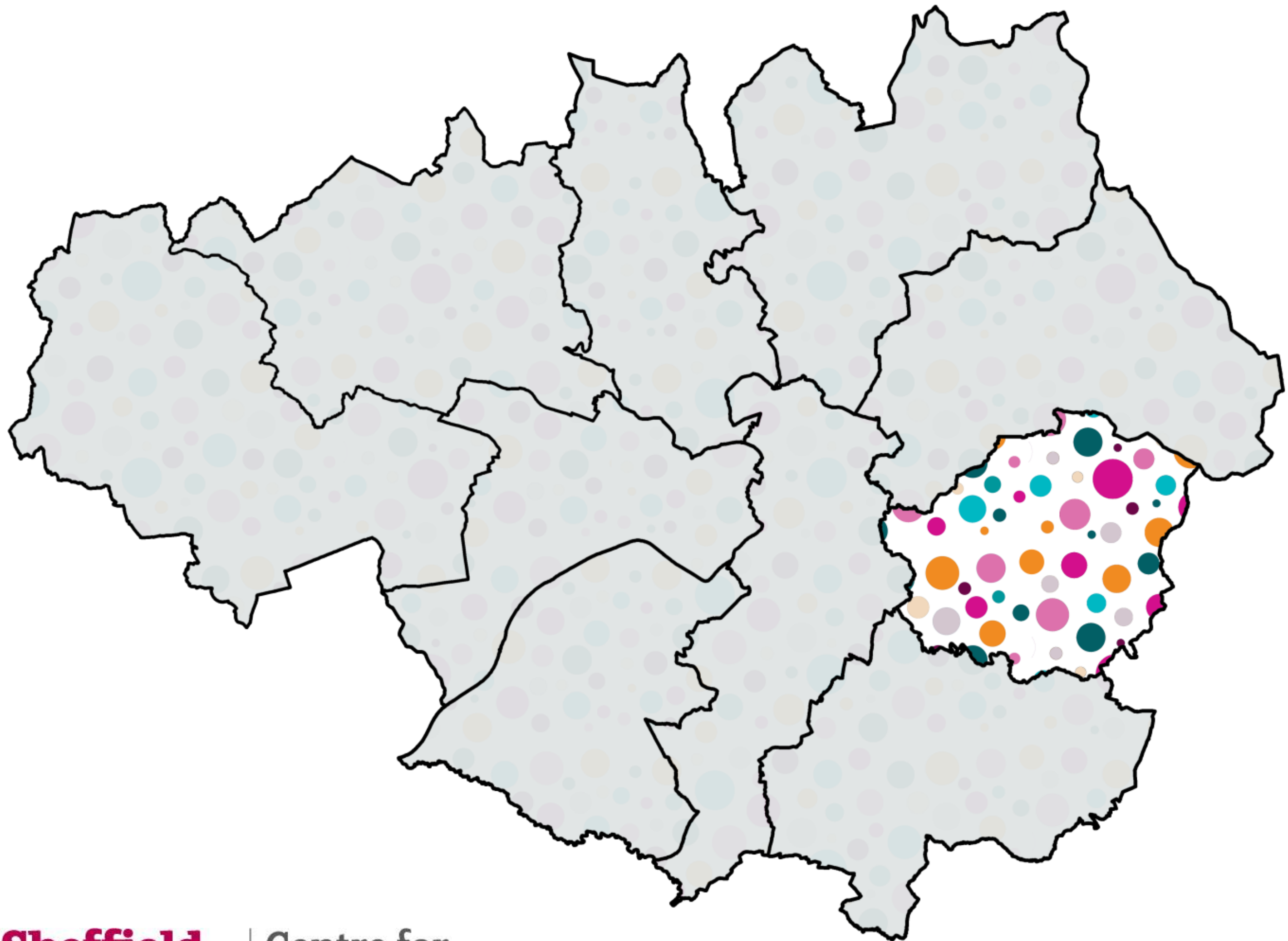
Community Voluntary Action Tameside

Tameside State of the Voluntary Sector 2013

A report on social and economic impact



Sheffield Hallam University

Centre for Regional Economic and Social Research

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Chris Dayson
Dr Will Eadson
Elizabeth Sanderson
Ian Wilson

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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 Tameside 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 research partners.

In completing the report we are particularly grateful to members of the Research Steering Group[2] and the Community and Voluntary Action Tameside 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 sector who took the time to complete a questionnaire.

Contact information

For CRESR:

Name: Ian Wilson /Chris Dayson
Research Fellow

Address: Unit 10 Science Park
City Campus
Howard Street
Sheffield
S1 1WB

Tel: 0114 2253539
Email: i.wilson@shu.ac.uk
c.dayson@shu.ac.uk

For CVAT:

Name: Ben Gilchrist
Policy and Participation Team Manager

Address: 131 Katherine Street
Ashton-under-Lyne
OL6 7AW

Tel: 0161 339 4985
Email: voice@cvat.org.uk

[1] The other areas are: Bolton, Manchester, Oldham, Salford, 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 Tameside'. At various times the 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 Tameside, 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 directors, a membership and a clear statement of how surpluses will be reinvested into the community.

Foreword

It is my privilege to present this report which builds on the first ever Tameside State of the Sector survey in 2009 and provides an essential update at this critical time. On a daily basis Community and Voluntary Action Tameside see the amazing work of the voluntary, community, faith and social enterprise sector across Tameside. The economic downturn means that it's more important than ever that we have the evidence to demonstrate to others the significant social and economic impact of the sectors' work.

Firstly I would like to thank over 200 local groups and organisations that gave their valuable time to complete the survey. Without you we wouldn't have this powerful evidence. It has been exciting to work in partnership with our neighbouring support and development organisations on this unique research and we are particularly grateful to Salford CVS for their coordinating role and Sheffield Hallam University for their expertise.

This report demonstrates the incredible contribution that voluntary, community and faith groups and organisations and social enterprises make to Tameside. I believe such powerful evidence can, should, and will and should change the perception of this sector.

Most people could probably name no more than a dozen large and prominent charities. These will be organisations doing incredible work but whilst they dominate public awareness they do not show you the real scale of the sector. In Tameside, as this report shows, a majority (69%) of the sector are 'micro' organisations working in specific communities and an incredible 73,900 hours are given by over 26,000 volunteers every week. It's important to remember as well that even small local groups need funding to enable volunteering for good causes in their area.

Understandably the 'health' of the private sector, and to a lesser extent the public sector, is the focus of our local and national media. However this report, and the accompanying reports from the other areas of Greater Manchester, will show you that there is an enormous part of our economy, sometimes called the "social sector", which is often overlooked.

Tameside is facing the combined effects of recession, public sector spending cuts and long standing deprivation in local communities. The results presented in this report show how the voluntary, community, faith and social enterprise sector is working to support many people through these difficult times – and how much that support is at risk as pressures increase. There is a massive opportunity to nurture and grow our sector and our social economy as a fundamental part of Tameside's success. This report shows how we are working cooperatively with the public and private sectors to do this. Please do get in touch with us to join in and support this valuable work.

Tony Okotie

Chief Executive

Community and Voluntary Action Tameside

April 2013

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Executive Summary

The state of the voluntary sector in Tameside: 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 Tameside. The study had three main objectives:

- to produce reliable, statistically significant and current data on the voluntary sector in Tameside
- to provide intelligent information on the key issues affecting the voluntary sector in Tameside
- to build on findings of the State of the Sector Survey undertaken in Tameside in 2009, observing how the circumstances of the voluntary sector may have changed over the past three years.

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 **1,068 organisations** operating in the voluntary sector in Tameside. 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 69 per cent of organisations are micro (annual income under £10,000) in size, 25 per cent are small (annual income between £10,000 and £100,000), 5 per cent are medium sized (annual income between £100,000 and £1 million), and 1 per cent are large (annual income greater than £1 million).

Q2. Who benefits from their work?

It is estimated that the sector in Tameside made **1.4 million interventions with clients, users or beneficiaries** in the previous year.

The overall client group is diverse and wide ranging, however, the client groups being served by the largest proportions of organisations can be broadly characterised as being demographic: gender - women (32 per cent) and men (28 per cent) - and age - children aged under 13 years (30 per cent), young people aged 13 to 25 years (25 per cent) and older people (30 per cent). 'Everyone' was listed as a main client group for 31 per cent of organisations.

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

The majority of organisations had a local focus: 48 per cent identified particular Tameside neighbourhoods or communities as their highest main geographic focus and a further 24 per cent stated the whole local authority was their highest main geographic focus.

Q3. What does the voluntary sector in Tameside do?

The voluntary sector in Tameside 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:

- community development (33 per cent)
- health and well-being (32 per cent)
- sport and leisure (32 per cent)
- and education, training and research (26 per cent).

Q4. How much is the voluntary sector in Tameside worth?

The total income of the voluntary sector in the borough was an estimated **£47 million** in 2011/12: this is lower than the estimate of £51 million for 2009/10 and 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 five per cent, from £51 million to £48 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 90 per cent of organisations in the voluntary sector but only around one quarter of total income. By contrast medium and large organisations account for less than 10 per cent of the voluntary sector's organisations but receive around three-quarters of its income. Income is concentrated particularly heavily in the largest organisations, with two fifths of all income (40 per cent) into the sector received by only 10 organisations.

It is estimated paid staff and volunteers working within the voluntary sector in Tameside contribute equivalent to £103.0 million worth of 'Gross Value Added' (GVA) to the economy; this is comparable to 0.2 per cent of the value of Greater Manchester's GVA[3].

Q5. Where does the voluntary sector in Tameside receive its funding from?

Public sector sources

50 per cent of respondents reported having at least one source of public sector funds. The two most frequently identified public sector funding sources were:

- Tameside Council (35 per cent)
- funding administered by TS3C[4] or Volunteer Centre Tameside (24 per cent).[5]

Collectively, only 6 per cent of respondents received funding from other public sector bodies.

[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.
[4] Shortly before this research was undertaken T3SC and the Volunteer Centre Tameside merged to form Community and Voluntary Action Tameside hence some questions mentioned these organisations rather than CVAT.
[5] In this period all funding administered by T3SC or VCT came from a public sector source and the vast majority of this from Tameside Council.

Other sources

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

- fundraising (41 per cent of respondents)
- grants from charitable trusts and foundations (24 per cent)
- membership fees and subscriptions (24 per cent) and,
- grants from National Lottery distributors (23 per cent).

Q6. How sustainable is the voluntary sector in Tameside?

The decline in the voluntary sector's income over the last three 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**:

- 51 per cent of respondents reported increasing their expenditure but only 33 per cent had experienced an increase in income
- 29 per cent of respondents reported a decrease in income but only 18 per cent reduced their expenditure
- 30 per cent reported a reduction in their financial reserves compared to only 14 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: 36 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 voluntary 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:

- 13 per cent had reserve levels of less than one month's expenditure
- a further 29 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 Tameside employed an estimated **1,200 full-time equivalent (FTE)[6] paid staff in 2012/13**. This was five 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 Tameside organisations contribute equivalent to £36.8 million worth of GVA to the economy per annum; this represents 0.1 per cent of Greater Manchester's GVA.

Forty three per cent of FTE paid staff were employed in large organisations with an income of at least one million pounds. In comparison the 1,005 micro and small organisations combined were estimated to have employed 21 per cent of FTE staff.

Volunteers

In 2012/13, an estimated **26,200 volunteers** were part of the voluntary sector workforce in Tameside, contributing an estimated **73,900 hours** of their own time per week.

It is estimated that volunteers in Tameside organisations contribute equivalent to £66.2 million worth of GVA to the economy per annum[7].

Assessment of the breakdown of volunteers by job role reveals:

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

Work placements

An estimated **120 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 **three most prominent were Tameside Council, NHS Tameside and Glossop and Greater Manchester Police**:

- 69 per cent had some dealings with Tameside Council
- 26 per cent had some dealings with NHS Tameside and Glossop (the Primary Care Trust)[8]
- 6 per cent had some dealings with Greater Manchester Police.

This highlights the central importance of the Council, NHS Tameside, and the Police to the voluntary sector's work. The relationship between the sector and its local public sector partners is therefore crucial to its ability to operate effectively. To this end survey respondents were asked

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[6] 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.

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

[8] Please note that during the course of this research Tameside and Glossop Clinical Commissioning Group, the body that has now replaced NHS Tameside and Glossop, was still being established and hence this research refers to the latter as this would be more familiar to the sector.

about the quality and effectiveness of their relationships with key public sector bodies. Responses to these questions followed a clear trend in which the sector's experiences of working with Tameside Council were broadly similar as with other local public sector bodies. Tameside responses to these questions were less positive than the Greater Manchester combined figures but higher than the national average. **29 per cent of respondents felt that Tameside Council was a positive influence on their organisation's success** which compares with a figure of 25 per cent from the 2009 survey and 39 per cent for the Greater Manchester average.

Q9. How well does the voluntary 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: less than one fifth of survey respondents had frequent direct dealings with local commercial businesses and similar proportions were positive about their relationship with the commercial sector. Overall **16 per cent of respondents felt that the commercial business community in Tameside was a positive influence on their organisation's success** compared to 19 per cent across Greater Manchester as a whole - this is 13 percentage points less than Tameside Council and 19 percentage points less than other public sector bodies.

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: half of respondents had frequent and direct dealings with other organisations in the sector. Respondents were generally positive about these relationships: 40 per cent were satisfied with opportunities to work together to influence decisions compared to 48 per cent across Greater Manchester; and 42 per cent were satisfied with opportunities to work together to deliver services compared to 46 per cent across Greater Manchester.

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 Tameside area[9]. Tameside Third Sector Coalition[10] provided support to more than nine in ten survey respondents (96 per cent). Other organisations provided support to far fewer organisations but this is likely to be a function of the fact that they tended to support specific types of groups (i.e. social enterprises).

Survey respondents were also asked how satisfied they were with the support available from these local support and development organisations. Overall, **67 per cent of organisations were satisfied with the support available from local support and development organisations** in Tameside - this figure was the same for Greater Manchester as a whole and as the 2009 Tameside survey. Of the organisations that had received support 86 per cent were satisfied compared to 70 per cent across Greater Manchester. These findings provide an important endorsement for the work that these organisations do to provide help, advice and support across the voluntary sector in Tameside.

[9] The options were: Tameside Third Sector Coalition, Volunteer Centre Tameside, GMCVO, Together Works, Co-operatives UK, Other organisations

[10] Shortly before this research was undertaken T3SC and the Volunteer Centre Tameside merged to form Community and Voluntary Action Tameside hence some questions mentioned these organisations rather than CVAT.

Q.12. What are the key challenges facing the voluntary sector in Tameside?

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 Tameside of the government's programme of welfare reform.

1 Introduction

The voluntary sector plays an important part in the life of Tameside: it is estimated that 1,068 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 Tameside. The research was commissioned by Community and Voluntary Action Tameside (CVAT)[11] and undertaken by the Centre for Regional Economic and Social Research (CRESR) at Sheffield Hallam University.

The study had three main objectives:

- to produce reliable, statistically significant and current data on the voluntary sector in Tameside
- to provide intelligent information on the key issues affecting the voluntary sector in Tameside
- to build on findings of the State of the Sector Survey undertaken in Tameside in 2009, observing how the circumstances of the voluntary sector may have changed over the past two years.

The research involved a large postal survey of organisations based in and supporting the people and communities of Tameside. A web based survey was also distributed. Responses were received from 230 of the 947 organisations that were sent a survey questionnaire: this represents an **overall response rate of 24 per cent**. For certain questions the analysis also draws on the responses of 18 organisations that operate Greater Manchester wide but deliver a proportion of their activity in Tameside. These respondents participated in a web based questionnaire administered by Greater Manchester Centre for Voluntary Organisation (GMCVO).

[11] CVAT is the organisation, formed from the merger between Tameside Third Sector Coalition and Volunteer Centre Tameside to support voluntary, community and faith groups in Tameside; and promote and support volunteering in the borough.

The questionnaire was based on the one developed for a study undertaken in Salford in 2010, but was revised following input from the Research Steering Group. It also included questions from the Cabinet Office's National Survey of Third Sector Organisations (2008) and Charities and Social Enterprises (2010) to enable findings about the voluntary sector in Tameside to be compared to the national picture[12].

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
- **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 Tameside Council, the NHS, 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 Tameside. 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 Tameside. 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 Tameside
- **chapter 4** assesses the income, expenditure and sustainability of the voluntary sector in Tameside
- **chapter 5** reports on the size and form of the voluntary sector's workforce

[12] 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.

- **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 key period in the development of voluntary organisations, community groups, faith groups and social enterprises operating at every level. The period between 1997-2010 provided a very positive political environment for the voluntary 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 voluntary sector grew considerably during this period:[13] 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 as 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 voluntary 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 voluntary 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 voluntary sector each year[14]. 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 voluntary sector increased by 60 per

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

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 which competition for other resources available to voluntary sector organisations, particularly grants and philanthropic donations, has already intensified[15]. These changes in the economic environment in which the sector operates are likely to put pressure on the financial health of voluntary organisations and community groups 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 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 Tameside 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?

[15] 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 Tameside

This chapter develops a picture of the core features of the voluntary sector in Tameside. 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 Tameside?

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 Tameside we drew on information from three sources:

- a sample of **947** organisations compiled from information held on CVAT's database
- official Cabinet Office figures indicate that the total number of registered organisations in the voluntary sector in Tameside is **274**[16]

[16] 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[17] which found that on average there are 3.66 BTR organisations per 1,000 population. If this figure is applied to Tameside[18], it can be estimated that there are **794** BTR organisations in the borough.

Summing the official Cabinet Office figures and BTR[19] estimates produces an estimated figure of **1,068** for the total number of organisations operating in the voluntary sector in Tameside. In addition to organisations based in Tameside, 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 **47 of these organisations.**

3.2. What size are organisations in Tameside?

The size of organisations is traditionally measured using their annual income[20]. When the distribution of Tameside 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 212 organisations not included in the survey sample were BTR and micro in size[21]. The outcome of this process is shown in figure 3.1, which demonstrates that 69 per cent of the sector (an estimated 735 organisations) are micro in size, 25 per cent are small (271 organisations), five per cent are medium (53 organisations), and one per cent are large (10 organisations). This is broadly consistent with the picture that has emerged from across Greater Manchester, although **Tameside does appear to have proportionately fewer medium and large organisations, and more micro and small organisations, than cities such as Salford and Manchester.**

[17] 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

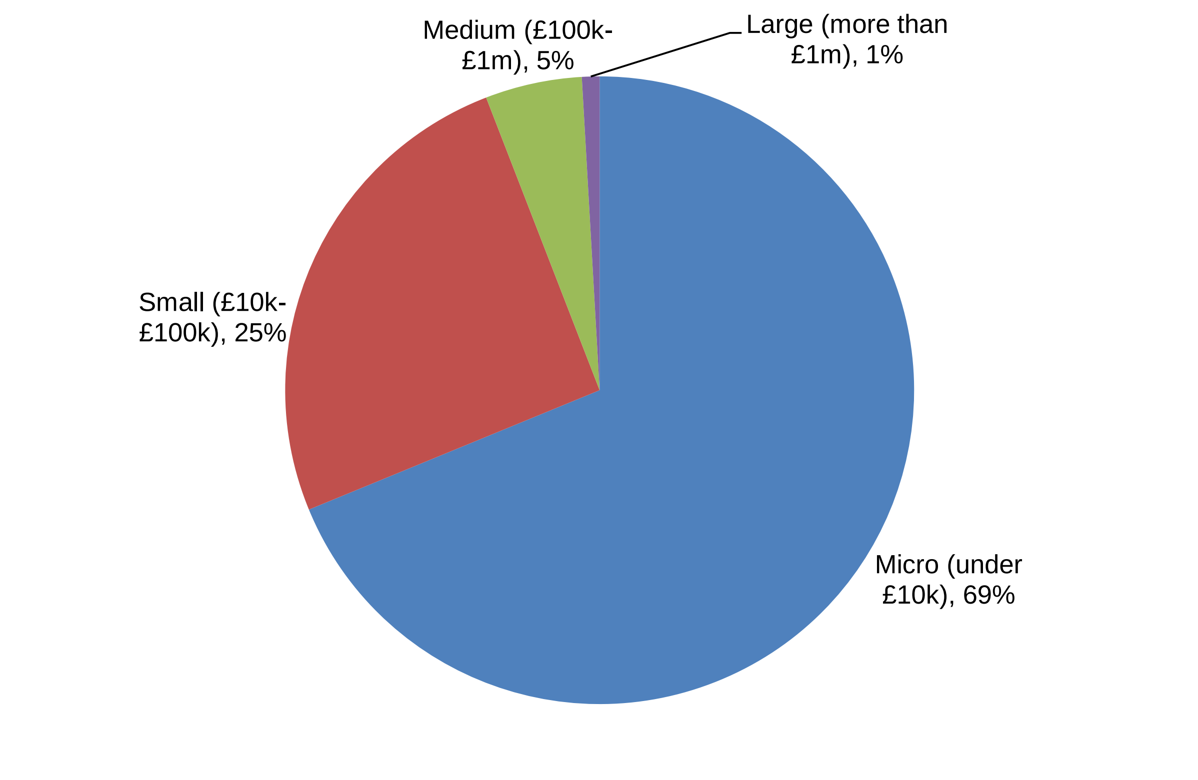
[18] Based on Office for National Statistics 2010 population estimates

[19] 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.

[20] 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)

[21] The basis for these assumptions is discussed in more detail in the methodological annex

Figure 3.1: Proportion and number of Tameside organisations by organisation size



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 196

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 Tameside are very small. This is consistent with national trends: NCVO[22] 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 Tameside?

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

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:

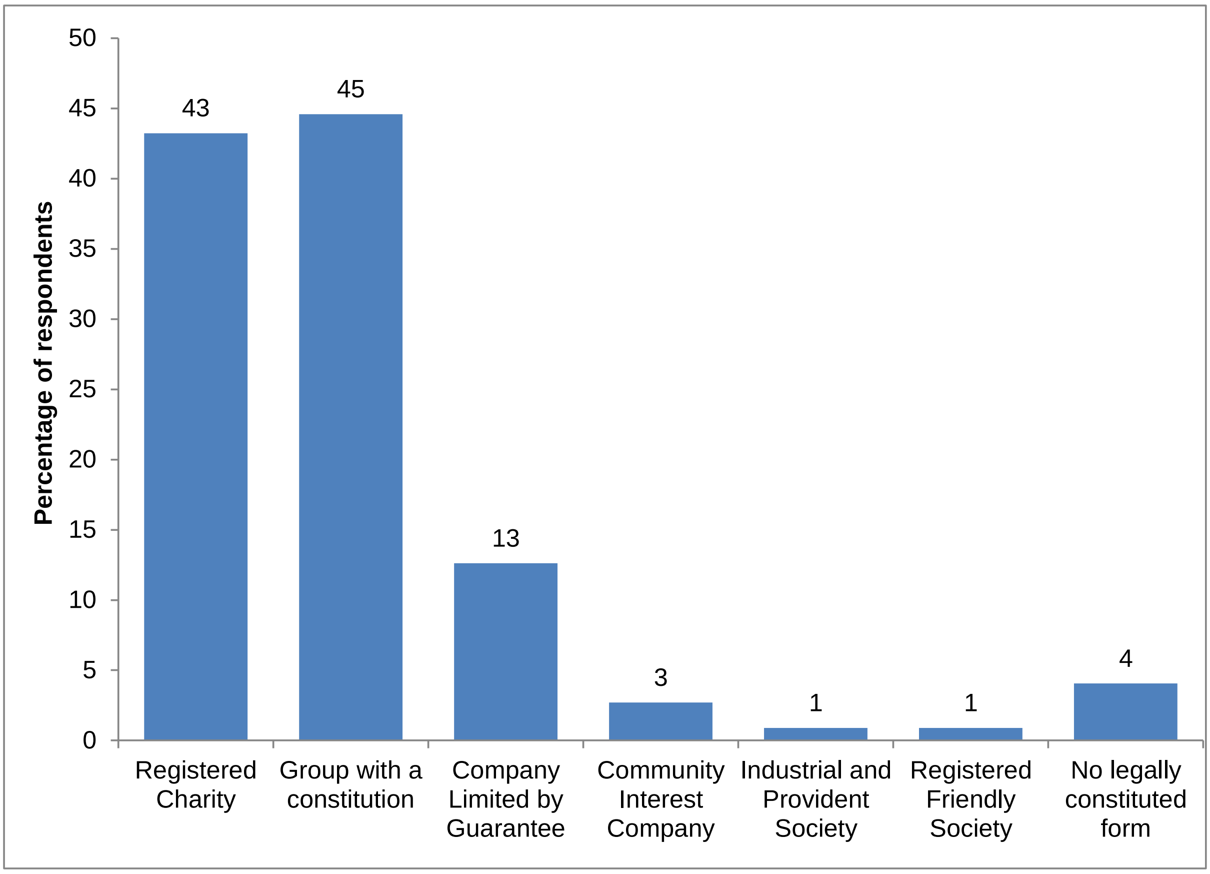
- 45 per cent of organisations were a group with a constitution, but not registered charities
- 13 per cent of organisations were companies limited by guarantee
- 4 per cent of organisations responding to the survey had no legally constituted form.
- separate to identifying their legal status **43 per cent of respondents identified that their organisation was a registered charity.**

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

Across Greater Manchester it was estimated:

- 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

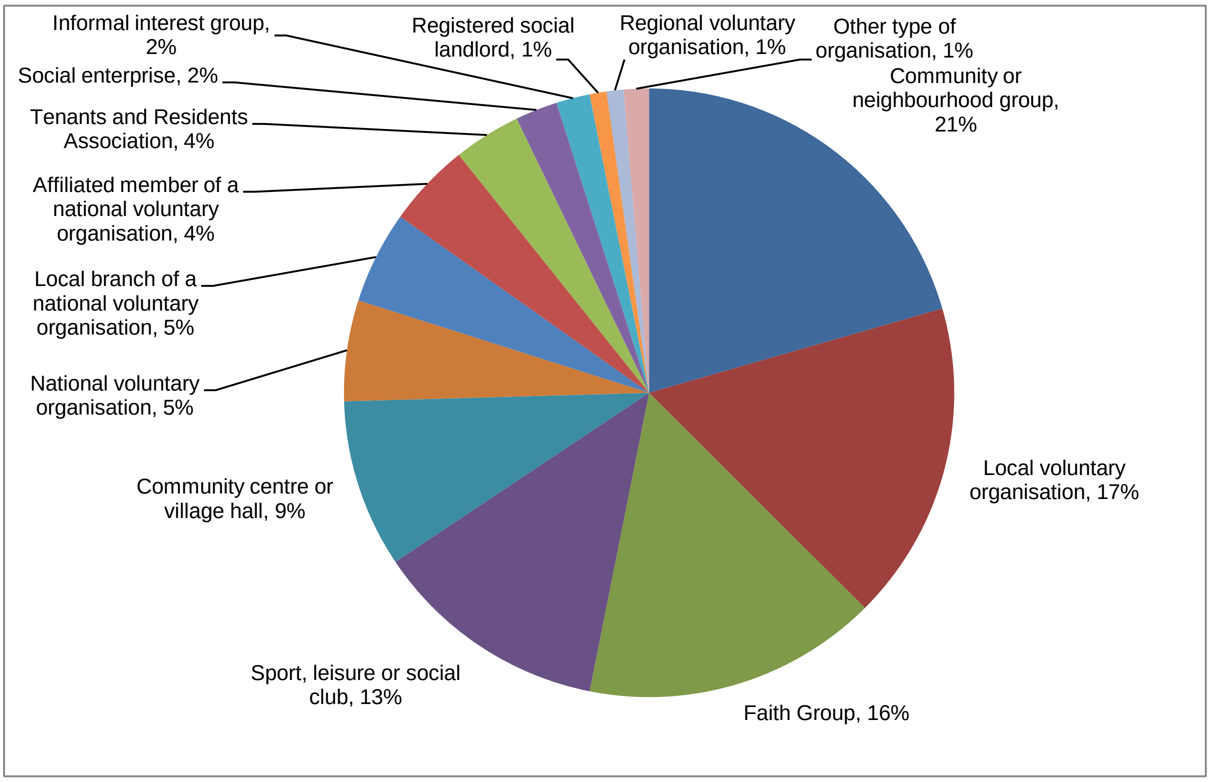


Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 222

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, **21 per cent, identified their organisation as being a community or neighbourhood group**. Local voluntary organisations (17 per cent) and faith groups (16 per cent) also each accounted for more than 15 per cent of respondents. National organisations were less common: just 10 per cent of organisations were either a national voluntary organisation (five per cent) or a local branch of a national voluntary organisation (five per cent).

Analysis for Greater Manchester as a whole found a similar trend 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224

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

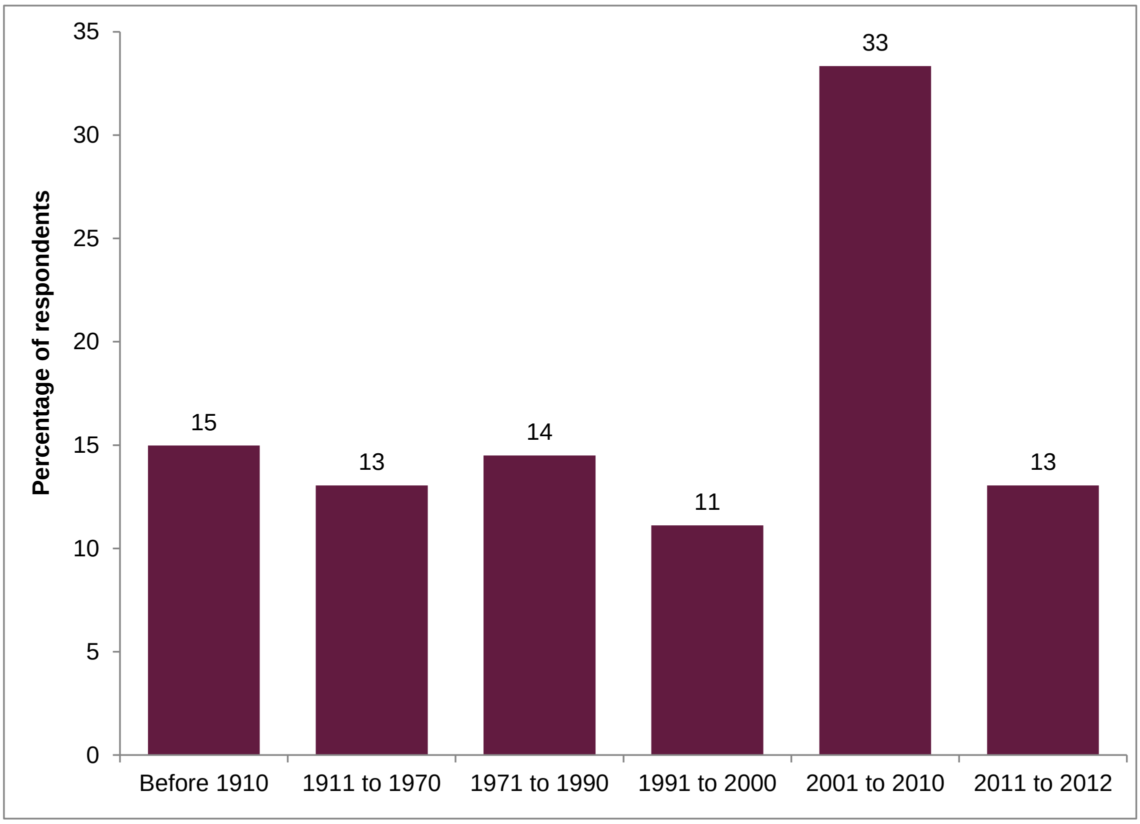
The questionnaire asked respondents to indicate when their organisation was formed. Assessment of organisations by the year in which they were formed provides an indication of how established the voluntary sector was in Tameside. In addition it might also be possible to identify patterns: for example 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 Tameside has also seen the formation of many new organisations since 2001. Figure 3.4 shows that 46 per cent of organisations responding to the survey had been formed since 2001, including 38 per cent in the past 10 years (i.e. since 2003). Furthermore, an additional 11 per cent were formed between 1991 and 2000; this means **57 per cent of organisations were formed in the last 22 years.** This suggests that there has been growth to the sector over more recent years. However at the other end of the spectrum 28 per cent of organisations had been formed before 1971, including 15 per cent formed in 1910 or before.

Results from the 2009 Tameside survey largely support this picture of an established core with more recent growth. Almost a quarter (24 per cent) of organisations surveyed in 2009 had been established since 2000 while over a third were established before 1970.

The pattern for organisations across the whole of Greater Manchester was more skewed towards more recent formation. 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 207

It is important to conclude this section by drawing a qualification. Although the results suggest that it is likely that the voluntary sector in Tameside 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 Tameside 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 Tameside do?

To elicit a picture of what the voluntary sector in Tameside 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 sector in Tameside work 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.

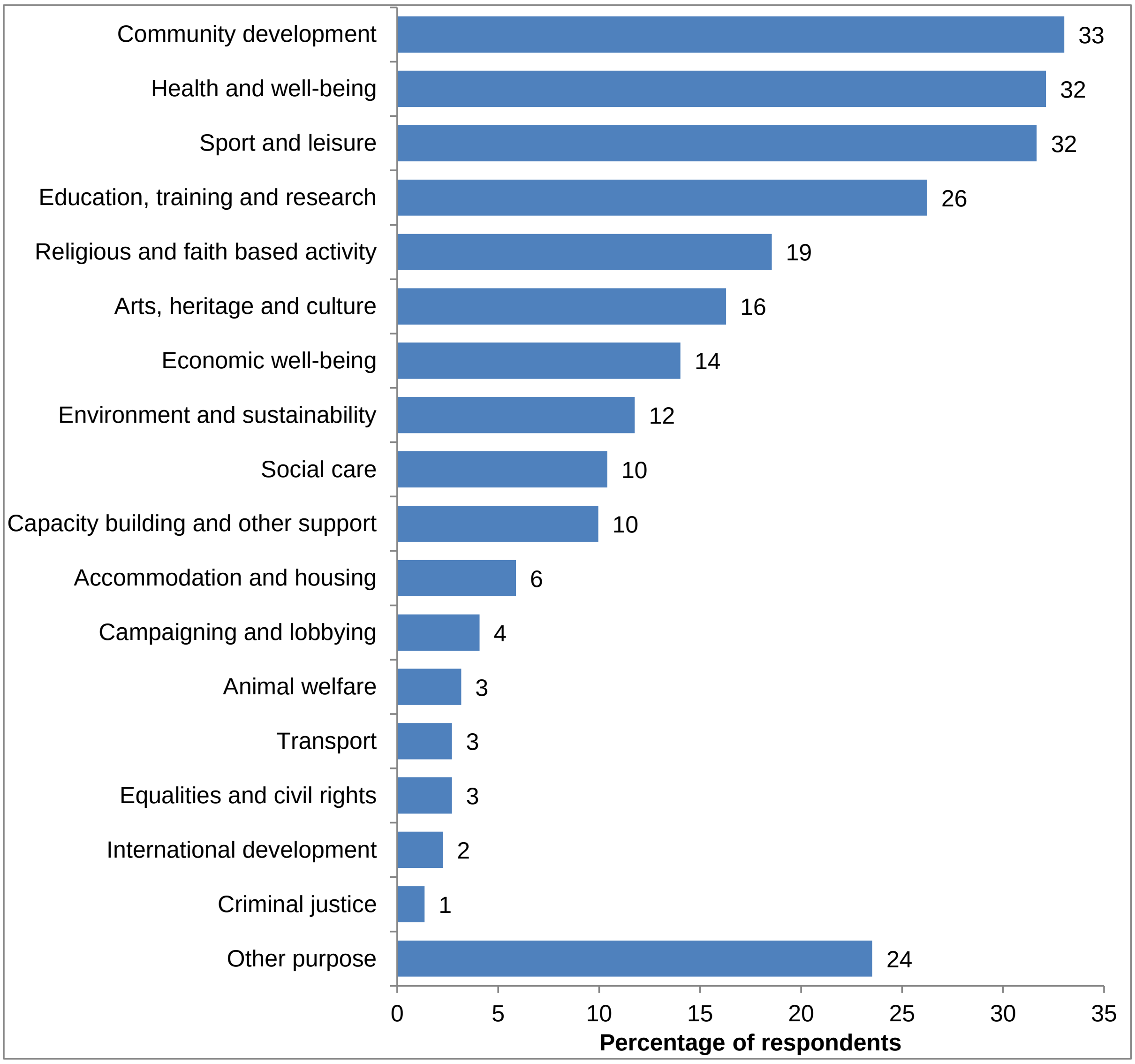
Figure 3.5 shows more than a quarter of organisations worked in each of the following four areas:

- community development (33 per cent; 2009: 26%)
- health and well-being (32 per cent)
- sport and leisure (32 per cent)
- education, training and research (26 per cent).

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

- 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 221

Analysis of the 2010 national survey found that similar main areas of work were most common. Over or nearly one in five Tameside organisations said that their main area of work was:

- community development and mutual aid (26 per cent)
- education and lifelong learning (25 per cent)
- religious / faith-based activity (20 per cent)
- leisure (including sport and recreation) (19 per cent).

The only other double figure percentage responses in terms of main area of work were:

- health and well-being[23]' (12 per cent)
- culture (including arts and music) (10 per cent).

3.6. Who are the clients, users or beneficiaries of the voluntary sector in Tameside

The questionnaire asked respondents to provide the total number of individual clients, users or beneficiaries that their organisation has 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 183 organisations that responded gives a total of 193,000 interventions. The responses received can be extrapolated for the estimated 1,068 organisations thought to be operating in the voluntary sector in Tameside to provide an estimate of the total number of interventions by Tameside organisations. Working through the calculation it is estimated that **Tameside organisations had 1.4 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 sector in Tameside served a diverse and wide ranging client group. In many cases, client groups were served by relatively small numbers of organisations: 10 per cent of organisations or fewer served 14 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 (32 per cent) and men (28 per cent) - and age - children aged less than 13 years (30 per cent), young people aged between 13 and 25 years (25 per cent) and older people (30 per cent). Thirty one per cent of organisations identified 'everyone' as a main client, user or beneficiary group.

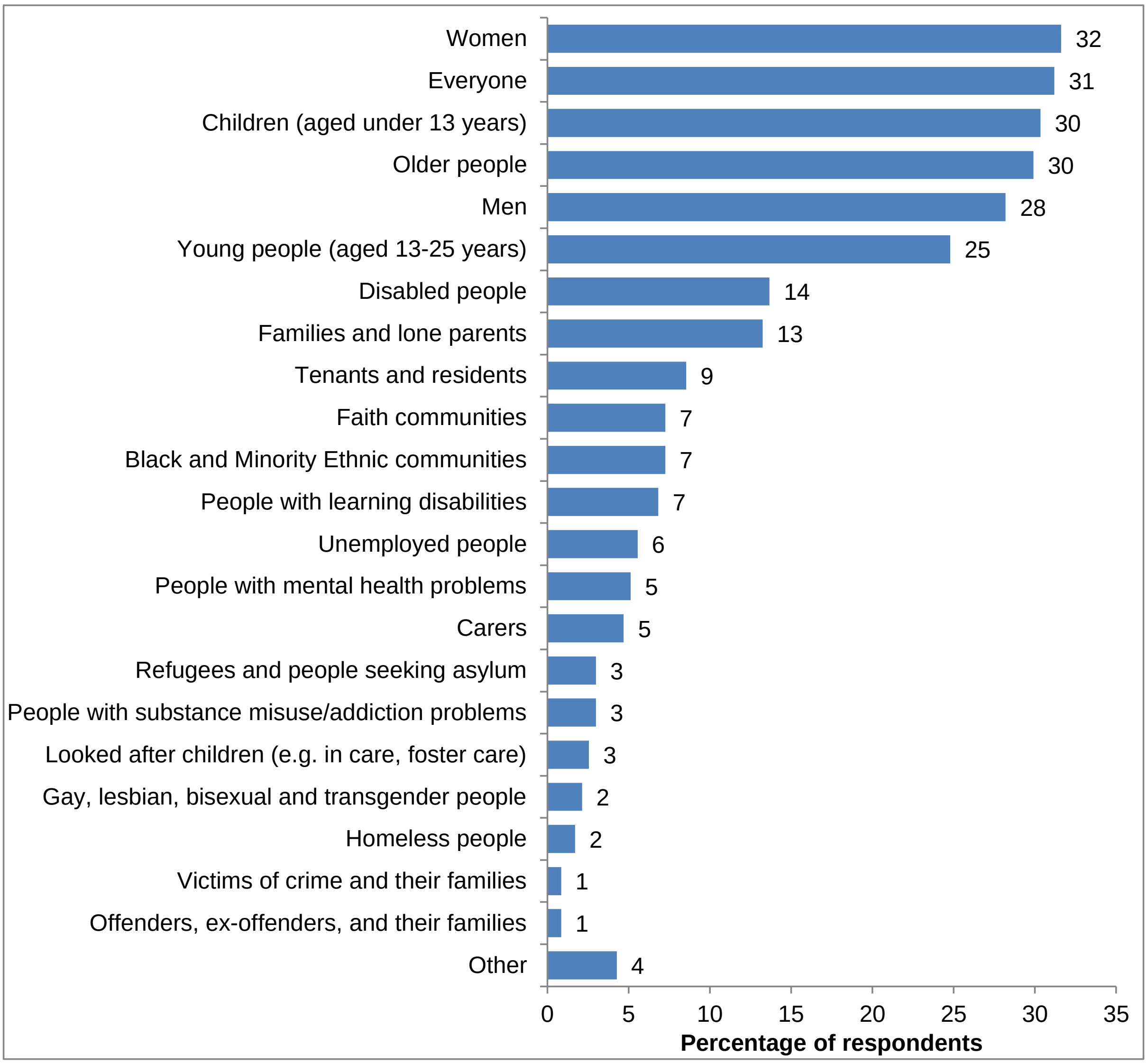
Analysis of responses to all of the Greater Manchester surveys found a similar pattern with general and demographic client groups being the most common beneficiary groups identified:

- 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.

[23] Survey wording - e.g. medical, health, sickness, disability, mental health, counselling.

This pattern was also evident within the previous 2009 Tameside survey when almost two fifths (37 per cent) of VCFS organisations said their main clients/users/beneficiaries were the general public/everyone and 34 per cent said children (aged 15 or under) were. In addition over one fifth gave the following as a response: older people (25 per cent); women (23 per cent) and young people aged 16 to 24 (21 per cent).

Figure 3.6: Main client groups of Tameside organisations



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 234

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

The survey asked respondents to identify which were 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 many organisations**:

- 63 per cent identified particular Tameside neighbourhoods or communities were a main focus; 86 per cent said their neighbourhood was their main geographic area of activity in the 2009 Tameside survey

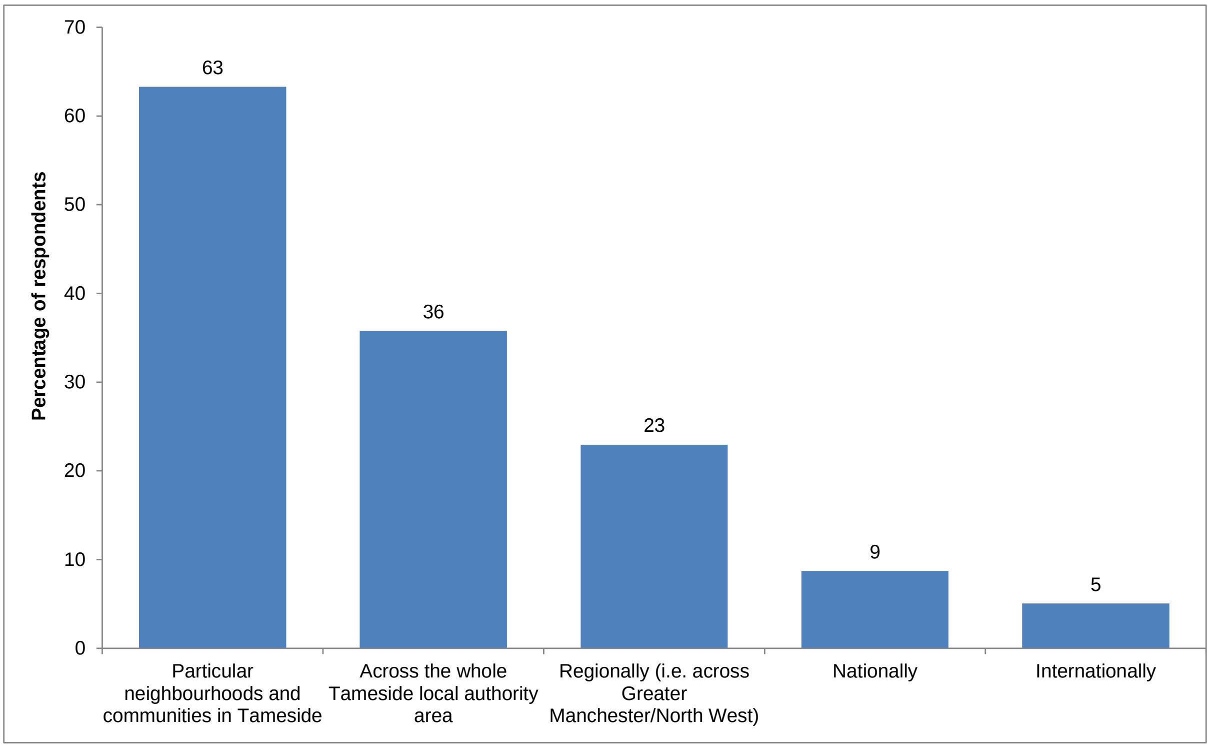
- 36 per cent identified the whole of the Tameside local authority area as a main focus of their work; 29 per cent said the local authority area was their main geographic area of activity in the 2009 Tameside survey.

A modest proportion of organisations cited that a main geographic area at which they worked was either national (nine per cent) or international (five per cent).

Analysis for Greater Manchester organisations shows:

- 57 per cent of organisations identified particular neighbourhoods and communities as a main geographic focus
- 42 per cent of organisations identified the local authority area as a main geographic focus
- the percentage of organisations who said they worked nationally and internationally was 11 per cent and four per cent respectively.

Figure 3.7: Main geographic focus



Source: Tameside State of the Sector Survey 2012/13
Base: 218

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

- for 48 per cent of organisations their highest main geographic focus was particular Tameside neighbourhoods or communities
- for 23 per cent of organisations their highest main geographic focus was the whole Tameside local authority area
- for 18 per cent of organisations their highest main geographic focus was the region

- for six per cent of organisations their highest main geographic focus was the nation as a whole
- and for five per cent of organisations their highest main geographic focus was international.

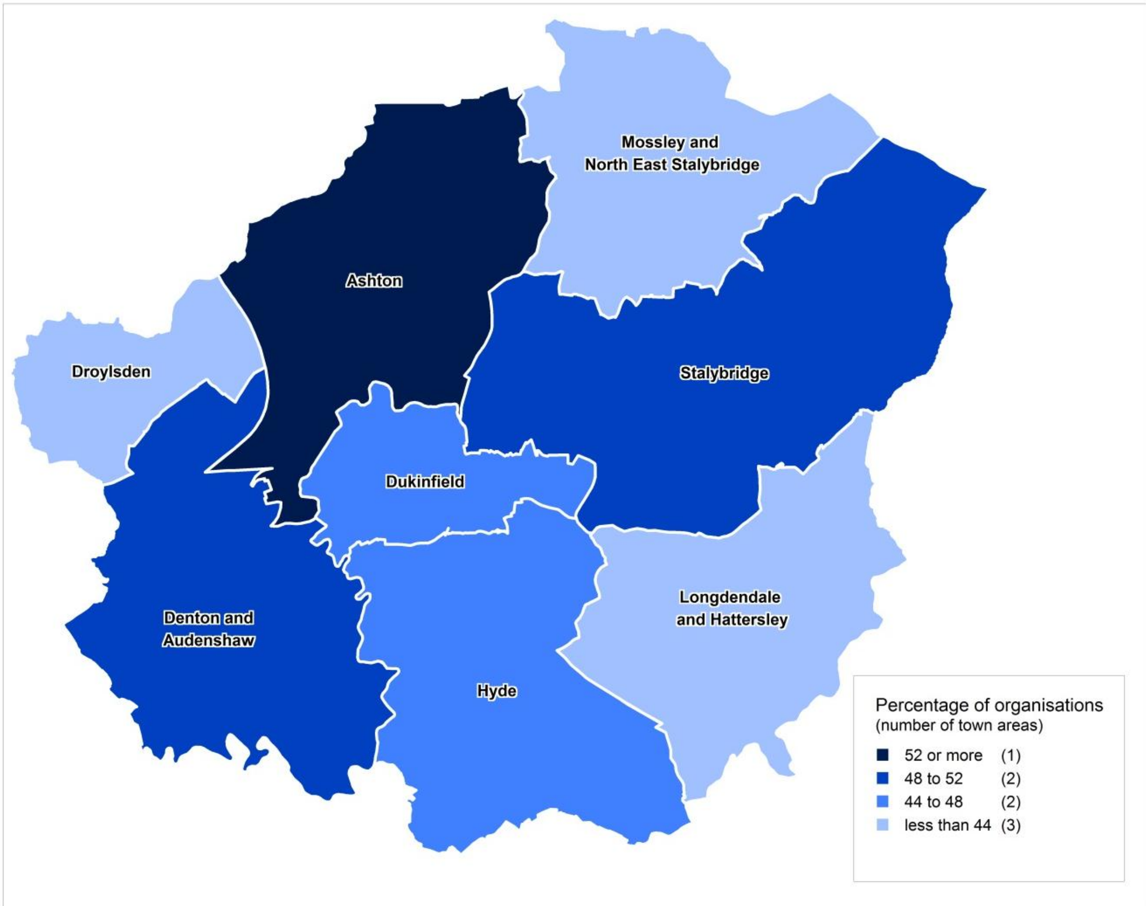
Respondents who reported that the whole Tameside local authority area or particular Tameside neighbourhoods or communities are a main geographic focus of their organisation were asked to identify in which town areas their work was focused. Map 3.1 shows the percentage of all organisations that identified each of Tameside's town areas as a main focus of their work.

Fifty three per cent of Tameside organisations identified Ashton-under-Lyne as a main focus of their work. In addition between 48 per cent and 52 per cent of Tameside organisations identified Denton and Audenshaw (50 per cent) and Stalybridge (50 per cent) as a main focus.

The three town areas which were a main focus for the lowest proportions - fewest numbers - of Tameside organisations are:

- Droylsden (42 per cent)
- Longdendale and Hattersley (42 per cent)
- and Mossley and North East Stalybridge (44 per cent).

Map 3.1: Percentage of organisations that identify Tameside's town areas as a main focus of their work



Source: Tameside State of the Sector Survey 2012/13
Base: 218

4

Finances and Income

This chapter provides an overview of the finances and income of the voluntary sector in Tameside. 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 voluntary 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 Tameside, it is estimated that **the total income of the voluntary sector in the borough was over £47 million in 2011/12[24].** This is around five 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 five per cent.

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

	Total Income (£000's)[a]	% Change
2009/10	£51m	
2010/11	£48m	-5
2011/12	£47m	-2

Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224
All figures are in 2011/12 price

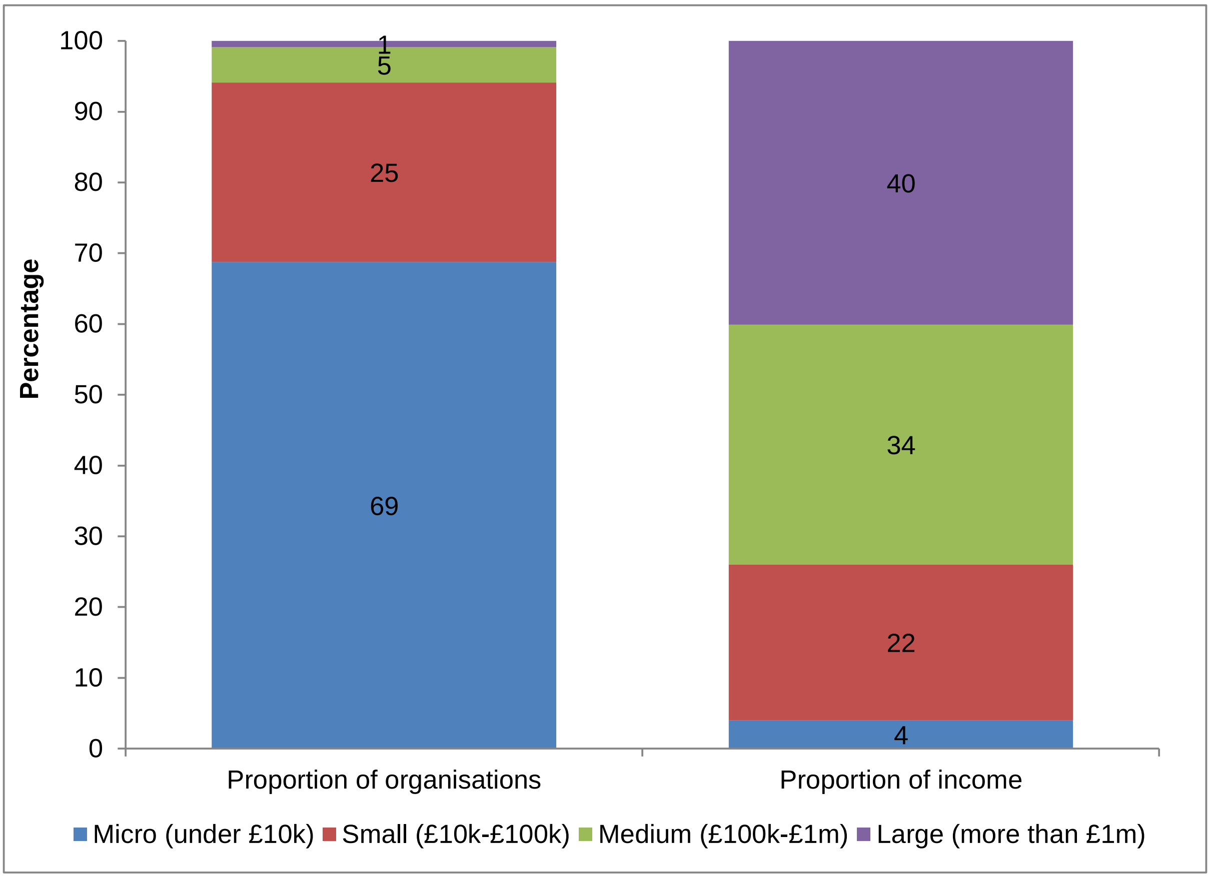
This decline in income between 2009/10 and 2011/12 needs to be considered in the context of national trends discussed in chapter 2. Although there are no figures for Tameside during the 2000/01-2007/08 period, nationally the voluntary sector's income grew by an average of five per cent a year over these six years[25]. If it is

[24] 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.
[25] See Clark, J *et al.,* (2010)

assumed that the sector in Tameside developed at a similar rate during this period, then **the decline in income over the last three years represents the first long term economic contraction in the voluntary 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 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.

When the voluntary sector's income is explored in more detail it shows significant variations according to organisation size[26]. 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: Tameside State of the Sector Survey 2012/13
Base: 224

This shows that **micro and small organisations account for more than 90 per cent of organisations in the voluntary sector but only around one quarter of total income**. By contrast medium and large organisations account for less than 10 per cent of the voluntary sector's organisations but receive around three-quarters of its income. Income is concentrated particularly heavily in the largest organisations, with two fifths of all income (40 per cent) into the sector received by only 10 organisations.

[26] 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[27] 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 10 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 10 per cent between 2010/12 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. Overall **50 per cent of respondents reported having at least one source of public sector funds**. The results are outlined in figure 4.2.

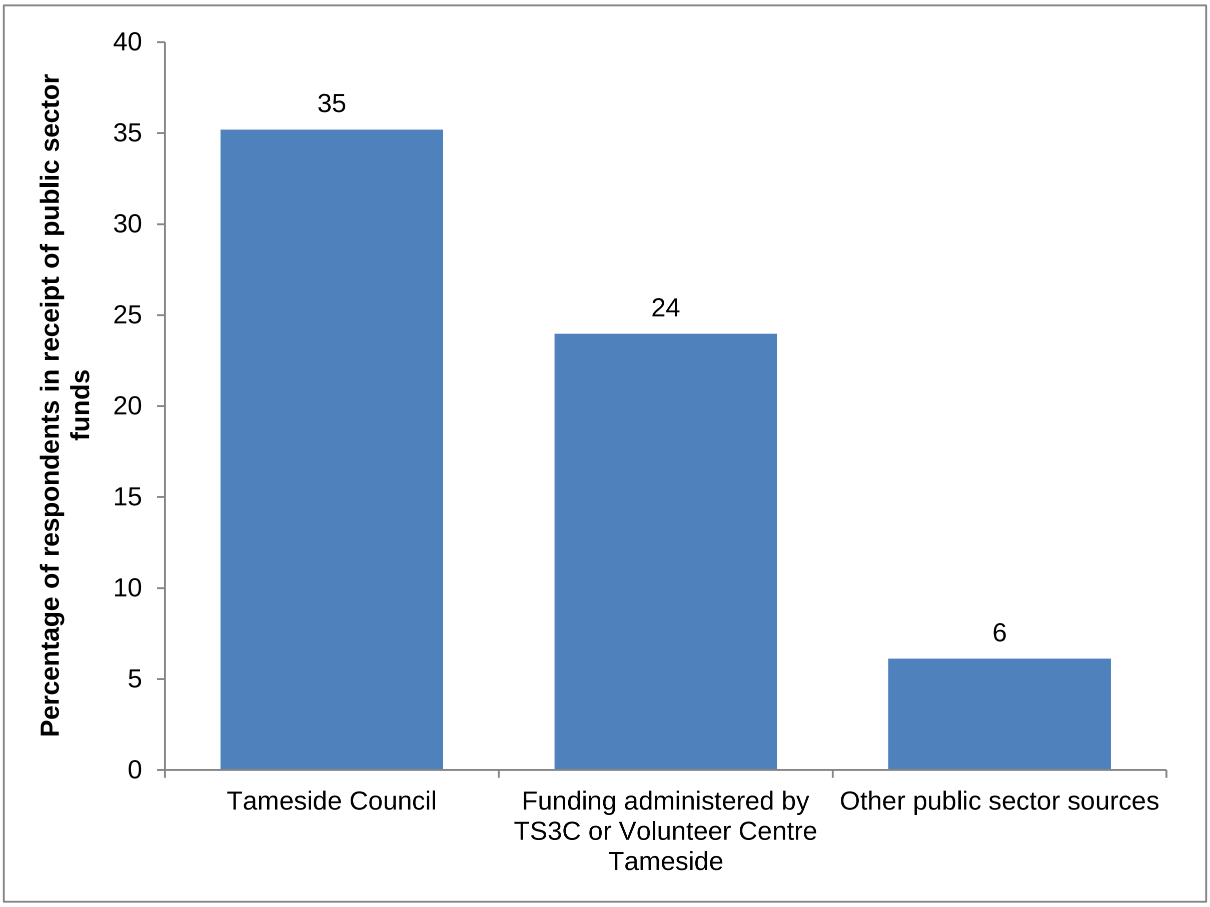
This shows that **Tameside Council was the most frequently identified source of public sector funding** (35 per cent) followed by funding administered by TS3C or Volunteer Centre Tameside (24 per cent)[28]. Only 6 per cent of respondents received income from other public sector bodies. This is consistent with the 2009 survey when Tameside Council emerged as the most prominent source of public sector funds (2009: 32 per cent). It was also reflected across Greater Manchester, where local authorities consistently emerged as the most frequent source of public sector funds.

An insight of the relative value of public sector funds can be gained through analysis of the Greater Manchester wide responses[29]. 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. Only one Tameside based organisation received such funding. By contrast local authorities provided around a third of funds, and health bodies and other public sector bodies less than a tenth each. It is

[27] It was not possible to undertake sufficiently robust analysis of these trends at a local authority level
[28] In this period all funding administered by T3SC or VCT came from a public sector source and the vast majority of this from Tameside Council. Shortly before this research was undertaken T3SC and the Volunteer Centre Tameside merged to form Community and Voluntary Action Tameside hence some questions mentioned these organisations rather than CVAT.
[29] It was not possible to undertake sufficiently robust analysis of this data at a local authority level

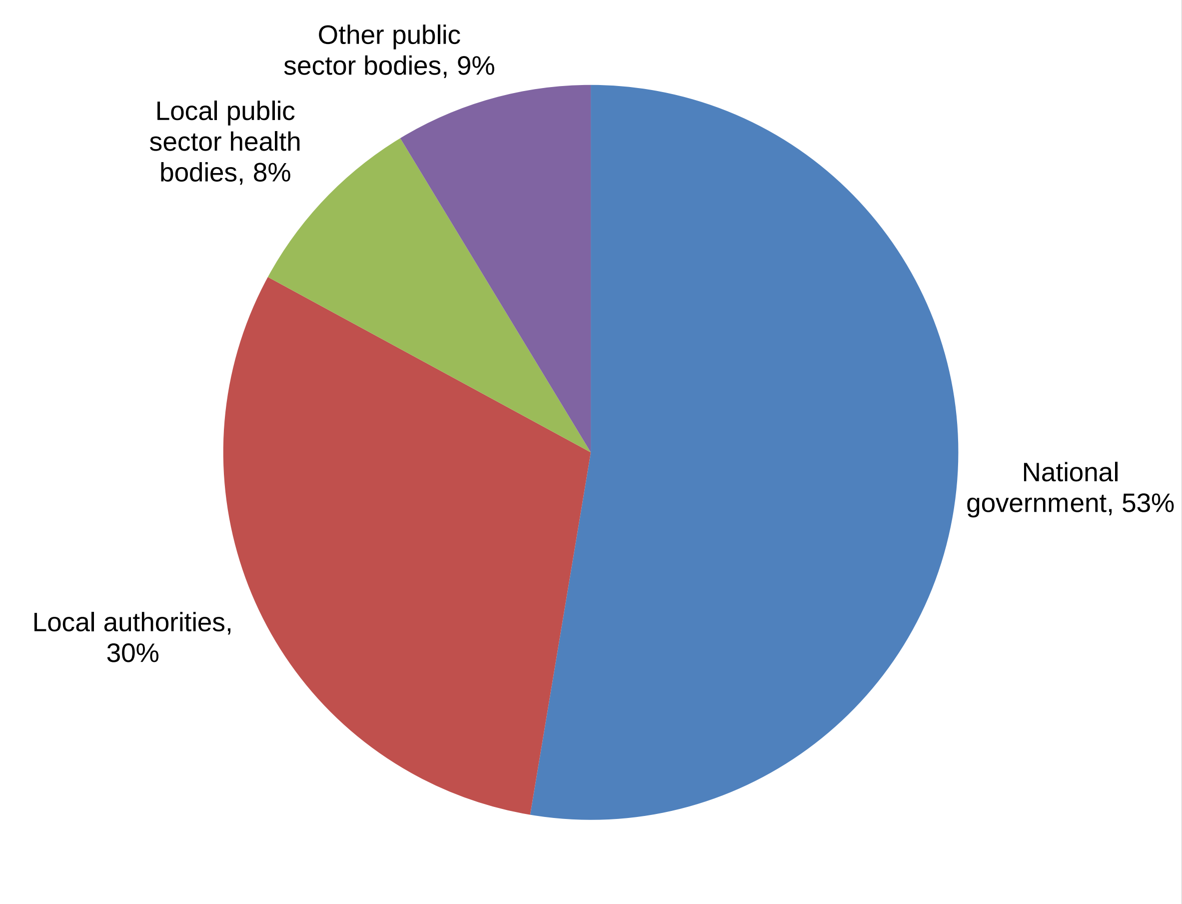
important to recognise that this figure is affected by a number of large national public sector contacts: across Greater Manchester the average value of income from national Government sources was £586,000, including three organisations with more than £1 million from national Government departments. By contrast the average value of local authority income was only £76,000 and for health bodies was £134,000.

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



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224

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

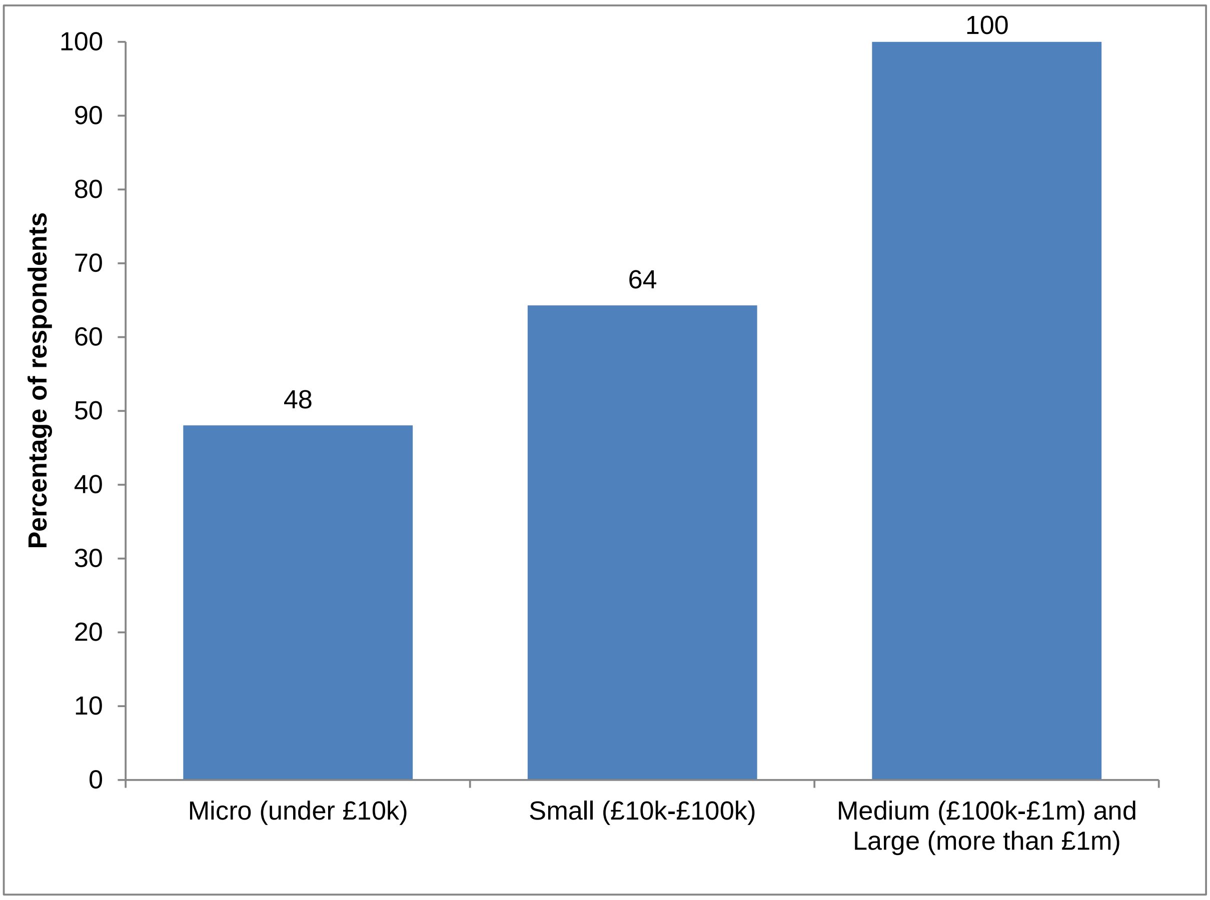


Source: Greater Manchester State of the Voluntary Sector Survey 2012/13
Base: 437

The survey also revealed significant variations in public sector income received by organisations of different sizes. 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 48 per cent of micro organisations that responded to the survey received public sector funding compared to 64 per cent of small organisations and 100 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 organisations in receipt of public sector funds by organisation size (2011/12)



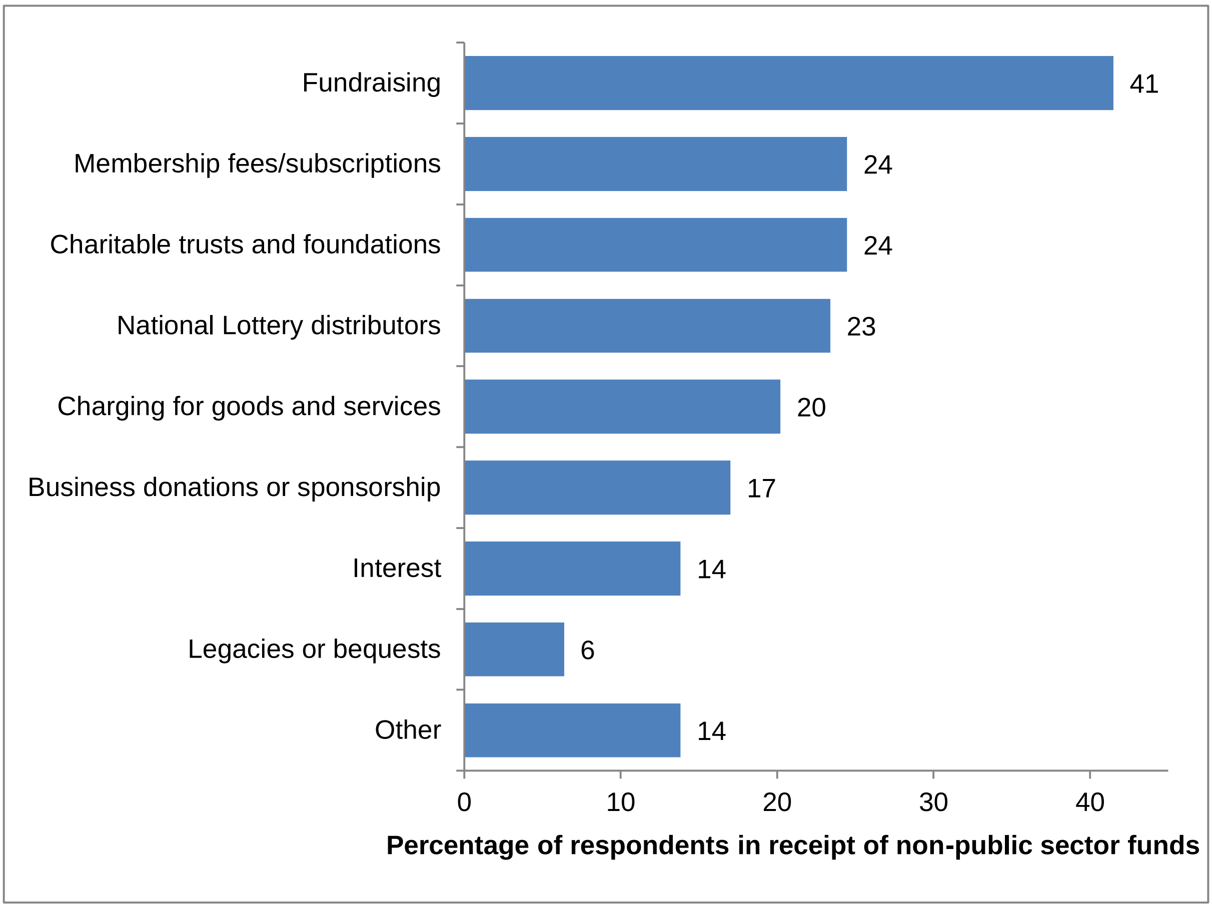
Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224

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, **63 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 (41 per cent of respondents) followed by grants from charitable trusts and foundations (24 per cent), membership fees and subscriptions (24 per cent) and grants from National Lottery distributors (23 per cent). The finding was broadly similar in 2009 when donations and fundraising was the most commonly identified income source. The pattern was also very similar across Greater Manchester.

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

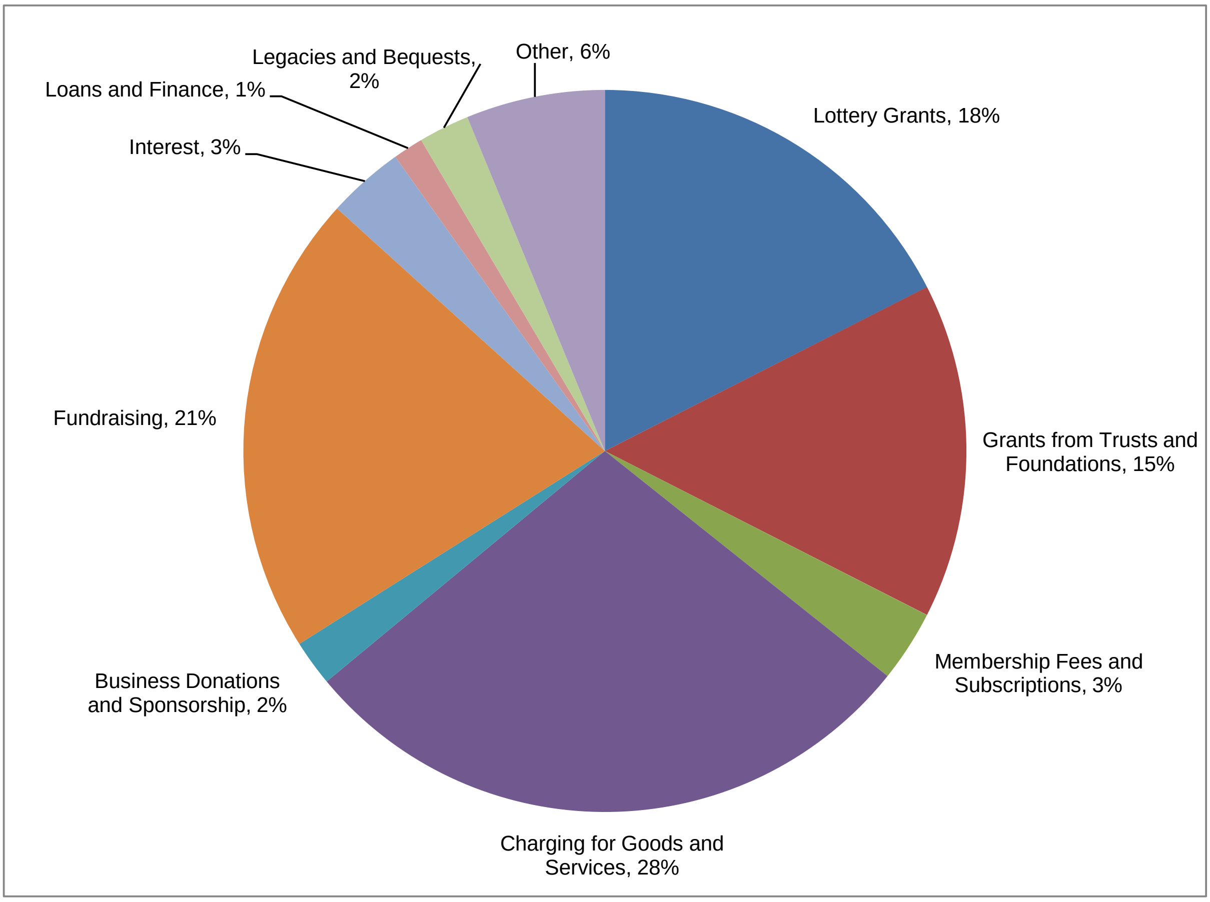


Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224

An insight of the relative value of non-public sector funds can be gained through analysis of the Greater Manchester wide responses[30]. 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.

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

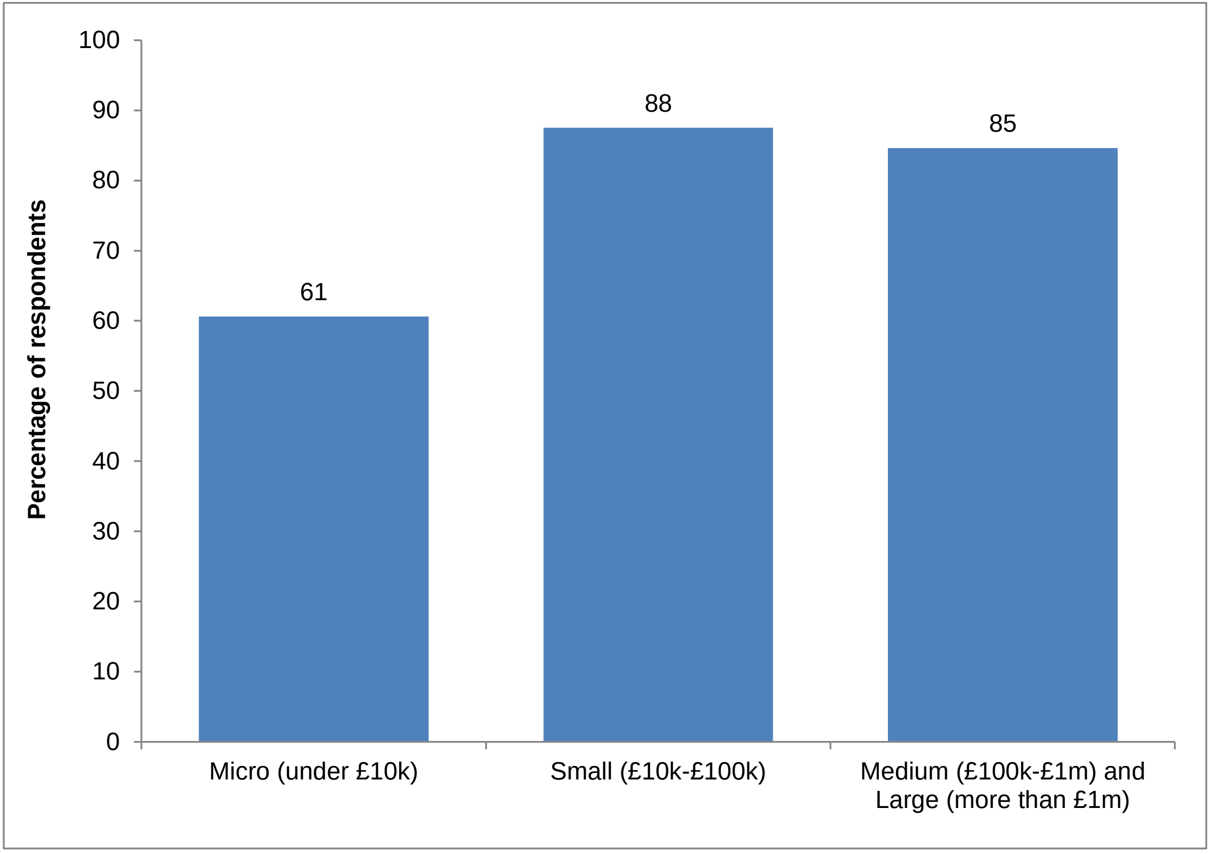
Figure 4.6: Relative value of non-public sector funds by Greater Manchester organisations (2011/12)



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 organisations in receipt of other funds by organisation size (2011/12)

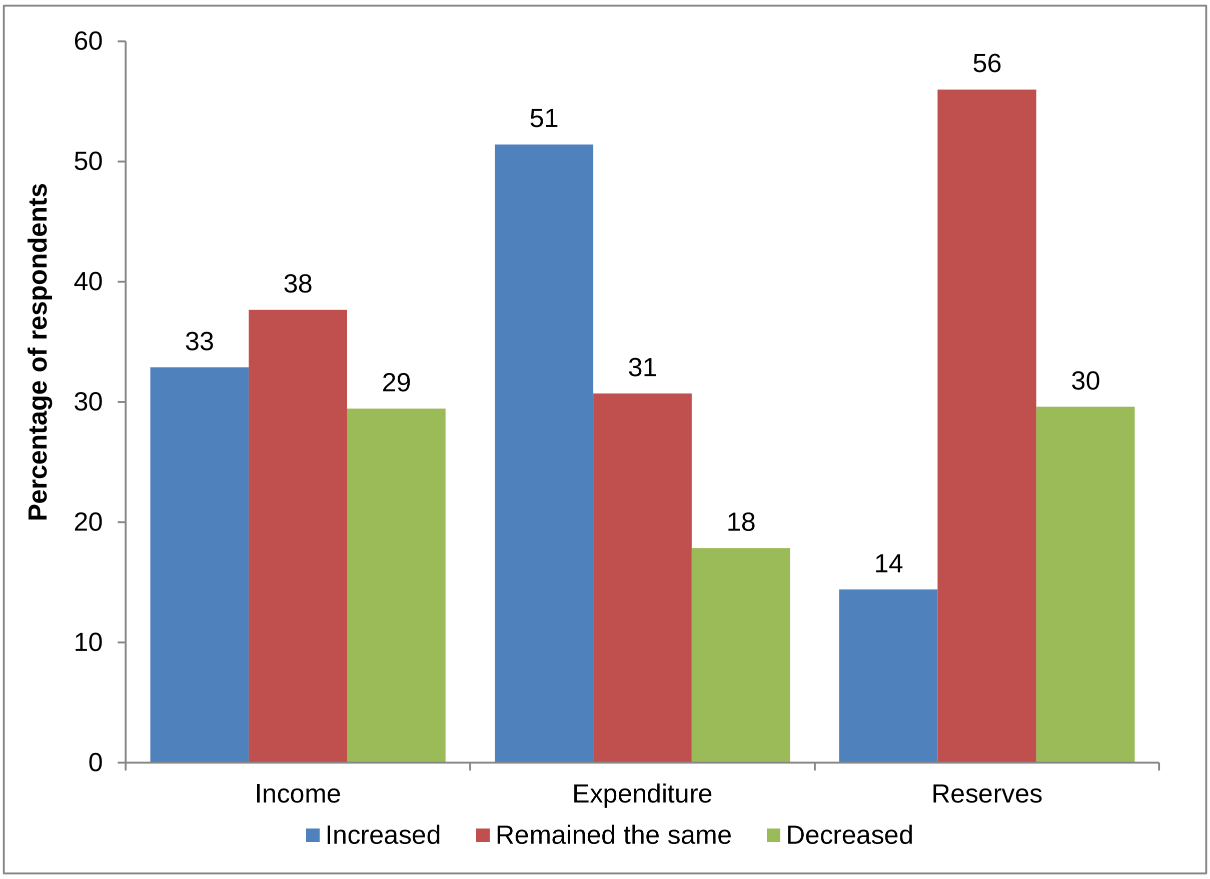


Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 224

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



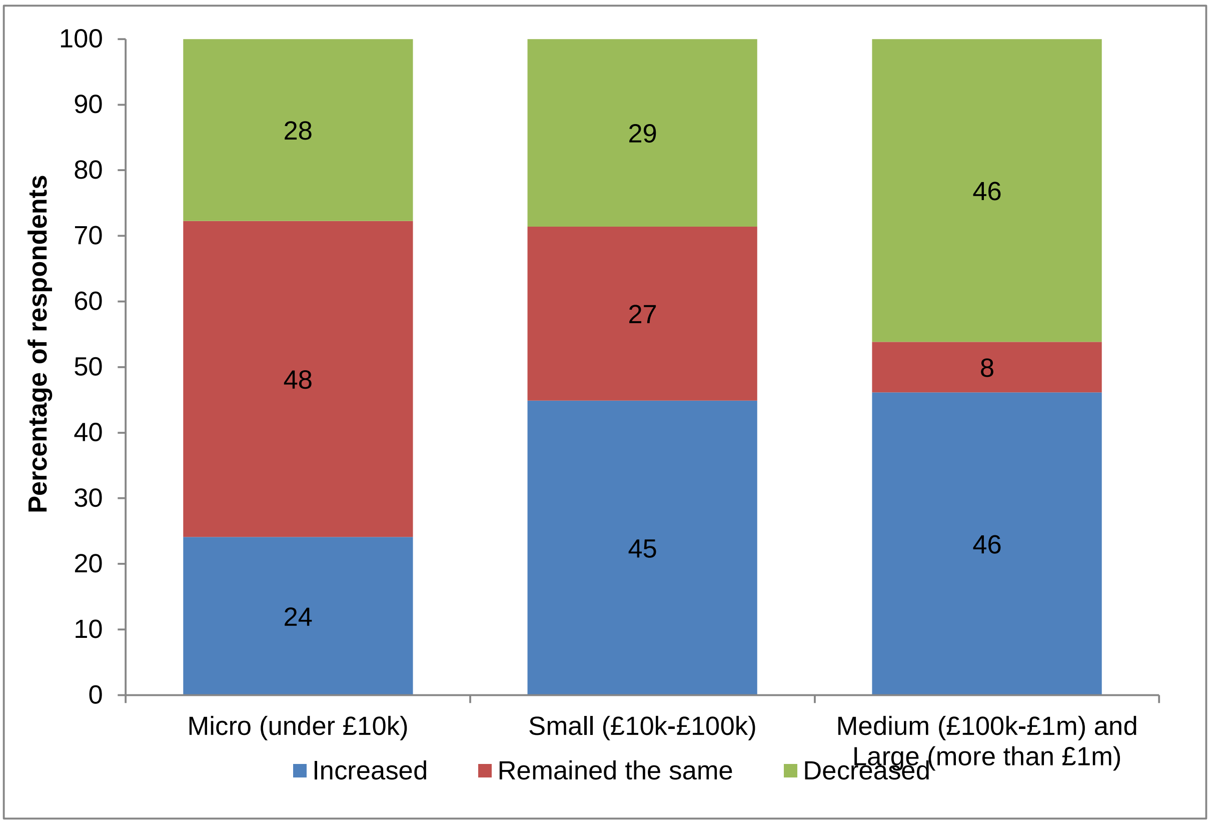
Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 146, 140 125

This raises some concerns: 51 per cent of respondents reported increasing their expenditure but only 33 per cent had experienced an increase in income and only 14 per cent report an increase in reserves; in addition, 29 per cent of respondents reported a decrease in income but only 18 per cent reduced their expenditure and 30 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**: 36 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 voluntary sector's income. In light of this trend it seems likely that the sustainability of a significant number of organisations could be under threat.

Explored by organisation size, the data suggests that the trends in income are more common in **micro and small organisations** than medium and large ones. In terms of expenditure, the trend is also more common in **micro and small organisations**.

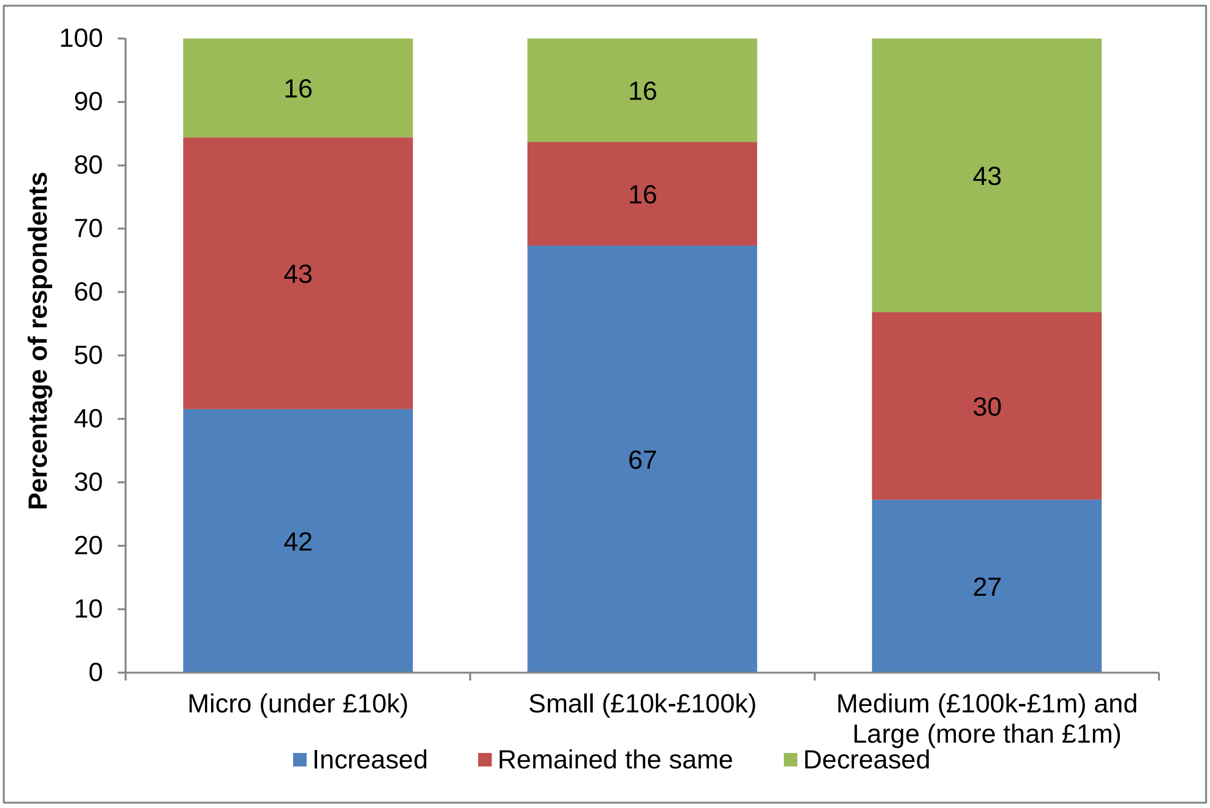
Collectively, the data indicates that the sustainability of micro and small sized organisations is of particular concern: 67 per cent of small organisations reported increasing their expenditure in the past 12 months but only 45 per cent increased their income; 42 per cent of micro organisations reported increasing their expenditure in the past 12 months but only 24 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 146
Note: 'cannot say' response has been excluded from the analysis

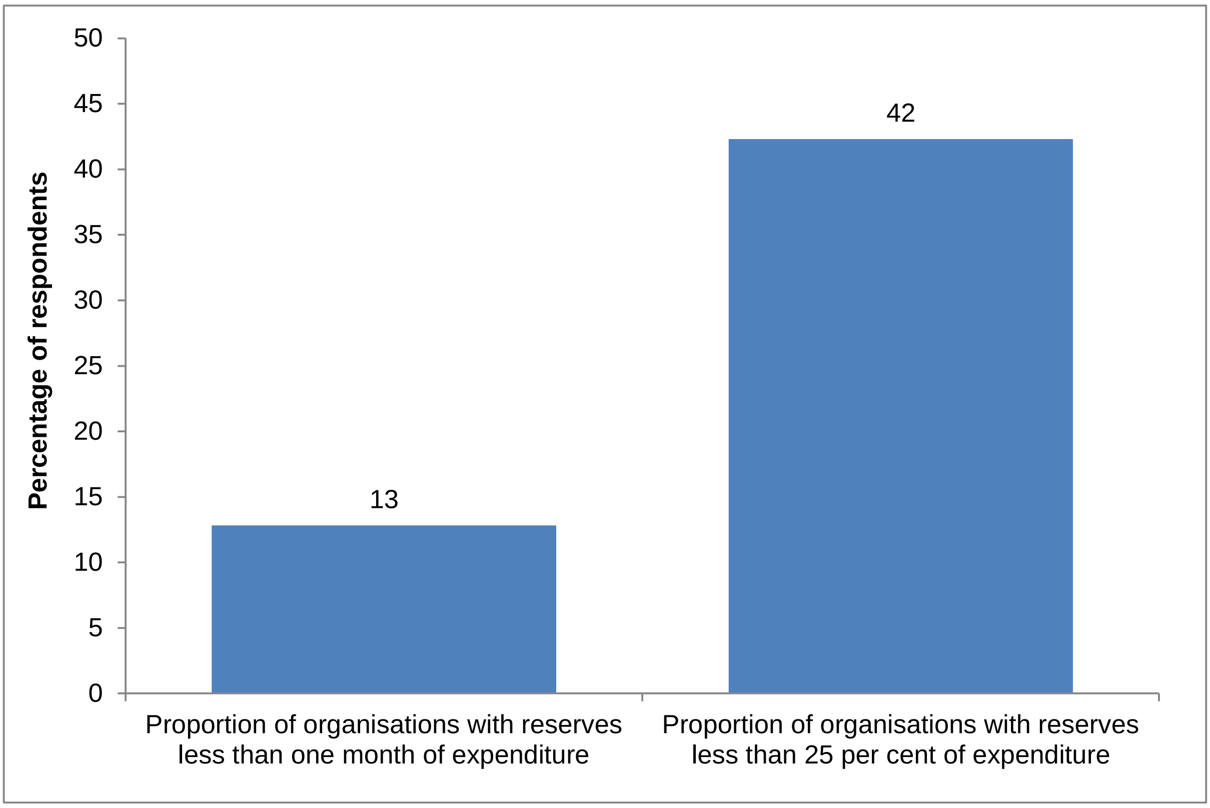
Figure 4.9b: Change in expenditure in the last 12 months by organisation size



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 125
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 on 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 Tameside



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 78

This shows that **13 per cent had reserve levels of less than one month's expenditure**, and a further 29 per cent had reserves that covered less than three months expenditure. This suggests that over two-fifths 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.

The Workforce

5

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

- the number of full time equivalent (FTE)[31] 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 Tameside?

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 Tameside, it is estimated that the 1,068 organisations in Tameside employed **1,200 FTE paid staff (1,800 employees)** in 2012/13. This was five per cent of the estimated total number of FTE paid staff working within the voluntary 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 Tameside organisations by multiplying the number of FTE paid staff by the estimated gross value added (GVA) per FTE employee[32]. From this calculation it is estimated paid employees of Tameside organisations contribute £36.8 million to the economy per annum.

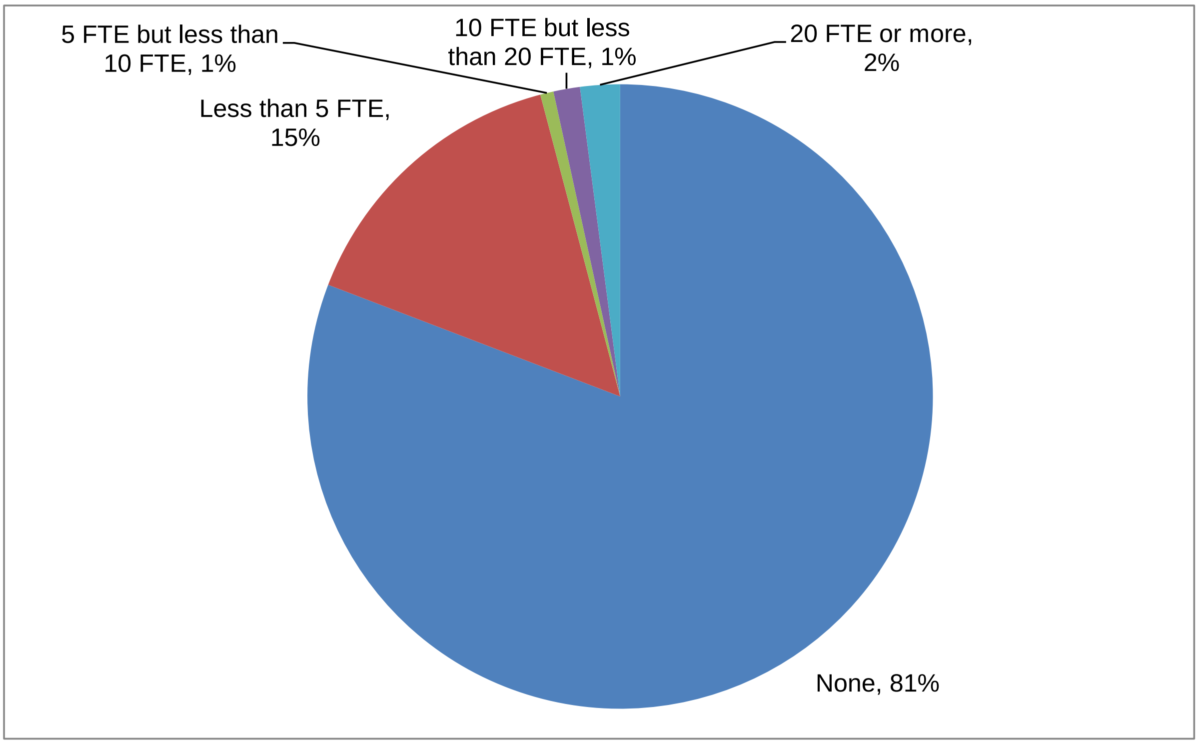
Forty three per cent of FTE paid staff were employed in large organisations with an income of at least one million pounds. In comparison the 1,005 micro and small organisations employed just 21 per cent of FTE paid staff.

[31] 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.
[32] 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. Eighty one per cent of organisations did not employ any FTE paid staff (up from 73 per cent in the 2009 Tameside survey) and a further 15 per cent employed less than five FTE employees. At the other end of the spectrum just three per cent of organisations employed ten or more FTEs, including two per cent of organisations which employed 20 FTE staff or more.

Compared with the Greater Manchester sample as a whole, a lower proportion of organisations within Tameside had FTE paid staff: 29 per cent in Tameside compared with 36 per cent in Greater Manchester. Four per cent of Greater Manchester organisations employed 20 or more FTE paid staff.

Figure 5.1: Organisations by numbers of FTE paid staff



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 146

5.2 How many FTE work placements are employed in the voluntary sector in Tameside?

Five per cent of responding organisations reported that part of their workforce was on work placements (e.g. students or trainees). 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 Tameside to provide an estimate of the total number of FTE work placements in the sector. From this calculation there were **an estimated 120 FTE work placements** contributing to the workforce in Tameside in 2012/13. This was seven per cent of the estimated total across Greater Manchester.

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

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

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 Tameside, it is estimated:

- **26,200 volunteers** were part of the sector's workforce in Tameside in 2012/13; this represents 12 per cent of Tameside's total population (219,700)[33] and eight per cent of the estimated total for Greater Manchester organisations
- these volunteers provided an estimated **73,900 hours of their time per week**; this was seven 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[34]. From this calculation **the economic contribution of volunteers in Tameside organisations is estimated to be £66.2 million per annum[35]**.

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 volunteer output is the value of the equivalent 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 the value of the output from volunteers would be just the value of the equivalent 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[36]. 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[37]. 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;

[33] It is likely that a number of these volunteers could be the same person volunteering for multiple organisations; additionally, residents from outside of Tameside volunteering within Tameside; and conversely there will be Tameside residents volunteering for organisations outside of Tameside.
[34] 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
[35] Please note currently the work of volunteers is not included within official GVA figures
[36] This is the approach recommended by Volunteering England
[37] This assumes that there are no additional costs faced by organisations in using volunteers: for example extra management costs

however incomplete responses to the breakdown of volunteers by their role 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[38] it would cost **£23.8 million annually to employ staff to do the work provided by volunteers in Tameside**
- assuming the median gross hourly wage for full time employees in the North West[39] it would cost **£45.9 million annually to employ staff to do the work provided by volunteers in Tameside**.

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

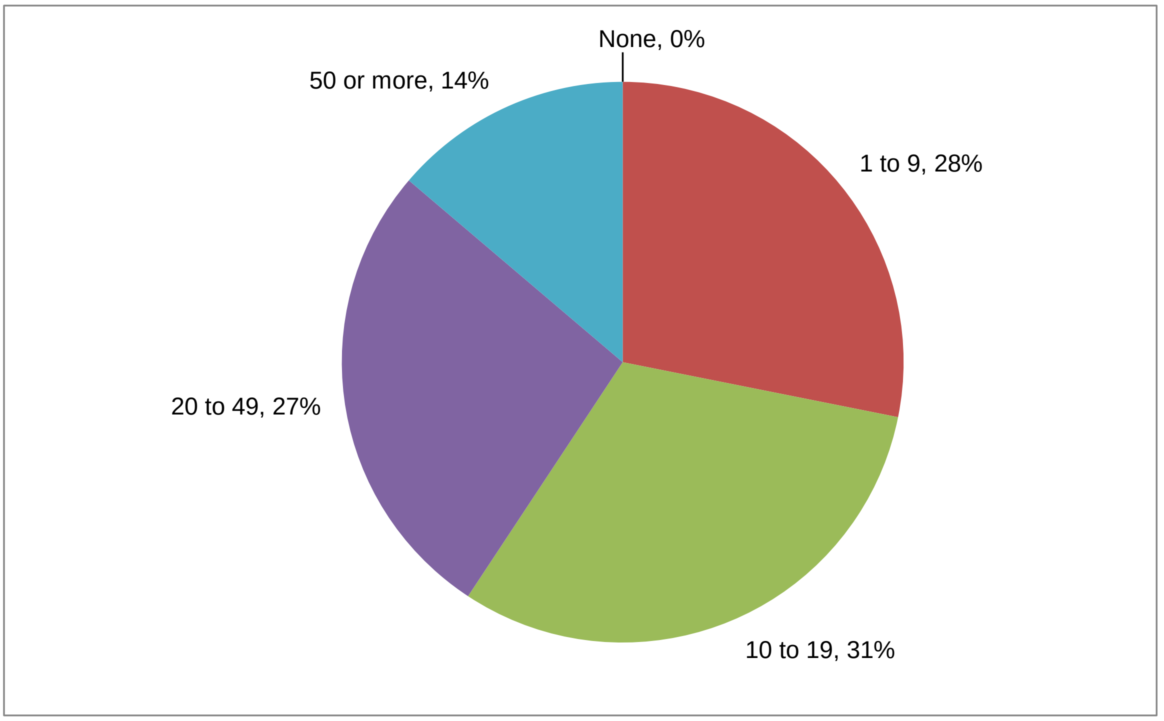
- no organisations reported having no volunteers
- 28 per cent of organisations had between one and nine volunteers
- 31 per cent of organisations had between 10 and 19 volunteers
- 27 per cent of organisations had between 20 and 49 volunteers
- and 14 per cent of organisations had 50 or more volunteers.

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

- 1 per cent of organisations had no volunteers
- 31 per cent of originations had one to nine volunteers
- 26 per cent of organisations had 10 to 19 volunteers
- 27 per cent of organisations had 20 to 49 volunteers
- and 14 per cent of organisations had more than 50 volunteers.

[38] £6.19 for 21 years and older in 2012
[39] £11.94 for 2012

Figure 5.2: Organisations by numbers of volunteers



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 167

The 2009 Tameside survey found:

- over half of respondents (59 per cent) had less than 10 volunteers and only 15 per cent had 30 or more volunteers
- volunteers in responding organisations contributed **9,407 hours a week[40],** an **average of 45 hours a week** per organisation or equivalent to more than one full time worker
- more than half of organisations (53 per cent) had volunteers contributing less than 20 hours a week; 13 per cent gained 100 or more hours from their volunteers

Assessment of the breakdown of volunteers by job role reveals:

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

5.4 How has the voluntary 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 organisation's workforce had 'increased', 'stayed the same' or 'decreased' in the last 12 months:

- the total number of paid employees

[40] This figure included time that committee / board members / trustees contributed.

- 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 three quarters of organisations (75 per cent) employed a similar number of paid employees to a year ago
- of organisations reporting a change a similar number of respondents reported an increase (13 per cent) and a decrease (13 per cent) in their number of paid employees over the previous year
- 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:

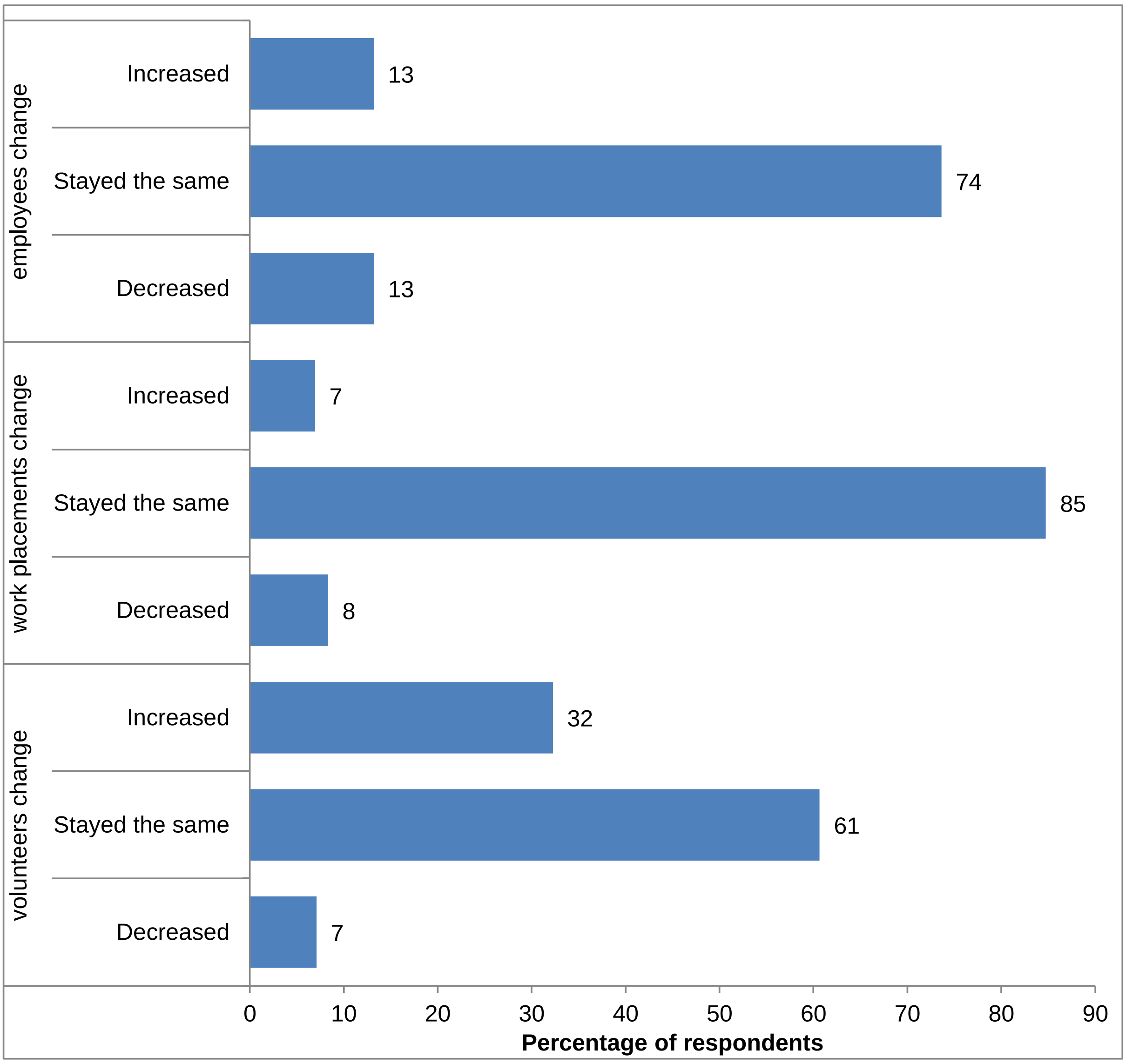
- 85 per cent of respondents reported that the number of work placements within their organisation had remained the same over the past year
- of organisations reporting a change a similar number of respondents reported an increase (seven per cent) and a decrease (eight per cent) in their number of work placements over the previous 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:

- around three fifths of respondents (61 per cent) reported that the number of volunteers within their organisation had remained the same over the past year
- of organisations who reported a change 32 per cent 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 Volunteer 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 just seven per cent of organisations reported a decrease in volunteer numbers.

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: Tameside State of the Voluntary Sector Survey 2012/13
Base: paid employees (91) work placements (72) volunteers (155)
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 Tameside: half 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 Tameside, how these statutory agencies perceive and influence their work, and their satisfaction with funding arrangements.

6.1. Dealings 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 borough of Tameside. An overview of their responses is provided in figure 6.1, along with data on the national average[41] for dealings with local statutory bodies and 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 Tameside Council, NHS Tameside and Glossop and Greater Manchester Police:

- **Tameside Council:** 69 per cent had some dealings with the Council; including 7 per cent who had a 'great amount' of dealings and 26 per cent who had a 'fair amount' of dealings
- **Greater Manchester Police:** 44 per cent had some dealings with Greater Manchester Police; including 6 per cent who had a 'great amount' of dealings and 12 per cent who had a 'fair amount' of dealings
- **NHS Tameside and Glossop (Primary Care Trust (PCT)) and the Clinical Commissioning Group (CCG)[42]:** 26 per cent had some dealings with the PCT/CCG; including 2 per cent who had a 'great amount' of dealings and 10 per cent who had a 'fair amount' of dealings.

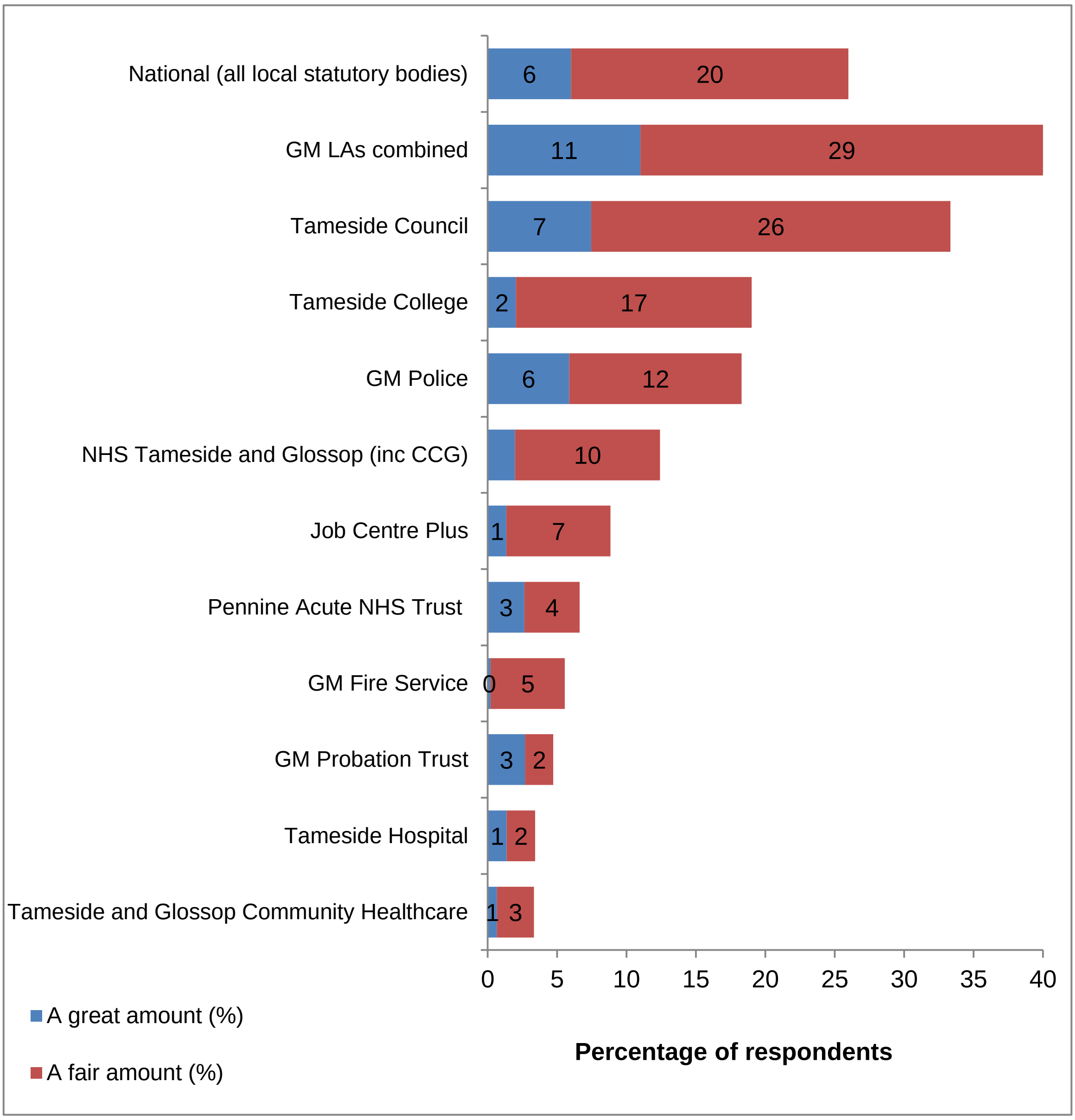
Although direct comparisons with the 2009 survey cannot be made the findings are broadly consistent: in 2009 68 per cent of respondents had some dealings with local public sector bodies. They are also consistent with the findings from across Greater

[41] All national figures draw on data from the 2010 National Survey of Charities and Social Enterprises: http://www.nscsesurvey.com/results2010/

[42] Please note that during the course of this research Tameside and Glossop Clinical Commissioning Group, the body that has now replaced NHS Tameside and Glossop, was still being established and hence this research refers mainly to the former as this would be more familiar to the sector.

Manchester, where local authorities were the most prominent public sector contact for respondents. 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'. The Tameside figures are broadly similar to this.

Figure 6.1: Dealings with local public sector bodies



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 147 - 201

6.2. Relationships with local public sector bodies

The previous section highlighted the central importance of the Council, NHS Tameside and Glossop (now Tameside and Glossop Clinical Commissioning Group)[43], and Greater Manchester Police to the voluntary sector's work. The relationship between organisations and their local public sector partners is therefore important to their ability to operate effectively. To this end survey respondents were

[43] Please note that during the course of this research Tameside and Glossop Clinical Commissioning Group, the body that has now replaced NHS Tameside and Glossop, was still being established and hence this research refers mainly to the latter as this would be more familiar to the sector.

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 Tameside Council and their most frequent contact from the list of other public sector bodies. The results of each question are summarised in figure 6.2 overleaf. The results of each question are summarised in figures 6.2a and 6.2b. A comparison with the national and Greater Manchester averages 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:

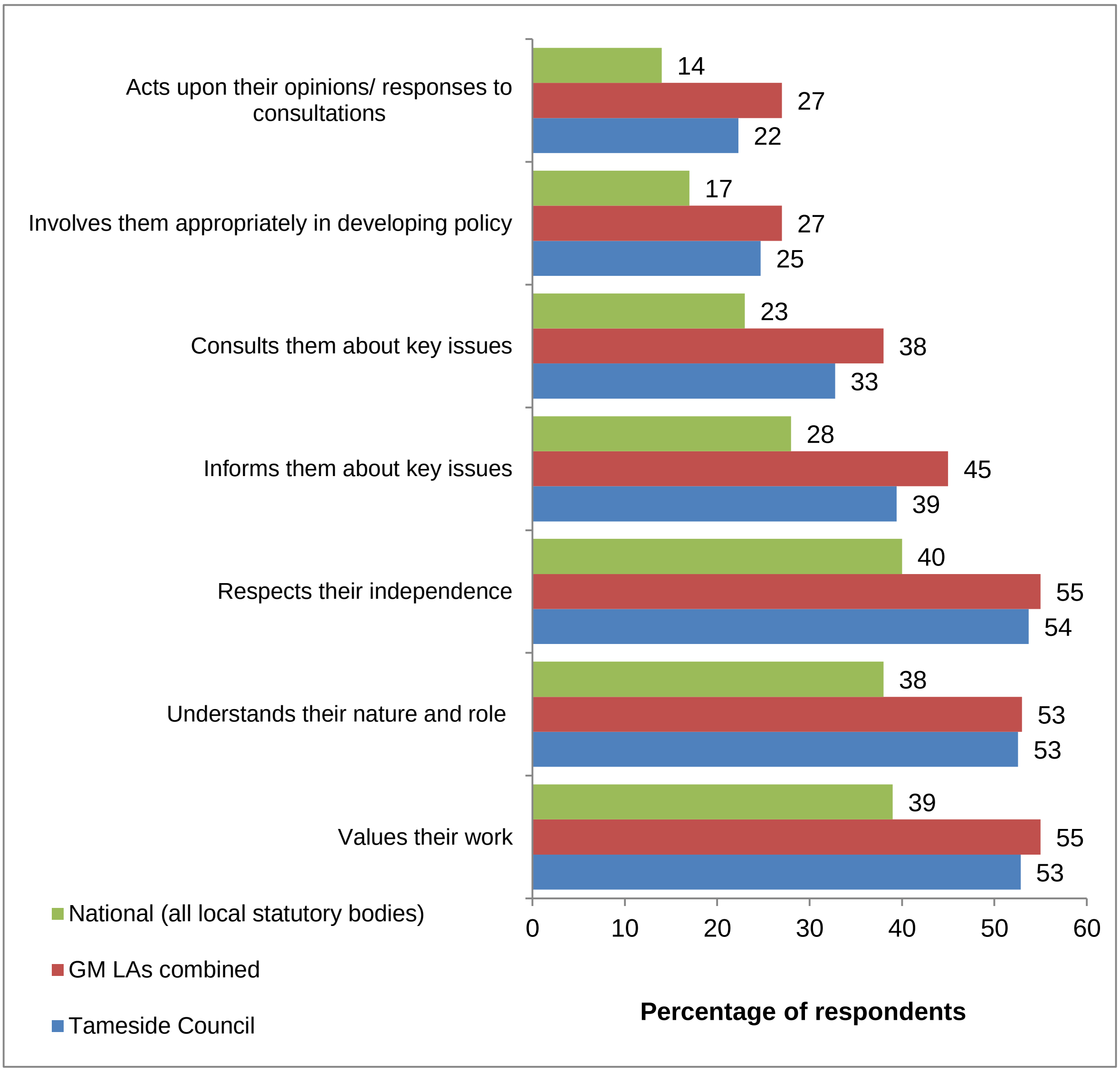
- **valuing their work:** 53 per cent of respondents said that Tameside Council valued the work they did and 55 per cent of respondents said this of their most frequent other public sector contact (2009: 55 per cent)[44]
- **understanding their role:** 53 per cent of respondents said that Tameside Council understood the role and nature of their organisation's role. 51 per cent of respondents said this of their most frequent other public sector contact (2009: 49 per cent)
- **respecting their independence:** 54 per cent of respondents said that Tameside Council respected their organisation's independence and 51 per cent of respondents said this of their most frequent other public sector contact (2009: 52 per cent)
- **informing about key issues:** 39 per cent of respondents said that Tameside Council kept their organisation informed about issues which affected them or were of interest to them and 40 per cent of respondents said this of their most frequent other public sector contact (2009: 40 per cent)
- **consulting about key issues:** 33 per cent of respondents said that Tameside Council consulted their organisation about issues which affected them or were of interest to them and 32 per cent of respondents said this of their most frequent other public sector contact (2009: 29 per cent)
- **involving in policy development:** 25 per cent of respondents said that Tameside Council involved their organisation appropriately in developing and carrying out policy on issues which affected them and 25 per cent of respondents said this of their most frequent other public sector contact (2009: 34 per cent)

[44] Note that this is not a direct comparison. The Tameside figure from 2009 refers to all local statutory bodies.

- **acting on their views:** 22 per cent of respondents said that Tameside Council acted upon their organisation's opinions and/or responses to consultations and 31 per cent of respondents said this of their most frequent other public sector contact (2009: 21 per cent).

This suggests an overall trend in which the voluntary sector's experience of working with Tameside council was broadly similar to working with other local public sector bodies[45], with overall figures broadly consistent with the three previous surveys. This is a slightly more positive trend than across Greater Manchester, but overall relationships with the public sector were slightly less positive than for across Greater Manchester. Importantly, respondents to this survey were considerably more positive about their relationship with the public sector than the 2010 national survey.

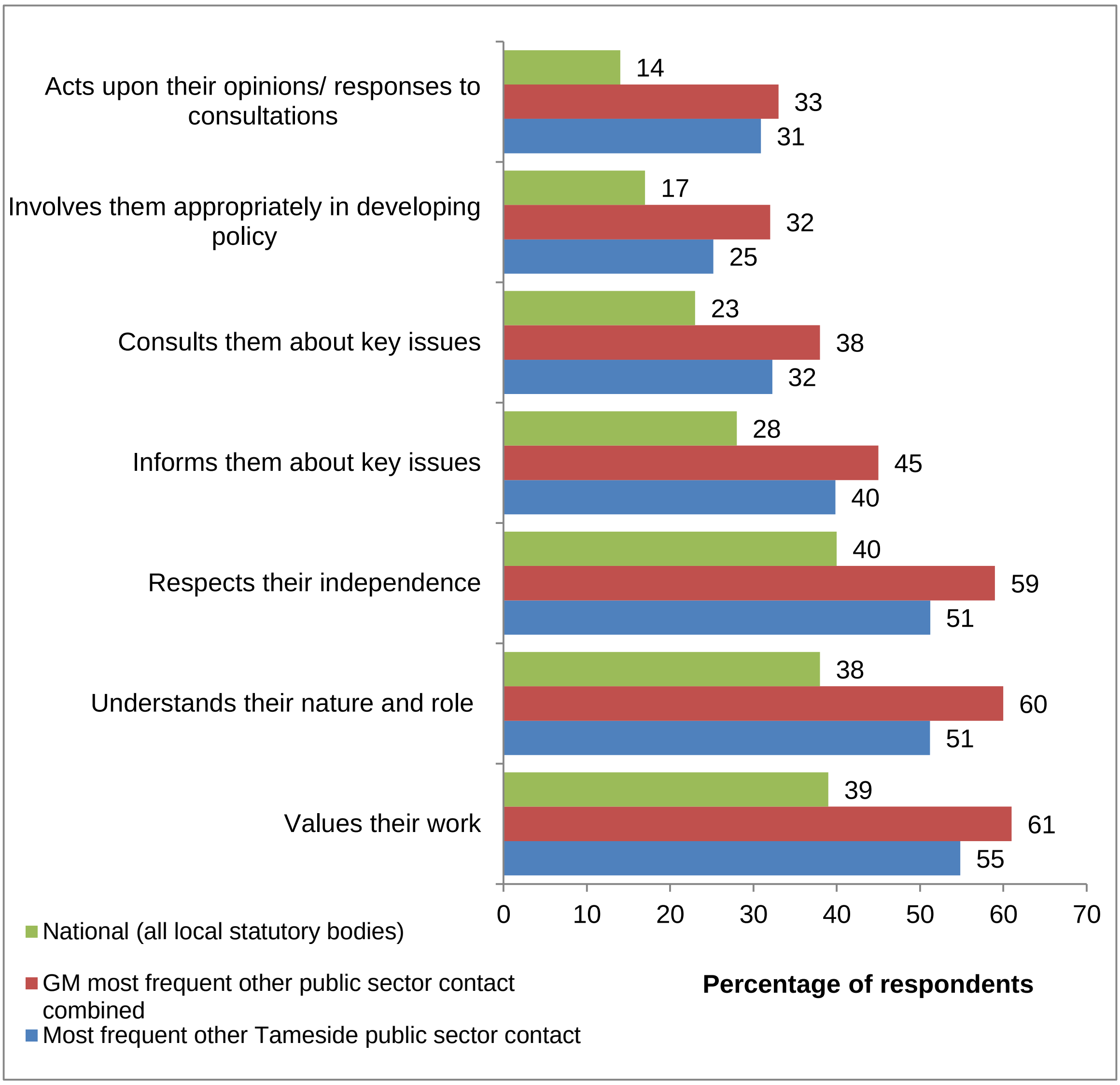
Figure 6.2a: Relationships with Tameside Council



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 174 -175

45 The only notable difference being under the 'acting on their views' category.

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

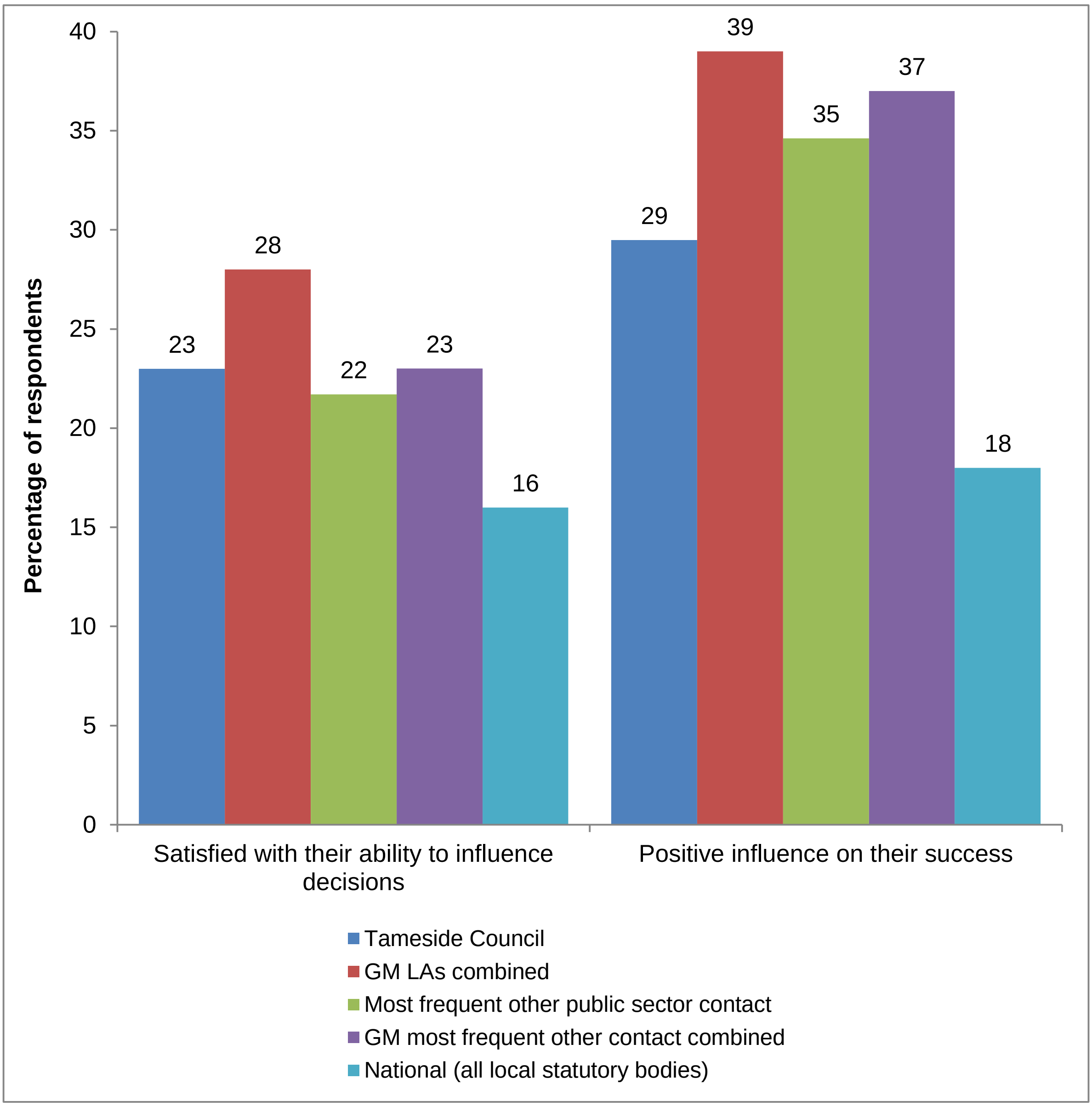


Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 123-124

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[46]. The results of these questions are summarised in figure 6.3. A comparison with the national and Greater Manchester averages is also provided.

[46] 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 173 / 174

This shows that 23 per cent of respondents were satisfied with their ability to influence Tameside Council decisions of relevance to their organisation and 29 per cent said that the council had a positive influence on their organisation's success. This is less positive than the Greater Manchester combined figures but higher than the national average.

In addition, 22 per cent of respondents said they were satisfied with their ability to influence key decisions of their most frequent other public sector contact and 35 per cent said this contact had a positive influence on their success. Again, this is slightly less positive than the Greater Manchester combined figures.

Although direct comparisons with the 2009 survey cannot be made the findings are broadly consistent: in 2009 25 per cent of respondents were satisfied with their ability to influence the decisions of local statutory bodies and 25 per cent said local statutory bodies were a positive influence on their success.

6.3. Funding from local public sector bodies

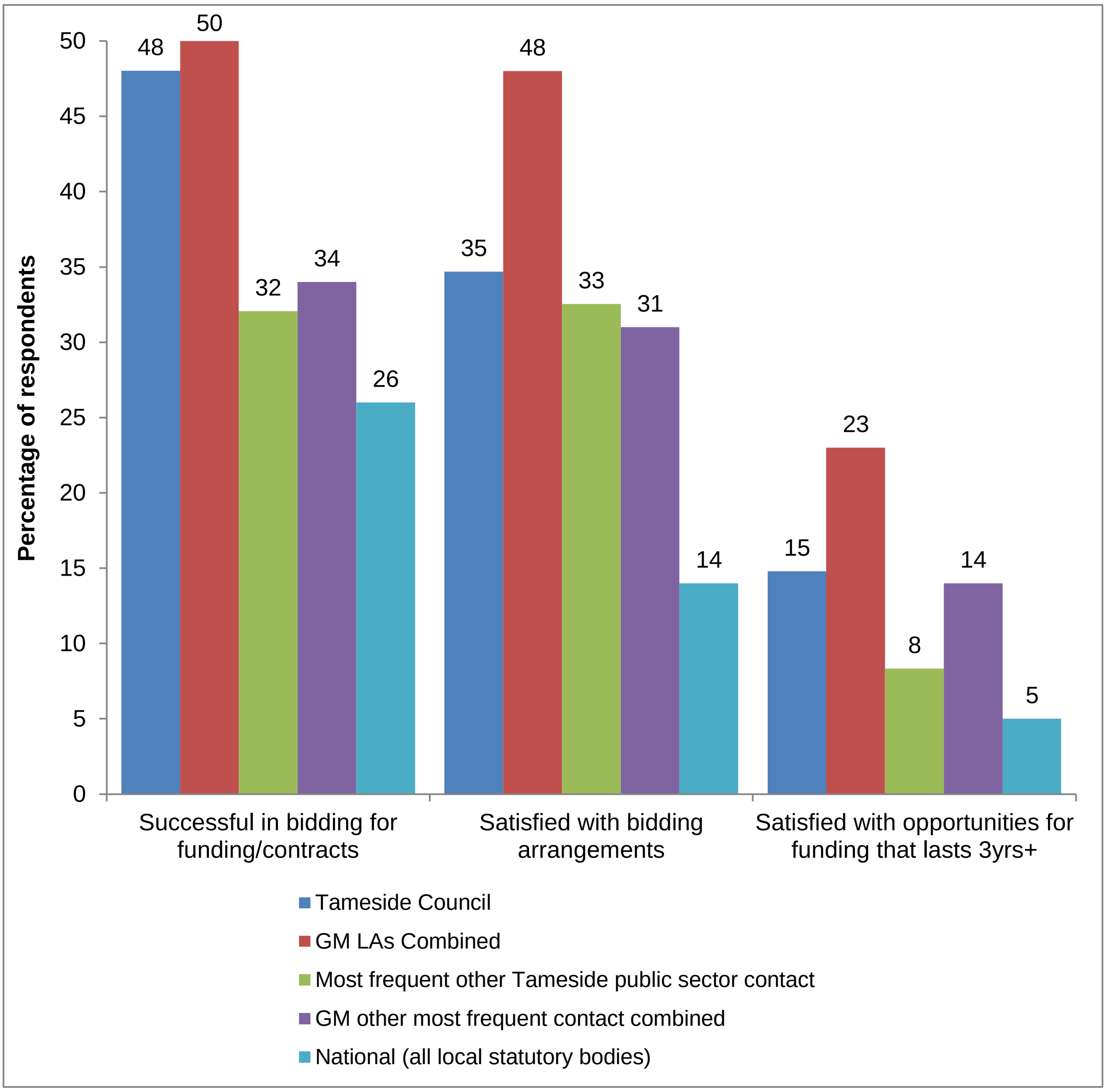
Respondents were also asked to reflect on their experiences of public sector funding in terms of how successful they had been; how satisfied they were with bidding arrangements; and how satisfied they were with the level of opportunity to bid for long-term funding. The responses are illustrated in figure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

This shows that 48 per cent of respondents were successful in bidding for contracts with Tameside Council compared to a 32 per cent success-rate with other public sector bodies (2009: 23 per cent[47]). Satisfaction with bidding arrangements was broadly equal across both categories, with 35 per cent satisfied with bidding arrangements for Tameside Council contracts and 33 per cent for their most frequent other public sector contract. 15 per cent were satisfied with the opportunities for funding or contracts with Tameside Council that last three years or longer; and 8 per cent felt the same for their most frequent other public sector contact (2009: 11 per cent).

There is some consistency with the Greater Manchester combined figures between Tameside Council and other local authorities, although satisfaction with Tameside Council is generally a few percentage points lower and satisfaction with their provision of three year contracts appears particularly low. Across all three measures respondents were considerably more satisfied with local public sector bodies than in the 2010 national survey - this finding was similar across Greater Manchester.

[47] Note that this is not a direct comparison. The Tameside figure from 2009 refers to all local statutory bodies.

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



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 169 – 177

7

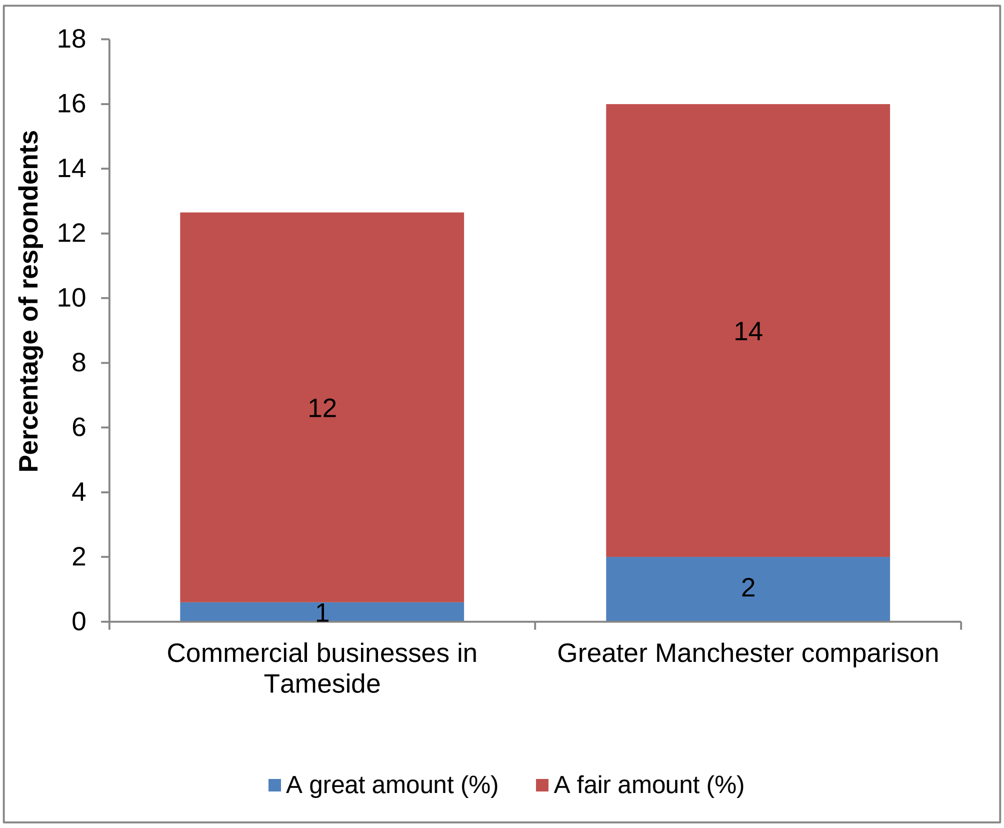
Partnership Working: Commercial Businesses

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 in the voluntary sector: chapter 4 revealed that only 17 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 direct dealings and experiences of working with commercial businesses in Tameside.

7.1. Working with commercial businesses

Survey respondents were asked to indicate the extent to which they had direct dealings with commercial businesses in Tameside. 46 per cent reported that they had some direct dealings, with 13 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: Tameside State of the Voluntary Sector Survey 2012/13
Base: 166

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:

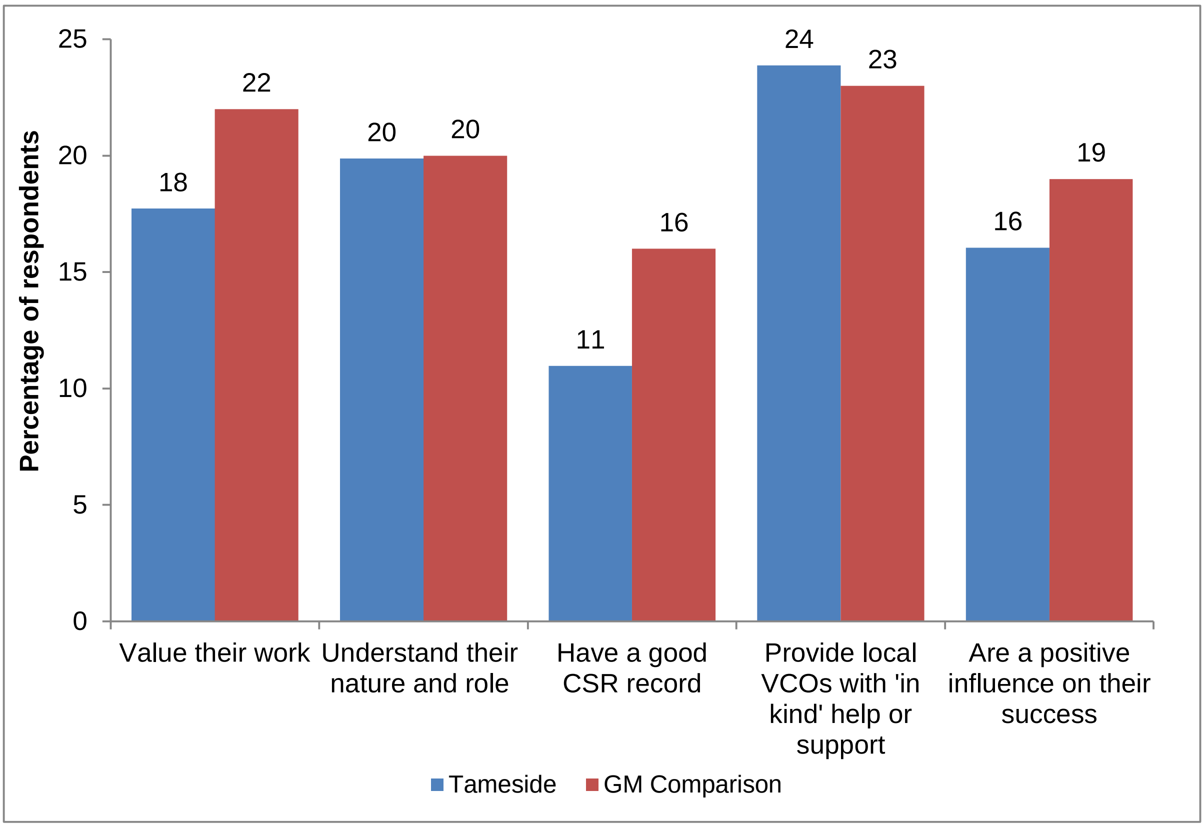
- valued their organisation's work
- understood the nature and role of their organisation
- had a good record in terms of corporate social responsibility
- provided local voluntary and community organisations/groups with 'in kind' help and/or support.

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 Tameside:

- 18 per cent of respondents felt that commercial businesses **valued their work**
- 20 per cent of respondents felt that commercial businesses **understood the nature and role of their organisation or group**
- 11 per cent thought that commercial businesses in Tameside had a good record on **corporate social responsibility**
- 24 per cent felt that commercial businesses provided the sector with **'in kind' help or support**
- taking all things into account 16 per cent of survey respondents felt that the commercial business community in Tameside was a **positive influence on**

their organisation's success. This is perhaps not surprising given the low level of engagement between these sectors relative to that with the public sector.

Figure 7.2: Relationships with commercial businesses



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 155-162

8

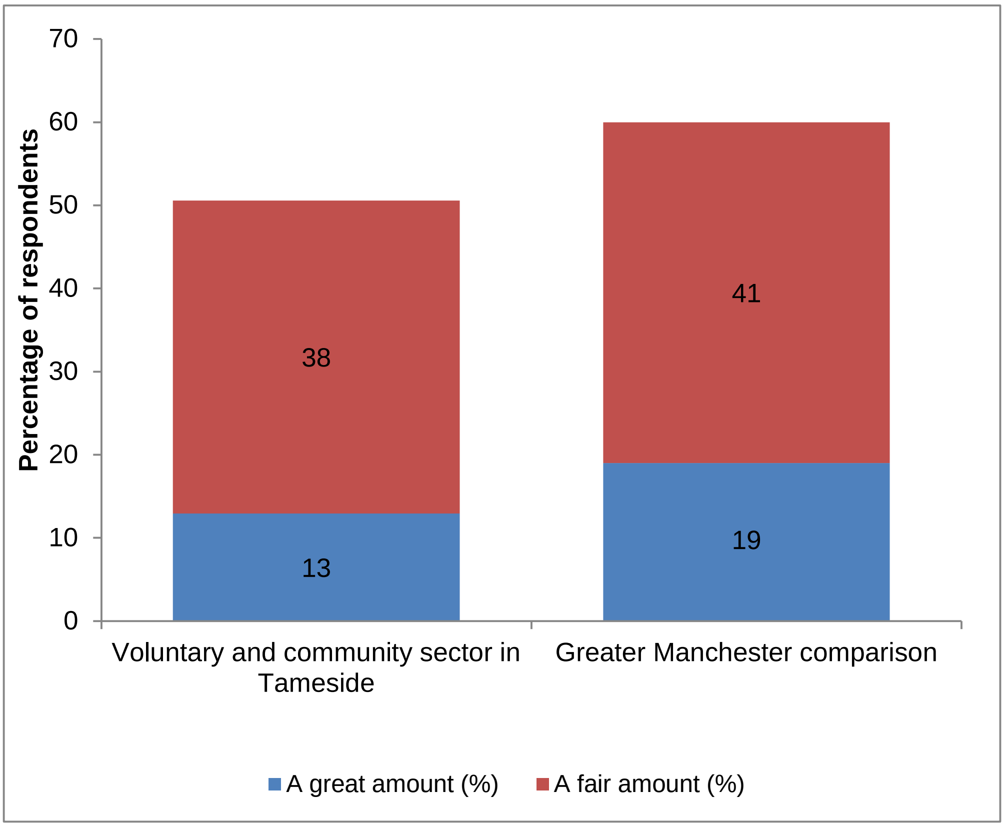
Partnership Working: Voluntary Organisations and Community Groups

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 Tameside. 78 per cent had some direct dealings with other voluntary and community organisations and 51 per cent had a 'great' or 'fair amount' of contact. This is lower 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.

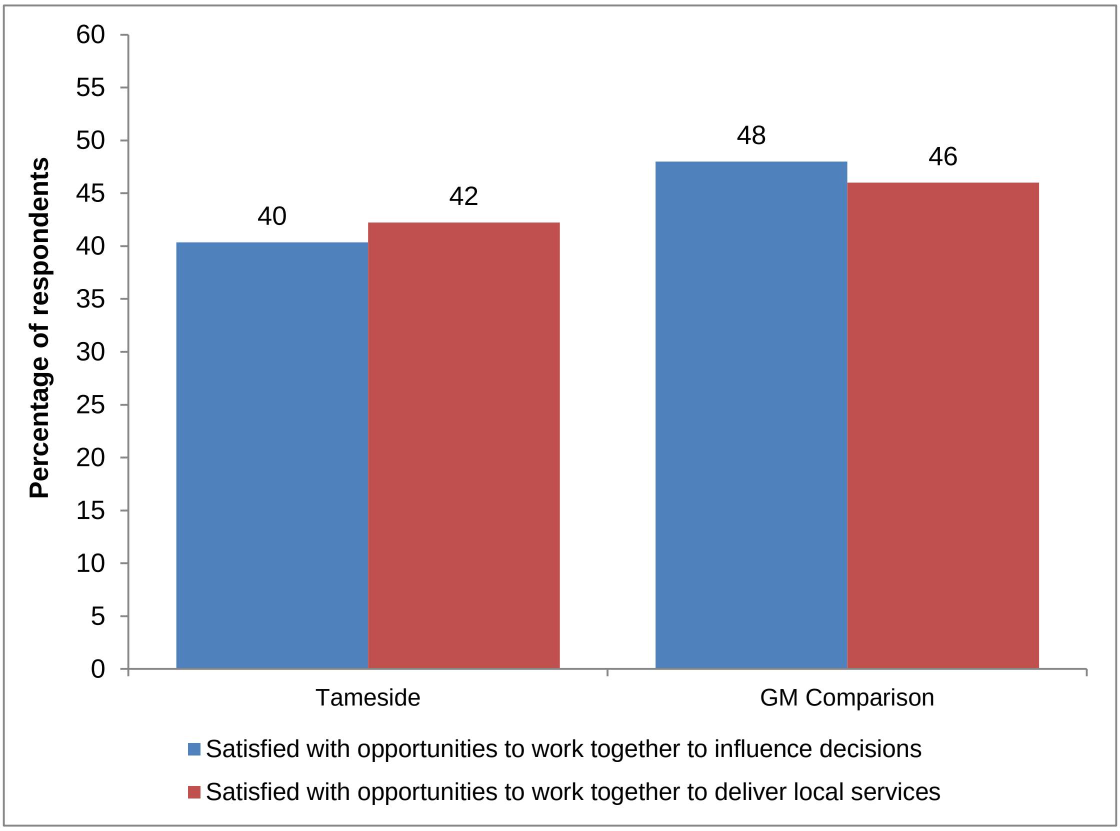
Figure 8.1: Extent of direct dealings with voluntary and community organisations



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 170

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



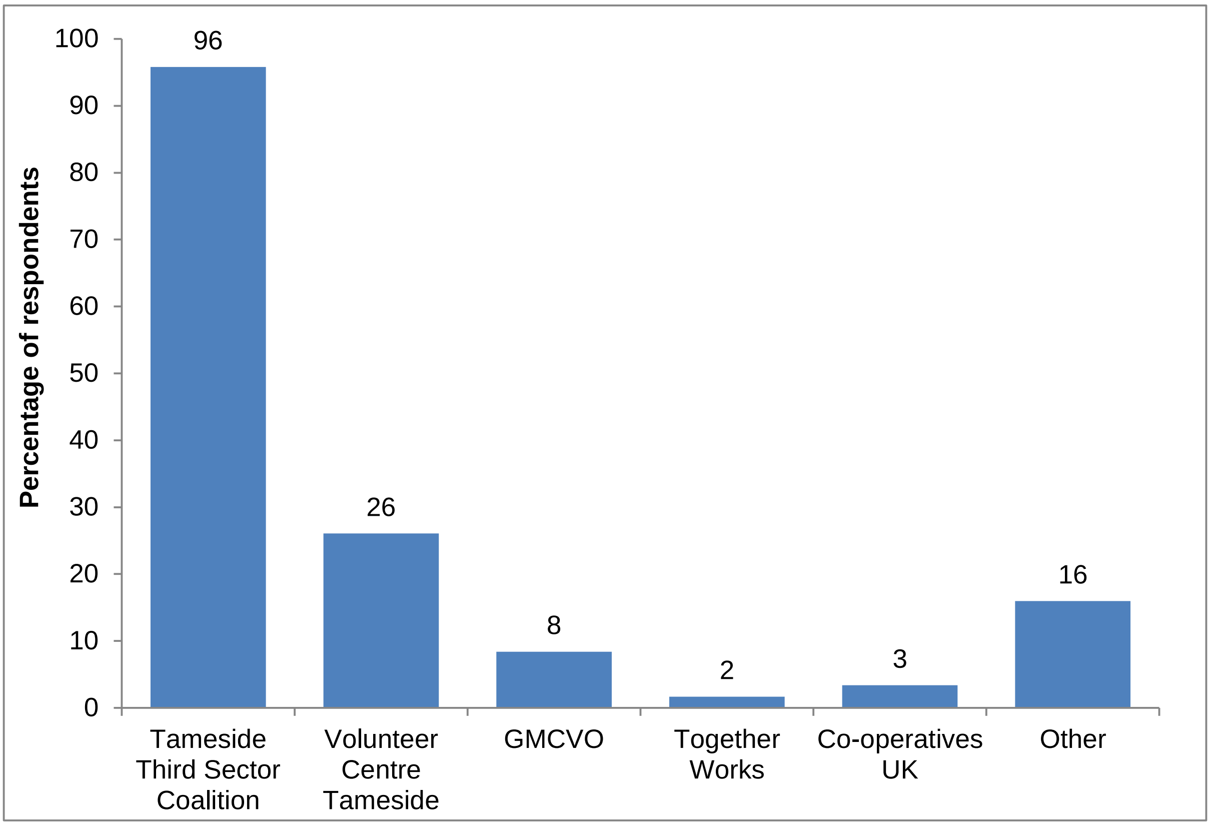
Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 166 / 161

This shows that 40 per cent of respondents were satisfied with the availability of opportunities to influence local decisions and that 42 per cent were satisfied with the availability of opportunities to work together to deliver local services. This is slightly lower 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 Tameside area. The results are summarised in figure 8.3.

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



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 119

This shows that Tameside Third Sector Coalition[48] provided support to more than nine in ten survey respondents (96 per cent). Other organisations provided support to far fewer organisations but this is likely to be a function of the fact that they tended to support specific types of groups (i.e. social enterprises).

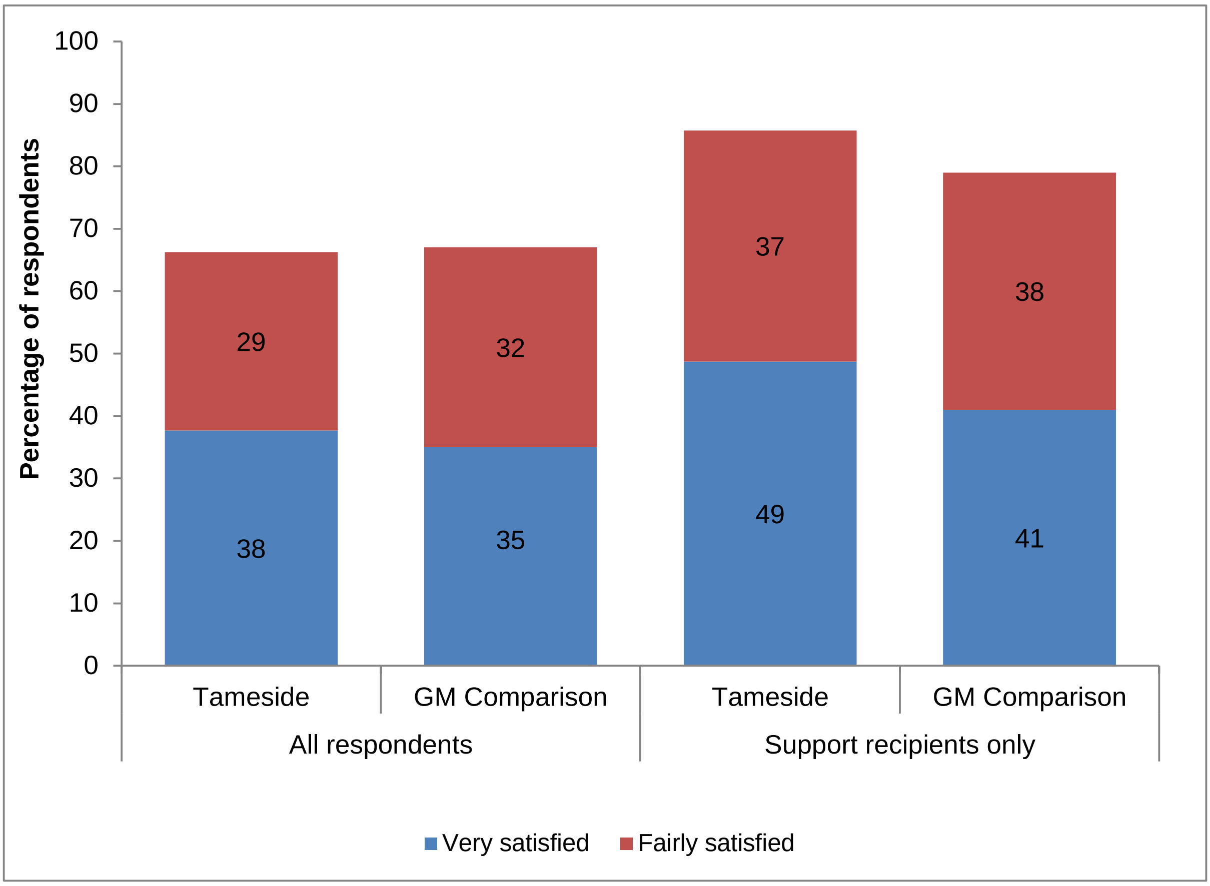
Survey respondents were also asked the extent to which they were satisfied with the support available from these local support and development organisations. An overview of the results is provided in figure 8.4 (overleaf).

Figure 8.4 shows that overall 67 per cent of organisations were satisfied with the support available from local support and development organisations in Tameside. It also shows that of the organisations that had received support, 86 per cent were satisfied. This is broadly comparable 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. But, of the organisations that had received support, Tameside respondents were more positive: 79 per cent were satisfied in Greater Manchester as a whole.

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

[48] Shortly before this research was undertaken T3SC and the Volunteer Centre Tameside merged to form Community and Voluntary Action Tameside hence some questions mentioned these organisations rather than CVAT.

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



Source: Tameside State of the Voluntary Sector Survey 2012/13
Base: 136 / 154

Conclusions

9

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

- chapter 3: the basic ‘anatomy’ of the voluntary sector in Tameside
- 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. However, 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 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 Tameside at the start of 2013 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 the 2009 survey findings 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 Tameside 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 1,068 organisation working in the sector
    - the vast majority (69 per cent) of organisations are 'micro' with income of less than £10,000
    - whilst the 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 38 per cent had been formed since 2003
    - the sector cuts across many different policy and issue domains; in particular there were sizable concentrations of organisations working in the thematic areas of; community development; health and well-being; sport and leisure; 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 vulnerable groups (for example the unemployed and those with health problems)
- the sector works at a range of different geographical levels: both across and beyond Tameside; 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 Tameside is an important economic entity, but patterns in the amount of money the voluntary 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 £47 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 number of large organisations (10) with an income of more than £1 million
   - half of organisations received income from the public sector; Tameside Council, and funding administered by TS3C or Volunteer Centre Tameside, are the most important source of public sector funds[49]
   - almost two-thirds of 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: 13 per cent had reserves totalling less than one month of expenditure, and over two fifths had insufficient reserves to cover more than three months expenditure.

3. **The voluntary sector in Tameside is an important employer and makes a huge volunteering contribution. In 2012/13 there were an estimated 1,200 FTE paid staff and 120 FTE work placements employed in the voluntary sector. In addition the voluntary sector was supported by 26,200 volunteers who combined donated 73,900 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 Tameside organisations by the expected value of the output that they produced gives an estimated contribution of £66.2 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:

[49] In this period all funding administered by T3SC or VCT came from a public sector source and the vast majority of this from Tameside Council. Shortly before this research was undertaken T3SC and the Volunteer Centre Tameside merged to form Community and Voluntary Action Tameside hence some questions mentioned these organisations rather than CVAT.

- assuming the national minimum wage for adults it would have cost £23.8 million annually to have employed staff to do the work provided by volunteers in Tameside organisations
- assuming the median gross hourly wage for full time employees in the North West it would have cost £45.9 million annually to have employed staff to do the work provided by volunteers in Tameside organisations.

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

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

- 69 per cent of respondents had some dealings with Tameside Council, 26 per cent had some dealings with NHS Tameside and Glossop/ Tameside and Glossop Clinical Commissioning Group, and 6 per cent had some dealings with Greater Manchester Police
- fewer than one third of respondents were satisfied with their ability to influence public sector decisions and a similar proportion 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. 24 per cent of respondents thought that commercial businesses in Tameside value their work and 21 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 78 per cent having direct dealings with other voluntary and community organisations and 86 per cent of support recipients were satisfied with the support they received from local support and development organisations such as Community and Voluntary Action Tameside.

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.

"Funding is always a problem but in austere economic times even more so."

"Funding is our biggest challenge, although we are prepared to work for our income rather than rely on grants, the opportunities for this are much reduced."

"The future of public finance will have a significant impact on our own future: if the Council pulls out of our agreement we may well have to close."

Despite this, many organisations were looking to expand. In some cases this was because of increasing demand as a result of the poor economic climate and government welfare reforms. This led into another central challenge, that of accessing the necessary facilities to carry out their work, and also maintaining sufficient numbers of skilled volunteers:

"Expand - get a new site to let us improve facilities of the ground."

"Finding enough volunteers to deliver the services we provide. We have had to limit the number of members to our organisation"

"Recruiting, maintaining and training volunteers to continue to deliver fun, exciting and challenging activities safely and effectively."

Other organisations, on the other hand, were experiencing a fall in demand, often as a result of an ageing membership group, or changing community dynamics:

"Falling number of male members due to death and younger male members not joining."

"Membership of the club. We now only have 10 active members compared to 35 members, 30 years ago."

"Developing younger congregations and committed younger members (under 40)."

A1

Appendix 1

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	735	£1,910,319
Small (£10k to £100k)	£38,472	271	£10,408,857
Medium (£100k to £1m)	£301,433	53	£16,014,126
Large (over £1m)	£1,961,837	10	£18,950,168
Total			**(d) £47,283,471**