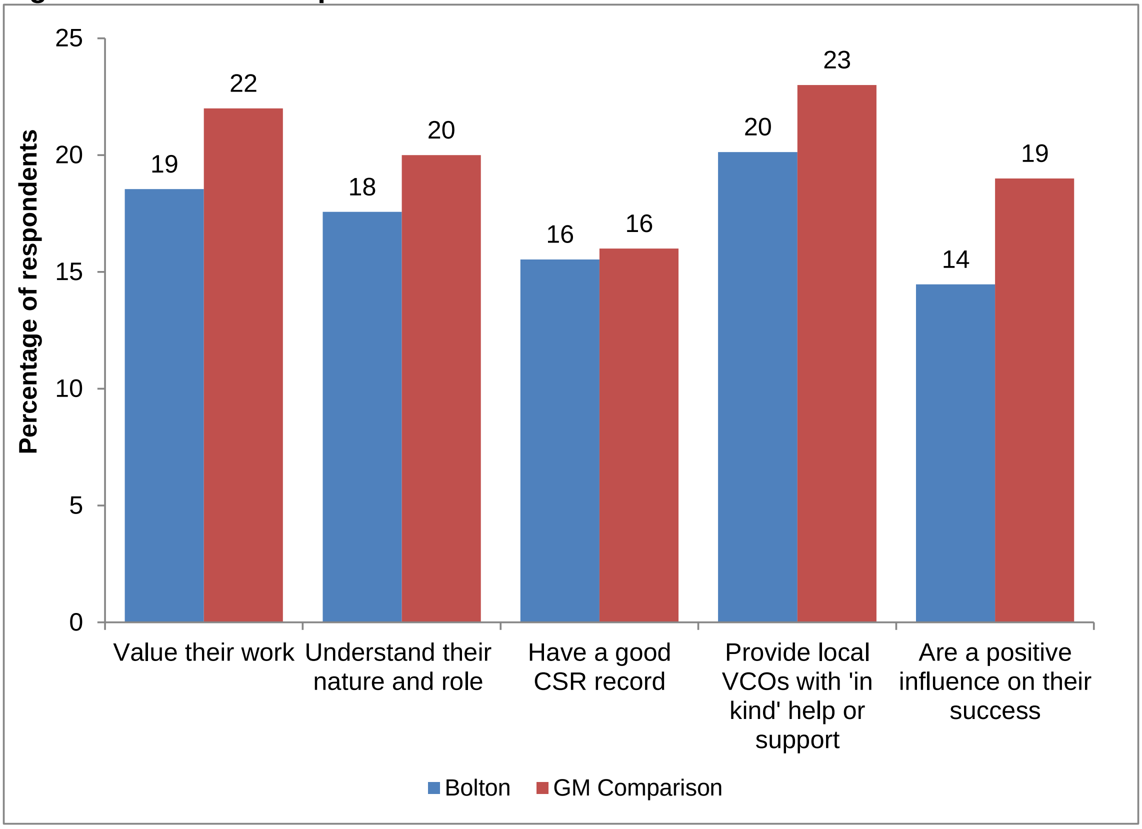
As with public sector bodies, survey respondents were also asked about their perceptions of commercial businesses. They were asked to indicate the extent to which they thought that commercial businesses:

- valued their organisation's work
- understood the nature and role of their organisation
- had a good record in terms of corporate social responsibility
- provided local voluntary and community organisations/groups with 'in kind' help and/or support.

The results, including a Greater Manchester comparison, are summarised in figure 7.2. This shows that, compared to perceptions of public sector bodies (see figure 6.2), and the average from respondents across Greater Manchester, survey respondents had less positive perceptions of commercial businesses in Bolton:

- 19 per cent of respondents felt that commercial businesses **valued their work**
- 18 per cent of respondents felt that commercial businesses **understood the nature and role of their organisation or group**
- 16 per cent thought that commercial businesses in Bolton had a good record on **corporate social responsibility**
- 20 per cent felt that commercial businesses provided local voluntary organisations with **'in kind' help or support**
- taking all things into account, just 14 per cent of survey respondents felt that the commercial business community in Bolton was a **positive influence on their organisation's success**.

**Figure 7.2: Relationships with commercial businesses**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 150-151

## 7.2. Working with commercial businesses

Respondents were asked to comment qualitatively about their relationships with local businesses. Organisations had less engagement with commercial businesses on the whole than with the public sector and voluntary sector, which was reflected in the majority of comments, but there was a feeling that this needed to change:

> *"We need to be more proactive in approaching local businesses. This is an area which is new to us."*

> *"We have very little contact with commercial business in Bolton and would like to have more. We think that local companies don't necessarily understand the kind of work we do."*

> *"We have very limited experience of dealing with commercial businesses so far but are currently starting to work with a [group of local businesses], looking at ways we can jointly develop new cultural activities that will benefit the community, give our organisation a chance to pilot new ideas and increase footfall for the traders. This venture will give us a better understanding of local commercial businesses and their attitudes to ourselves and other 3rd sector orgs. So far they are very keen on working collaboratively and supportive of our aims and objectives. We have seen examples of businesses supporting 3rd sector orgs through the CVS scheme which was demonstrated at their AGM and it seemed really positive. We would like to know more about building links with local businesses."*

For some respondents the lack of links was owing to businesses not understanding the role of voluntary sector organisations and an over-riding concern for profit:

> *"The experience of approaching one organisation was fairly negative - as in it's OK to have their name all over the football stadium but as a small disability sports group we don't have a big public profile. For business there is a fairly clear quid pro quo approach."*

Where organisations did have links with businesses, this tended to be in the shape of *ad hoc*, small scale donations and support:

> *"Sponsorship helps to provide funds to supply junior players with kits."*

> *"When approached local companies have donated towards raffles and for other social activities."*

> *"We have a particularly good arrangement with and support from [a large business] who have supported us with materials in kind, prizes for competitions and joined in with some of our activities and invited us to join in with theirs. (Community Litter Picking arranged by the company, staff assisting at our Christmas Lunches, Bakery Manager judging cake competitions, some of our older members from church invited to the company's Christmas lunch etc.) Our local butcher gives us preferential prices for the food for our weekly breakfasts and discounts the cost of food for our major events."*

8

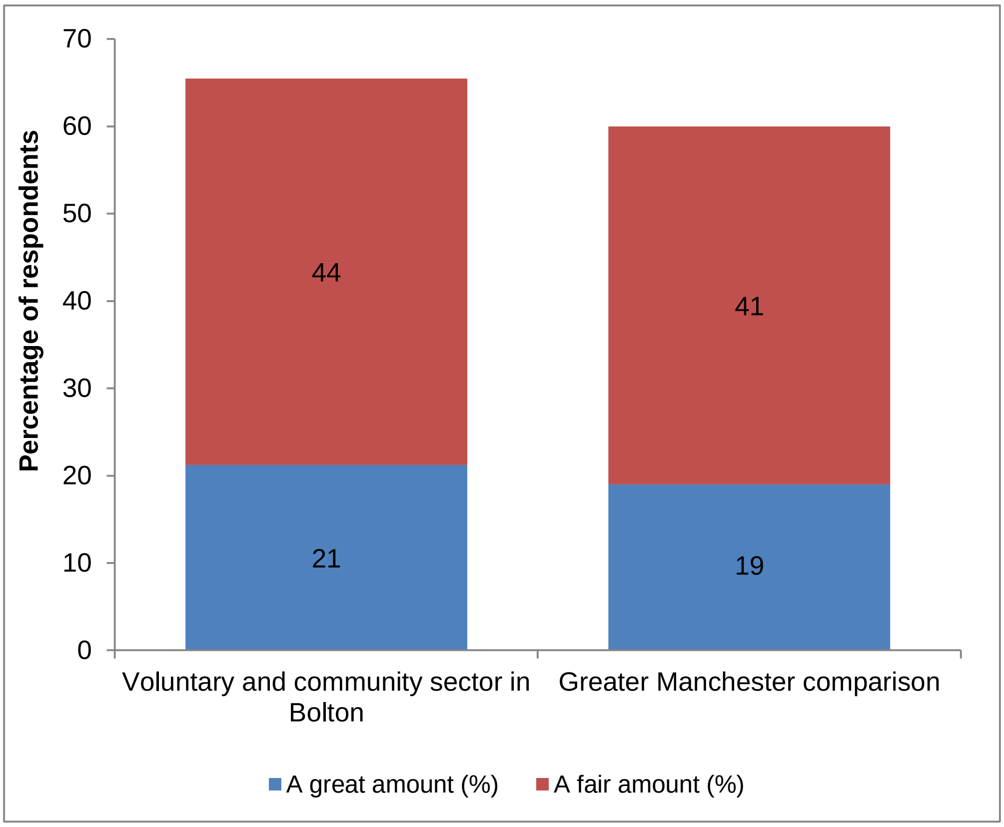
# Partnership Working: Voluntary Organisations and Community Groups

The previous two chapters have explored respondents' experiences of working with organisations from the public and commercial sectors. This chapter discusses survey respondents' views on their work with other voluntary and community sector organisations. This includes working collaboratively with voluntary organisations and community groups and accessing help and advice from local support and development organisations.

## 8.1. Working with other voluntary and community organisations

Survey respondents were asked about the extent to which they had direct dealings with other voluntary and community organisations in Bolton. 85 per cent had some direct dealings with other voluntary and community organisations and 65 per cent had a 'great' or 'fair amount' of contact. This is slightly higher than the figures for Greater Manchester combined, which show that 60 per cent had a 'great' or 'fair amount' of dealings with other voluntary and community organisations.

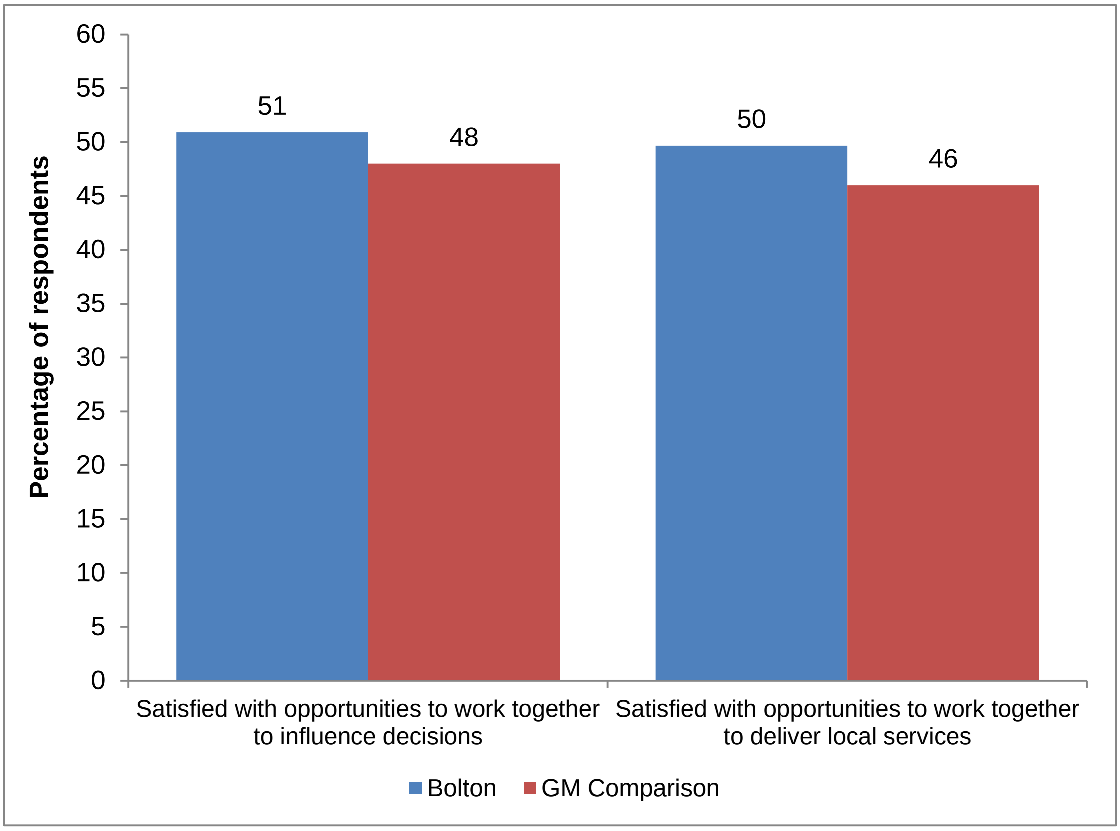
**Figure 8.1 Extent of direct dealings with voluntary and community organisations**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 177

Respondents were asked to reflect on the opportunities they had to work with other voluntary and community organisations in terms of influencing local decisions and delivering local services. Figure 8.2 summarises the responses.

**Figure 8.2 Satisfaction with opportunities to work with voluntary and community organisations**



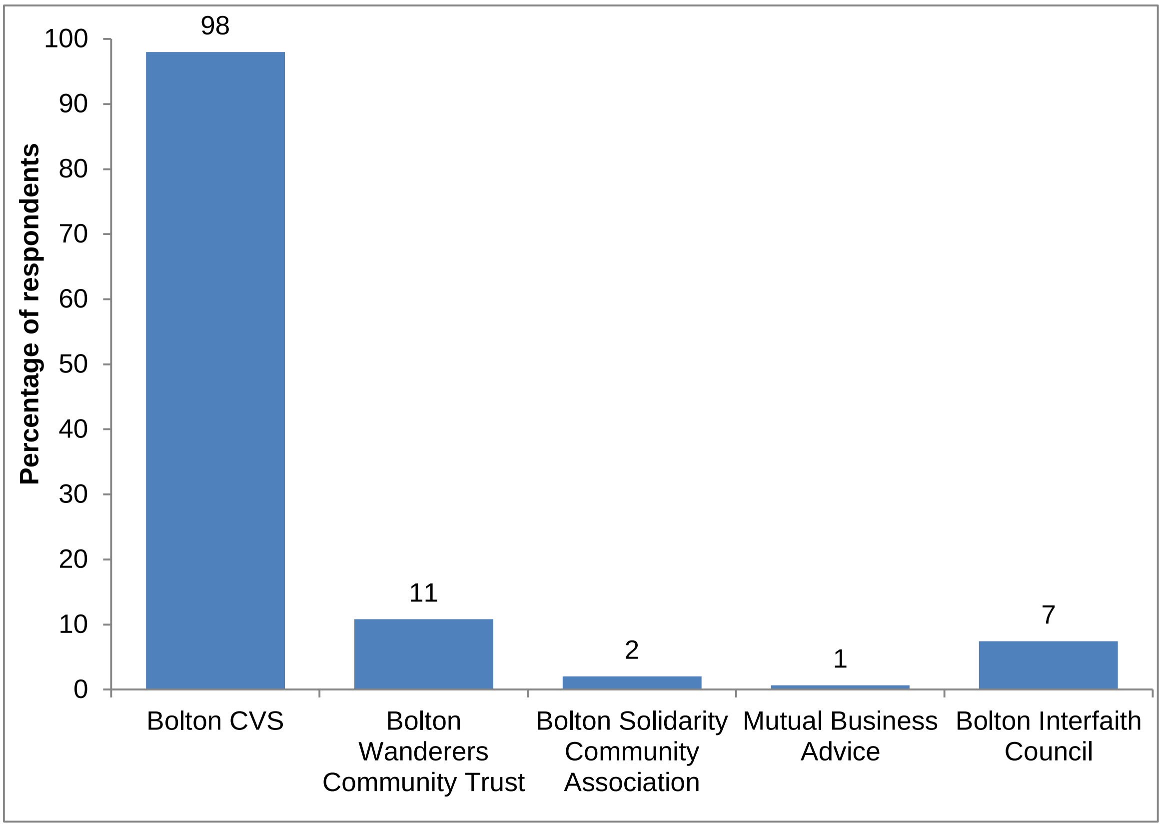

Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 155 / 165

This shows that 51 per cent of respondents were satisfied with the availability of opportunities to influence local decisions and that 50 per cent were satisfied with the availability of opportunities to work together to deliver local services. This is slightly higher than the figures for Greater Manchester combined, which show that 48 per cent were satisfied with opportunities to influence local decisions and that 46 per cent were satisfied with opportunities to work together to deliver local services.

## 8.2. Working with local support and development organisations

Survey respondents were asked if their organisation currently received support from a list of named local support and development organisations based in the Bolton area. The results are summarised in figure 8.3.

**Figure 8.3: Local support and development organisations from which support received**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 148

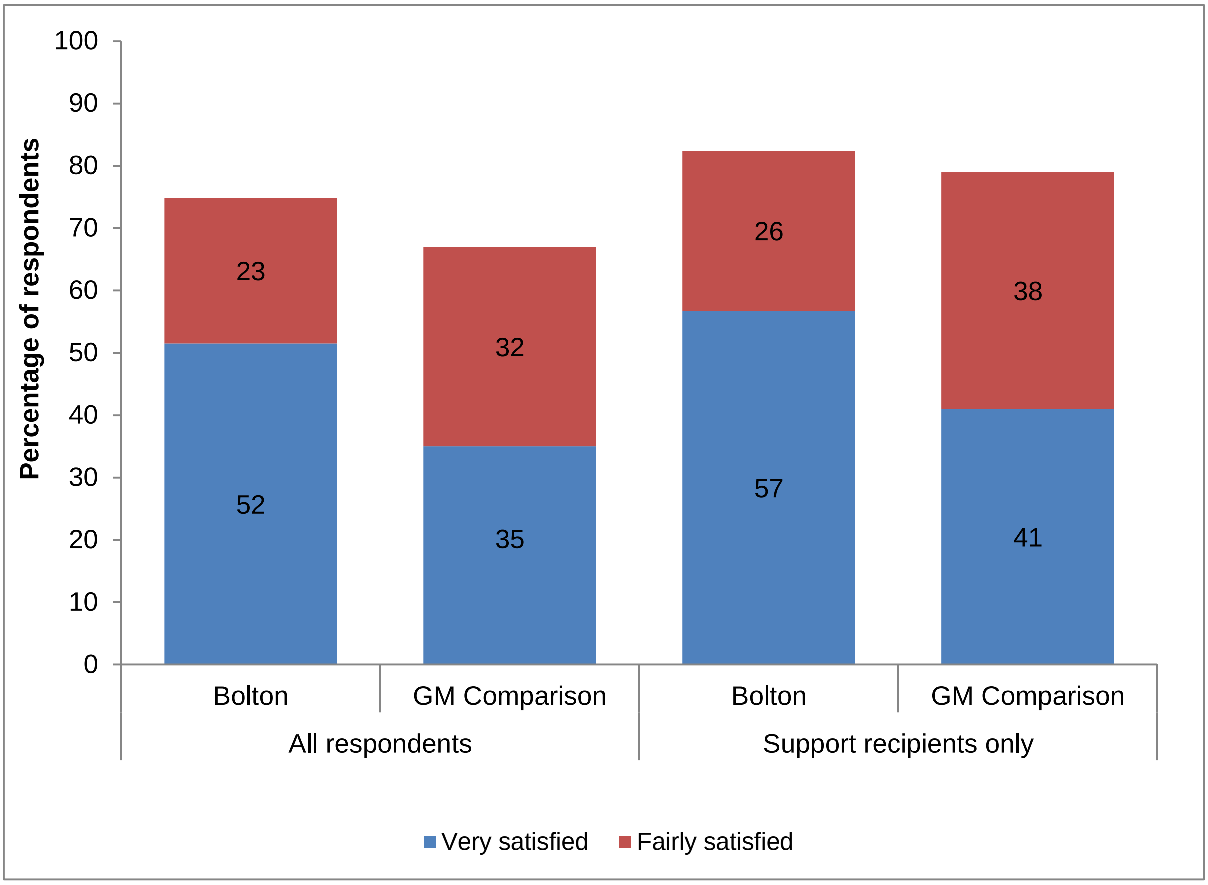
This shows that Bolton CVS provided support to the highest proportion of survey respondents (98 per cent). Other organisations provided support to far fewer organisations but this is likely to be a function of the fact that they were not borough wide and tended to support groups within defined local areas (i.e. wards or neighbourhoods) or those working with specific beneficiary groups (i.e. faith based).

Survey respondents were also asked the extent to which they were satisfied with the support available from these local support and development organisations. An overview of the results is provided in figure 7.5 (overleaf).

Figure 8.4 shows that overall 75 per cent of organisations were satisfied with the support available from local support and development organisations in Bolton. It also shows that of the organisations that had received support, 83 per cent were satisfied. This compares positively with the combined figures for Greater Manchester, which show that overall, 67 per cent of organisations were satisfied with the support available from local support and development organisations and that of the organisations that had received support, 79 per cent were satisfied.

**These findings provide an important endorsement for the work that these organisations do to provide help, advice and support across the voluntary sector in Bolton.**

**Figure 8.4: Satisfaction with support available from local support and development organisations**




Source: Bolton State of the Voluntary Sector survey 2012/13
Base: 163/148

Survey respondents were asked to provide qualitative feedback about what was particularly good, and what could be improved, regarding the help, advice and support received. Comments were overwhelmingly positive when referring to Bolton CVS:

> *"Working with Bolton CVS has been very informative and helpful in understanding how the grant system works. We are very grateful to the CVS and to Bolton Leisure services in providing the band with opportunities of grants and engagements in supporting our self-funding/ non-profit making organisation to continue to function in this difficult economic climate."*

> *"Bolton CVS have contributed greatly in the sustainability of our group. Their support on funding, advice, training opportunities and information for volunteers, their working relationships and their commitment to community projects in Bolton and the Greater Manchester region, has been highly commendable throughout our dealings with them."*

More broadly across the voluntary sector, partnership working was seen as important and organisations were working together in a range of ways to develop services:

> *"We have had cause to work together to get projects up and running, and all have been successful. We are always available to help or advice."*

> *"We are in contact with other community groups and constantly working to develop partnerships and strengthen services."*

For some, however, working in partnership with other voluntary organisations was something that could be developed further:

> *"We do meet with other voluntary organisations primarily through CVS and Local Area Forums, and whilst we have involved ourselves from time to time with other groups, we have not developed any significant long term joint activities."*

> *"Working together always works better but it never seems to happen much"*

> *"Most local groups are small and more interested in doing their own thing we find."*

And, further development of partnership working could potentially require a wholesale structural 're-think' of the way in which services were delivered across all sectors:

> *"There needs to be a complete restructuring of the public, business and third sector to ensure we meet the needs of Boltonians in this difficult time. Groups need to share resources to fill the gaps created through the shrinking sector. e.g. [organisation name] will be losing staff due to budget cuts, other smaller advice groups in Bolton could work with [organisation name] to create as comprehensive a service as possible."*

# Conclusions

# 9

This research study has considered the scale, scope and nature of the voluntary sector in Bolton. In turn, we have examined the sector in four different ways:

- chapter 3: the basic ‘anatomy’ of the voluntary sector in Bolton
- chapter 4: the finances and income of the voluntary sector
- chapter 5: the workforce, and
- chapters 6-8: partnership working.

As discussed in chapter 2 the 1997-2010 period provided a very positive political and economic environment for the voluntary sector and its activities. But economic uncertainty and developments such as the Government's programme of welfare reform means the future looks more uncertain: from national charities to local community groups, health and social care providers to employment support projects, the next few years are likely to present a series of challenges which will have an important bearing on the future direction and long term sustainability of many organisations' work.

Against this background, this research has provided in depth data about the 'state of the voluntary sector' in Bolton at the start of 2012/13 and answers some important questions. Information about the size, scale and scope of the sector, the role it plays in the social and economic life of the borough, and how it has been affected by public sector cuts and the economic downturn, has been collected, and where possible compared with 2010 and the wider picture emerging across Greater Manchester. From this analysis six important findings stand out:

1. **There are a wide range and a large number of organisations operating in Bolton who are involved in many areas of activity. As such the voluntary sector in the borough occupies an important strategic position between policy development, service provision and everyday life.**

    - there are an estimated 1,418 organisation working in the voluntary sector
    - the vast majority (78 per cent) of organisations are 'micro' with income of less than £10,000
    - whilst the voluntary sector has a fairly well established core it had seen the formation of many new organisations over the past 10 years: of organisations responding to the survey 37 per cent had been formed since 2003
    - the voluntary sector cuts across many different policy and issue domains; in particular there were sizable concentrations of organisations working in the thematic areas of; sport and leisure; health and well-being; community development; and education, training and research

- they worked with a whole range of different people, especially older people, children and young people, but also people from the most vulnerable groups (for example the unemployed and those with health problems)
- the voluntary sector works at a range of different geographical levels: both across and beyond Bolton; the local authority area, and specific communities and neighbourhoods within it, are the main focus for a majority of organisations.

2. **The voluntary sector in Bolton is an important economic entity, but patterns in the amount of money the sector receives, the way the organisations are spending their money, and the size of their financial reserves suggest the sustainability of many organisations is under threat.**

   The research has provided a detailed economic profile of the voluntary sector:

   - total income in 2011/12 was estimated to be £70 million, a reduction of two per cent compared to 2010/11
   - more than nine out of ten organisations' income was small (less than £100,000), but there were also a significant number of large organisations (14) with an income of more than £1 million
   - about a third of organisations (37 per cent) received income from the public sector; Bolton Council, NHS Bolton, and Central Government Departments are the most important public sector funders
   - seven out of ten organisations receive income from sources outside the public sector; fundraising, grants (from charitable trusts, foundations and the national lottery), and charging members of the public are particularly important revenue streams
   - a large proportion of organisations have very little money to fall back on if their funding is withdrawn: nearly a fifth had reserves totalling less than one month of expenditure, and almost half had insufficient reserves to cover more than three months expenditure.

3. **In 2012/13 there were an estimated 1,800 FTE paid staff and 170 FTE work placements employed in the voluntary sector. In addition the voluntary sector was supported by 32,300 volunteers who combined donated 100,900 hours per week.**

   This report has also gone beyond this headline number of volunteers to calculate a monetary value of their contribution:

   - valuing the contribution of volunteers to Bolton organisations by the expected value of the output that they produced gives an estimated contribution of £90.4 million
   - valuing the contribution of volunteers as an input - the amount that it would cost to pay employees to do the work done by volunteers - shows:
     - assuming the national minimum wage for adults it would have cost £32.5 million annually to have employed staff to do the work provided by volunteers in Bolton organisations
     - assuming the median gross hourly wage for full time employees in the North West it would have cost £62.6 million annually to have employed staff to do the work provided by volunteers in Bolton organisations.

4. **The public sector is an absolutely key partner for the voluntary sector in Bolton, but organisations' experiences of partnership working varied considerably.**

   The research explored the extent and nature of local partnership working between the two sectors:

   - 72 per cent of respondents had some dealings with Bolton Council, 42 per cent had some dealings with NHS Bolton, and 45 per cent had some dealings with Bolton College
   - fewer than half of respondents were satisfied with their ability to influence public sector decisions or said local statutory bodies had a positive influence on their success.

5. **Non-public sector bodies were also important to the voluntary sector, in particular support organisations and other voluntary and community organisations**

   The research explored the extent and nature of respondents' engagement with commercial businesses, other voluntary and community organisations and support organisations:

   - engagement with commercial businesses was relatively low, which was also reflected in a less positive view of commercial businesses than other sectors. 19 per cent of respondents thought that commercial businesses in Bolton value their work and 18 per cent thought that they understood the nature and role of their organisations
   - engagement with other voluntary and community organisations and support organisations was much higher, with more than half having frequent direct dealings with other voluntary and community organisations and 75 per cent of support recipients were satisfied with the support they received from local support and development organisations such as Bolton CVS.

6. **Continued public sector funding cuts and the wider economic landscape left many groups with an uncertain future. Inflation and rising costs – particularly energy prices - added to these problems**

In the immediate and long-term future securing funding was the key challenge for many organisations. This was particularly the case for those attempting to access public sector funding, and many expressed concerns about the future sustainability of their organisations in this context. Rising costs exacerbated this issue for some respondents.

> *"Our organisations main challenge is funding. We require funding to keep our office open and to cover our core costs. Due to lack of funding we no longer employ an admin assistant or membership secretary and we therefore have to rely on a small number of dedicated volunteers to run the office."*

> *"The economic situation and less grants being available. People less willing to contribute financially for services. Difficult to obtain existing grants."*

This included thinking about strategies to overcome lost funding revenue by diversifying funding sources:

> *"Increasing our income. Although we have pretty much constant work coming in the majority of our income comes from smaller pieces of commissioned work and we need really to apply for grants as well in order to deliver all the projects we would like to deliver and to develop new ideas. Unfortunately demand for grants has risen and we have been unsuccessful in our most recent bids. We are constantly looking at innovative ways of generating income as it's necessary to raise more money in order to deliver longer term projects that leave a lasting legacy and increase the impact our work has on the individuals and communities involved. Also to find sponsorship or funding to develop the new studio opportunity we have been offered."*

A perennial issue for many was sustaining levels of volunteering both in terms of numbers and time, as well as membership numbers. Often members and volunteers were becoming older and sometimes less able to provide as much time to organisations; attracting new younger members was a challenge:

> *"Obtaining new members: attracting new committee members to share the work. The present committee have been working without significant change for fifteen years and are getting older and in some cases more infirm."*

> *"Membership levels are keeping steady but we need volunteers to replace retiring committee members."*

# Appendix 1

A1

On a number of occasions the analysis in this report has used extrapolations from the survey responses to provide estimates of totals for all organisations that work in the voluntary sector:

- the number of clients, users and beneficiaries of the sector
- the total income of the sector
- and the number of FTE paid staff, FTE work placements and the number of volunteers that are part of the sectors workforce; including the hours per week that volunteers contribute.

In each case the same three stage method has been used for calculating the sector wide totals:

- **stage one:** calculate the Greater Manchester averages for each of the four size bands of organisations: 'micro', 'small', 'medium' and 'large': column (a) in table A1
- **stage two:** multiply the average for each size band (column (a) in table A1) by the estimated number of organisations within that size band (column (b) in table A1) to give the total for each size band of organisations (column (c) in table A1)
- **stage three:** sum the estimates from stage two (column (c) in table A1) to give a sector wide total estimate (cell (d) in table A1).

This was necessary to take account of noticeable differences in the response rates by organisation size. A failure to do this would lead to upwardly biased estimates: a small number of mainly 'large' organisations create a high mean value that is not representative of the majority of organisations. This is an important point given that we estimate that a large proportion of the sector is made up of 'micro' organisations which tend to have far lower values and not taking into account difference by size of organisations would produce estimates that are much higher.

**Table A1: Extrapolations: a worked example (total annual income)**

| | Average income by size (a) | Estimated number of organisations (b) | Total income (c) |
|---|---|---|---|
| Micro (under £10k) | £2,600 | 1,110 | £2,886,250 |
| Small (£10k to £100k) | £38,472 | 186 | £7,146,623 |
| Medium (£100k to £1m) | £301,433 | 108 | £32,554,734 |
| Large (over £1m) | £1,961,837 | 14 | £27,465,718 |
| **Total** | | | **(d) £70,053,325** |