

Local health and social wellbeing

The contribution of the voluntary, community
and social enterprise sector in Cumbria



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

Third Sector Trends Study

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

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

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

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Summary of key findings

Sector size and structure

The VCSE sector in Cumbria is composed of about 2,500 registered organisations. The majority are registered with the Charity Commission as charities, charitable companies, trusts and Charitable Incorporated Organisations (80%). There are also large numbers of Community Interest Companies (8% of the sector) Cooperatives, Community Benefit Societies and Registered Societies (7%) and Community Amateur Sport Clubs (5%).

Most VCSE organisations are small and have income below £50,000 (75%) which is higher than the national average (63%). Organisations with income between £50,000 and £1 million compose 23 per cent of the sector (30% nationally) and organisations with an income between £1-25 million constitute just 2 per cent of the sector (5% nationally).

The VCSE sector is not distributed evenly across areas of affluence or deprivation (as defined by the Indices of Multiple Deprivation). The majority of organisations are concentrated in the 3rd and 4th quintiles, with just 10 per cent in the poorest areas (IMD 1-2) and 12 per cent in the richest (IMD 9-10).

VCSE organisations may be located in richer or poorer areas, but many organisations work beyond the locality where they are based. In the least affluent areas, 53 per cent of organisations work across the local authority, In the most affluent areas, more organisations focus on their local neighbourhood or village (40%) than in the least affluent areas (25%). This is because there is a larger concentration of micro and small organisations in wealthier areas.

A useful indicator of social and economic vitality in localities is the density of VCSE organisations and private businesses. In Cumbria, business density is relatively high at 54.8 per 1,000 residents and VCSE organisational density is 4.9 per 1,000 residents. The ratio of businesses to VCSE organisations is 12:1.

VCSE Sector workforce

It is estimated that there are 4,800 full-time equivalent VCSE sector employees in Cumberland Council and 5,500 in Westmorland and Furness Council: about 4 per cent of all employment in the area.

Levels of employment have fallen slightly since 2019 in Cumbria from 10,470 to 10,350. It is unlikely that decline in employment is primarily due to financial problems in the sector, but instead is caused by difficulties associated with employee retention and recruitment.

Employee retention problems are more severe in Cumbria than in most comparable areas. Difficulties in the recruitment of new employees affects 52 per cent of VCSE organisations, while retention problems affect 27 per cent of organisations.

There are about 52,000 regular volunteers working with VCSE organisations in Cumbria (23,000 in Cumberland Council and 29,700 in Westmorland and Furness Council areas). The proxy replacement value of volunteers in Cumbria is between £38 million (at National Living Wage level) and £53 million (at 80% average Cumbria wage).

Most VCSE organisations could not continue without the support from volunteers (87%). So it is worrying that many VCSE organisations have struggled to hold on to volunteers who joined them during the pandemic (22%) and many organisations say that they have struggled to hold on to older volunteers (47%). About a fifth of organisations report that they now have more younger volunteers (aged under 30). There is little evidence to show that people began volunteering because they wanted to work online (4%).

Diversity in leadership is currently limited in Cumbria amongst people from ethnic minorities, which may reflect local demographics (under 3% of chief officers and no reported examples of chairs). Women are chairs in 45 per cent of organisations, but hold 70 per cent of chief officer roles. Graduates hold 64 per cent of chairs and 58 per cent of chief officer roles. People with disabilities hold 8 per cent of chairs and 5 per cent of chief officer roles.

Investment in people is an important element of sustaining or developing sector skills and ensuring the commitment of staff and volunteers.

- The provision of training for staff and volunteers is at a higher level in Cumbria (50%) than most areas with similar characteristics (43%).
- Provision of flexible working practices is more prevalent in Cumbria (63%) compared with statistical neighbours (53%).
- Nearly 60 per cent of organisations invest in staff development compared with 56% amongst statistical neighbours.

Sector energy, purpose and impact

The energy the VCSE sector has at its disposal is associated with, but not wholly reliant on its income. In Cumbria, VCSE sector income is £508 million (£221 million in Cumberland Council area and £287 in Westmorland and Furness Council area).

When all aspects of sector energy are taken into account (including expenditure, volunteer time, sale of free goods and in-kind support), the financial value in Cumberland Council area is £242 million and Westmorland and Furness Council area £315 million.

The employment of this energy produces £858 million of value in Cumberland Council area and £1,117 million in Westmorland and Furness Council area: a ratio of value created by energy invested of about 3:1.

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

In Cumbria, 16 per cent of energy is devoted to supporting the financial security of beneficiaries, 27 per cent to health and wellbeing, 27 per cent to personal and social wellbeing and 30 per cent to community wellbeing.

VCSE sector financial sustainability

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

- Relatively few VCSE organisations in Cumbria rely on income from contracts to delivery public services (13%) and most of those organisations which do, are larger in size – but about 30 per cent of the biggest organisations choose not to take on contracts.
- Grants are a mainstay of funding for many VCSE organisations. But determining the value of grants in Cumbria is not straight-forward. Grant values are likely to be around £64 million from trusts and foundations and public sector sources.
- Contrary to national trends, there has been a shift in direction toward earning income from trading in Cumbria in recent years (77% of organisations earned some income

in 2022 compared with just 60% in 2014). But the level of reliance on earned income has decreased (in 2022 only 12 per cent of organisations earned more than 8 per cent of their income – compared with 20 per cent in 2014).

- in Cumbria, property ownership is more prevalent (42%) than statistical neighbour areas (apart from Cornwall at 46%). Renting is also more important than in most other areas. Free use of space is a little less common in Cumbria (25%) compared with Cornwall (28%) and Northumberland (27%).
- The indications are that the VCSE sector in Cumbria is generally quite resilient: many organisations have seen income increase in the last two years (28%) and many have experienced income stability (47%). That stated, over a quarter have seen income fall (26%). Falling income may not be indicative of organisational financial crises – but, for many, a sign of organisational hibernation or reduced activity during the pandemic.
- The percentage of VCSE organisations with rising income has increased steadily since 2019 (from 21% - 27%). This may have provided a clear indication of growing VCSE sector resilience, had not the proportion of organisations with falling income not also grown substantially between 2019 to 2022 (from 9 to 26 per cent).
- The ownership of reserves is widespread – but organisations are holding on to their reserves rather than investing in new initiatives (47%). Caution is understandable given current financial concerns driven by energy costs, general inflation and higher wage demands.
- Many organisations are using reserves for essential costs (such as wages, energy costs, rents etc.) – in Cumbria this is at the national average level (23%).

Expectations about the next two years

Many VCSE organisations are quite optimistic about their prospects over the next two years.

- About a third of the sector is optimistic about income increasing in the next two years. This is quite consistent amongst statistical neighbours (31%).
- Private sector support is provided to about a quarter of VCSE organisations in Cumbria (24%).
- Grants from trusts and foundations: a quarter of VCSE organisations believe that grant income will increase (24%).
- Expectations about support from volunteers are high: a third of organisations in Cumbria expect volunteer numbers to increase in the next two years (32%).
- A fifth of VCSE organisations in Cumbria expect that statutory funding will increase in the next two years (21%).

Relationships and influencing

Relationships within the VCSE sector are strong. Most organisations have useful informal relationships with other organisations or groups (78%). Slightly fewer work quite closely but informally with other organisations (76%), but this is much higher than the average for statistical neighbours (65%). Formal partnership working is less common (37%) but higher than amongst statistical neighbours (30%).

About two-thirds of VCSE organisations have working relationships with the private sector in Cumbria (66%): the vast majority work mainly with local firms. The benefits of working with business are widespread: in the last two years, 46 per cent receive money, 31 per cent get in-kind support, 18 per cent get help from employee volunteers and 18 per cent have received *pro bono* expert advice.

The percentage of VCSE organisations gaining financial support from business in Cumbria has increased since before the pandemic (from 40% to 46%), but in-kind support has fallen (from 20% to 18%) as has *pro bono* advice (from 26% to 18%).

Relationships with public sector organisations remain strong.

- The vast majority of VCSE organisations in Cumbria feel valued by local public sector bodies (88%).
- About three-quarters of organisations which have a relationship with the public sector, state that they feel informed about issues of importance to them.
- A majority of organisations in Cumbria (54%) feel that the local public sector involves them in the development and implementation of policy – a higher percentage than all other statistical neighbour areas.
- About half of VCSE organisations in Cumbria state that the local public sector acts upon their responses to consultations.
- Local public sector bodies sought support from 62 per cent of local VCSE organisations during the pandemic (of those organisations which have a relationship with the public sector) – a higher level than all other statistical neighbours apart from Cornwall (69%).

Much of the VCSE sector seeks to be an active partner in its relationships with public sector bodies. But a majority of organisations in Cumbria ‘steer well clear of *political issues*’ (69% compared with 74% of statistical neighbours).

- More VCSE organisations in Cumbria (80% compared with 70% of statistical neighbours) will participate in formal activities (orchestrated by, for example, local authorities, health authorities or local infrastructure organisations) which address local social and public policy priorities.
- About 60 per cent of VCSE organisations in Cumbria campaign to influence local policy compared with 45 per cent of statistical neighbours.
- About two-fifths of VCSE organisations in Cumbria (42%) trust a local VCSE sector support agency to act on their behalf on aspects of policy, compared with less than a third of statistical neighbours (32%).
- Working behind the scenes to influence policy is an option many VCSE organisations choose to take (46% of VCSEs in Cumbria take this option compared with 42% of statistical neighbours).

1 Introduction

1.1 Purpose of the report

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

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

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

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

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

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

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

1.2 Geographies

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

- Cumbria as a whole as defined by the boundaries of the former Cumbria County Council.
- Cumberland Council and Westmorland and Furness Council unitary authorities, constituted in 2023.
- Discrete geographies within Cumbria, including former district council areas, IMD quintiles and urban / rural distinctions.
- Comparative analysis with 'statistical neighbours': Northumberland, Shropshire, Suffolk, Dorset, Devon and Cornwall.
- Aggregated data on metropolitan or major urban combined authority areas from a parallel study in Yorkshire and Humber.

1.3 Data sources

The report will use data from several sources:

- Third Sector Trends databases on registered voluntary, community and social enterprises (VCSEs) collated in 2022 with 187,000 cases across England and Wales.
- Third Sector Trends 2022 survey data which includes 6,070 cases collected between June and September. The database can be used to look specifically at returns for individual localities – but can also be modelled to produce indicative findings for types of areas.
- Time-series data from previous rounds of Third Sector Trends surveys in 2010, 2012 2014, 2016 and 2019 in Cumbria to assess continuity and change in sector structure, funding, people resources, purpose and practices.
- Office for National Statistics (ONS) and government department statistics on local demographics, health, social and economic wellbeing in areas.
- National datasets on VCSE finances including reports from the Charity Commission, the NCVO UK Civil Society Almanac and 360Giving.
- Data provided by Cumbria County Council and Cumbria Council for Voluntary Services on VCSE activities and funding together with other local studies of relevance to the report.

Section 2

Area context

This section of the report provides a basis for the interpretation of VCSE data in subsequent analysis by presenting a socio-economic statistical profile of Cumbria. Statistical neighbours have been identified to achieve a better understanding of local dynamics.¹

Statistical neighbours

Comparative data will be presented for 'statistical neighbours' which have broadly similar spatial, social and economic characteristics to Cumbria. Cumbria's statistical neighbours will include: **Northumberland, Shropshire** (including Telford and Wrekin), **Suffolk** (including Ipswich), **Dorset** (excluding Bournemouth and Poole), **Devon** (excluding Plymouth) and **Cornwall**.

As the two new unitary authorities, Cumberland Council and Westmorland and Furness Council are newly established, statistical neighbour data for these will be derived primarily at Cumbria level for most analysis. But it will also be possible to aggregate data from former district councils in some instances to the boundaries of the two new unitary authorities.

Statistical strangers

This study was undertaken in parallel with a project on metropolitan and major urban mayoral combined authority areas (centred on discrete analysis of Yorkshire and Humber). So it is also possible to make comparisons between 'statistical neighbours' and 'statistical strangers'. This approach will help to determine which aspects of VCSE sector dynamics are typical to Cumbria or are more generally applicable to all types of areas.

The 'statistical strangers' are comprised of aggregated statistical data from all combined authorities in England including: **Cambridgeshire and Peterborough, Greater Manchester, Liverpool City Region, Northumbria, Tees Valley, South Yorkshire, West Midlands, West of England** and **West Yorkshire**.

A third project began in April 2023 to compare six areas in the Home Counties, with a principal focus upon Buckinghamshire, Oxfordshire and West Berkshire. That will produce further opportunity to directly compare data on VCSE structure and dynamics between all three studies. Statistical neighbour areas will include the following NHS Integrated Care Boards: **Buckinghamshire, Oxfordshire and West Berkshire, Hampshire and Isle of Wight, Kent and Medway Integrated, Sussex, Surrey Heartlands, Mid and South Essex** and **Hertfordshire and West Essex**. Additionally, data for London's five ICB areas will be aggregated to compare as a further set of statistical strangers.

¹ For a more detailed and locally focused analysis, there are several interactive statistical research tools available. See, for example: [Local authority interactive tool \(LAIT\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/local-authority-interactive-tool-lait), [Local Health - Public Health England - Indicators: maps, data and charts](https://www.gov.uk/guidance/local-health-public-health-england-indicators-maps-data-and-charts), [Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/), [Ethnic group, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ethnicity.gov.uk/).

2.1 Demographic profile

Population data are presented in Table 2.1(a). Cumbria has a relatively large population of 499,800 which is similar to Cornwall (572,400) and Shropshire (509,200). Northumberland and Dorset have smaller populations (323,800 and 365,100 respectively) but these areas have large conurbations close by – Tyneside and Bournemouth/Poole which shape local population dynamics.

Devon has a much larger population (950,900, excluding Plymouth) but has a more similar population density to Cumbria (122.2 per km² and 73.9km² respectively). Both areas have expansive national parks. Shropshire is the only landlocked area with a population of 509,200. While Cumbria, Northumberland, Cornwall and to a lesser extent Devon are all quite spatially isolated areas, Suffolk, with a population of 760,400, like Dorset and Shropshire, is closer to major conurbations.

Age profiles are similar in most statistical neighbour areas. Only Dorset stands out with a much higher proportion of people aged over 65 years (30%) compared with a range of 24-26% in other areas.

Population profiles for the newly established Cumberland Council and Westmorland and Furness Council areas are provided in Table 2.1(b) with the breakdown of population for former district councils.²

Statistical neighbours	Population	Population density per Km ²	Population aged under 16 years	Population aged 16-64 years	Population aged 65 years and over
Cumbria	499,800	73.9	14.9	60.8	24.4
Northumberland	323,800	64.3	15.1	59.5	25.5
Shropshire (including Telford and Wrekin)	509,200	143.0	16.2	61.3	22.5
Suffolk (including Ipswich)	760,400	200.0	16.0	60.4	23.6
Dorset (excluding Bournemouth and Poole)	365,200	151.9	14.1	56.3	29.6
Devon (excluding Plymouth)	950,900	122.2	14.8	59.3	25.9
Cornwall	572,400	160.6	15.3	59.5	25.3

Sources: ONS Census 2021 Population data [Population and household estimates, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021#population-sizes-and-changes-for-regions-and-local-authorities) <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021#population-sizes-and-changes-for-regions-and-local-authorities> (downloaded 7th January 2023). Population density statistics refer to mid-2019 estimates

² For a much more detailed recent appraisal of Cumbria population data, see: *Population Census report*, Carlisle: Cumbria Intelligence Observatory: [Population - UTLA | Cumbria | Report Builder for ArcGIS \(cumbriaobservatory.org.uk\)](https://www.cumbriaobservatory.org.uk).

Table 2.2(a) Population profile of Cumbria local authorities and former district councils				
	Population	Population aged under 16 years	Population aged 16-64 years	Population aged 65 years and over
Cumberland	274,396	15.6	61.3	23.2
<i>Allerdale</i>	<i>97,831</i>	<i>15.3</i>	<i>60.0</i>	<i>24.8</i>
<i>Carlisle</i>	<i>108,524</i>	<i>15.9</i>	<i>62.4</i>	<i>21.7</i>
<i>Copeland</i>	<i>68,041</i>	<i>15.4</i>	<i>61.4</i>	<i>23.2</i>
Westmorland and Furness	225,385	14.1	60.2	25.8
<i>Barrow-in-Furness</i>	<i>66,726</i>	<i>16.2</i>	<i>62.3</i>	<i>21.8</i>
<i>Eden</i>	<i>53,754</i>	<i>12.9</i>	<i>58.9</i>	<i>28.0</i>
<i>South Lakeland</i>	<i>104,905</i>	<i>13.9</i>	<i>60.1</i>	<i>26.5</i>
Cumbria	499,781	14.9	60.8	24.4

Ethnicity demographics are presented in Tables 2.2(a) for Cumbria and statistical neighbours. In Cumbria, as is the case in all statistical neighbour areas, there is a low percentage of people from ethnic minorities in the resident population (below 4% in most areas). In statistical stranger areas, the proportion of the resident population from ethnic minorities is much higher (18%). Within Cumbria (see Table 2.2(b)) there are only minor variations across former district councils and in the two new council areas.³

Table 2.2(a) Population ethnicity profiles by statistical neighbours						
	Asian or Asian British	Black, African, Caribbean or Black British	Mixed or multiple ethnic groups	White	Other ethnic group	Total resident population (Nomis)
Cumbria	1.0	0.2	0.8	97.6	0.3	499,847
Northumberland	1.1	0.2	0.8	97.6	0.3	320,566
Shropshire	2.8	1.3	1.7	93.6	0.6	509,150
Suffolk	2.3	1.3	2.3	93.1	0.9	760,694
Dorset	1.1	0.3	1.2	97.1	0.4	379,580
Devon	1.0	0.2	0.8	97.6	0.3	499,847
Cornwall	0.7	0.2	1.2	96.8	1.1	570,305
Statistical neighbours	1.6	0.6	1.4	95.8	0.6	3,539,989
Statistical strangers	10.4	3.4	2.6	81.7	1.9	17,317,600
England and Wales	9.3	4.0	2.9	81.7	2.1	59,597,578

³ A more textured analysis of ethnicity profiles by local authority areas can be accessed using an interactive map provided by the ONS [Ethnic group, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

Table 2.2(b) Ethnicity profiles in Cumbria local authorities and former district councils

	Asian or Asian British	Black, African, Caribbean or Black British	Mixed or multiple ethnic groups	White	Other ethnic group	Total resident population (Nomis)
Cumberland	1.0	0.2	0.8	97.7	0.4	273254
<i>Allerdale</i>	0.6	0.1	0.7	98.5	0.2	96,153
<i>Carlisle</i>	1.5	0.3	0.9	96.8	0.5	110,025
<i>Copeland</i>	0.8	0.3	0.7	98.0	0.3	67,076
Westmorland and Furness	1.0	0.3	0.9	97.6	0.3	226593
<i>Barrow-in-Furness</i>	1.4	0.4	0.8	97.0	0.4	67,406
<i>Eden</i>	0.8	0.2	0.7	98.1	0.3	54,737
<i>South Lakeland</i>	0.8	0.2	1.0	97.7	0.3	104,450

2.2 Social profile

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

The English Indices of Deprivation (generally referred to as the Indices of Multiple Deprivation or IMD) provide useful comparative data on the social and economic situation of local authority areas. As Table 2.3 shows, making simple statements on area characteristics is not straight forward

Using the rank of average scores, Cumbria is the most deprived of the areas studied. Cumbria (rank 83) is most similar to the largely rural areas of Cornwall and Suffolk (both ranked 101) Northumberland (rank 116) and Shropshire (110). Dorset is the least deprived area by a considerable margin (rank 199) but scores quite low on barriers to housing and services. Cumbria has low scores in most of the listed domains of deprivation with the exception of barriers to housing.

Areas of social need centre on low income, education and health – all of which receive substantial support from VCSE service provision. As the analysis proceeds, the extent to which the local Third Sector is aligned to need will be explored.

It should be noted that average wages in Cumbria are quite high which is due to concentrations of highly paid jobs in key industrial sectors (specifically nuclear energy and advanced manufacturing). Other industries, such as tourism and hospitality and social care tend to be lower paid.

Substantive income inequalities may not show up in local labour market statistics because of mismatches between people's occupational and residential locations. Income wealth produced by people in localities in industrial zones is often consumed in other areas. Given the relative geographical isolation of Cumbria from major urban centres, it is likely that local travel-to-work flows will be more restricted within county boundaries than is the case in, for example, Shropshire (proximate to the West Midlands Combined Authority area), Northumberland (proximate to Tyneside) and Suffolk (proximate to Cambridgeshire and Peterborough Combined Authority area and via rail to Greater London).

Statistics on variations in local affluence or deprivation (Table 2.3) are based on the resident population.⁴ Using the average rank scores for deprivation, Cumbria is shown to be the most deprived area amongst statistical neighbours, followed closely by Cornwall and Suffolk. Dorset is the least deprived area. Against all measures of deprivation, Cumbria is well below the average rank for statistical neighbours with the exception of barriers to housing and services.

Table 2.3 IMD average rank scores in Cumbria compared with statistical neighbours								
(1=most deprived 151=least deprived; for upper tier, 1-317 for lower tier)	IMD - rank of average score	Income - rank of average score	Employment - rank of average score	Education, skills and training - rank of average score	Health deprivation and disability - rank of average score	Crime - rank of average score	Barriers to housing and services - rank of average score	Living environment - rank of average score
Cumbria	83	102	66	63	62	142	97	44
Northumberland	116	115	69	125	100	161	151	289
Shropshire	110	121	115	98	112	134	36	40
Suffolk	101	115	103	62	100	118	40	80
Dorset	199	212	182	171	190	272	77	162
Devon	114	120	106	111	107	144	67	41
Cornwall	101	107	90	160	124	270	84	11
<i>Crude average IMD rank</i>	<i>118</i>	<i>127</i>	<i>104</i>	<i>113</i>	<i>114</i>	<i>177</i>	<i>79</i>	<i>95</i>
<i>Cumbria difference from average rank</i>	<i>-35</i>	<i>-25</i>	<i>-38</i>	<i>-50</i>	<i>-52</i>	<i>-35</i>	<i>18</i>	<i>-51</i>

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

Table 2.4 focuses on localities within Cumbria (as defined by former district council areas). Using the IMD rank of average scores as a benchmark for local levels of deprivation, it is clear that South Lakeland and Eden are the least deprived while Barrow and Copeland are the most. Comparing crude averages for Cumberland Council and Westmorland and Furness Council areas it is evident that scores on local needs are generally higher in Cumberland. But in the domains focusing on 'barriers to housing and services' 'living environment', Westmorland and Furness scores are lower.

Evidence in Table 2.5 indicates that it is not unusual for statistical neighbours to have varied patterns of deprivation within their own boundaries. In Suffolk, for example,

⁴ At the time of writing, Census 2021 data on travel to work patterns at local level have not yet been published. When available, this will provide useful material to explore the mismatch between employment and residential location in area deprivation analysis: *Travel to work analysis plans: a list of the Census 2021 reports we plan to publish about travel to work and other geographical analysis*, London, ONS. [Travel to work analysis plans - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk). An example of such analysis from 2011 Census data in North East England can be found here: Chapman, T., Gray, T. and Green, S. (2020) *Enterprise and innovation in the context of place: an exploratory comparative statistical analysis*, Durham: Policy&Practice: <https://www.stchads.ac.uk/research/research-news/entrepreneurial-vitality-and-innovation-in-north-east-england/>

Ipswich has higher levels of deprivation on all but one indicator. A similar situation exists in Devon, where deprivation is deepest in Torbay on most indicators.

Table 2.4 IMD average rank scores in Cumbria compared with statistical neighbours								
(1=most deprived, 317=least deprived for lower tier IMD scores)	IMD - rank of average score	Income - rank of average score	Employment - rank of average score	Education, skills and training - rank of average score	Health deprivation and disability - rank of average score	Crime - rank of average score	Barriers to housing and services - rank of average score	Living environment - rank of average score
Allerdale	104	131	78	71	99	249	201	74
Carlisle	117	139	91	62	81	204	235	152
Copeland	85	109	54	55	31	285	221	155
Average Cumberland	102	126	74	63	70	246	219	102
Barrow-in-Furness	31	58	23	87	4	225	316	27
Eden	186	265	253	165	224	312	42	7
South Lakeland	250	286	250	261	212	309	183	38
Average Westmorland and Furness	156	203	175	171	147	282	180	24
Shropshire (In rank order from least to most deprived for IMD rank of average score)								
Shropshire	174	193	187	184	191	247	68	59
Telford and Wrekin	86	63	65	69	64	92	196	296
Suffolk (In rank order from least to most deprived for IMD rank of average score)								
Mid Suffolk	237	264	269	214	279	258	29	110
Babergh	218	233	229	185	255	208	39	150
West Suffolk	188	231	228	120	188	201	20	233
East Suffolk	143	147	119	116	159	220	187	108
Ipswich	71	89	86	31	71	53	210	84
Devon (In rank order from least to most deprived for IMD rank of average score)								
East Devon	244	229	207	232	253	296	219	123
South Hams	229	213	203	299	238	302	143	53
Teignbridge	194	178	167	215	181	260	220	85
Exeter	189	195	190	182	151	207	241	102
Mid Devon	176	200	192	150	263	294	69	24
West Devon	162	188	168	245	168	298	66	15
North Devon	132	151	144	138	113	273	49	57
Torrige	99	130	108	114	110	291	32	18
Torbay	48	39	26	102	60	122	180	128

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

2.3 Public health profile

Local public health is a critical indicator of local social and economic wellbeing. Table 2.5 presents data on five public health indicators.

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

Amongst statistical neighbours, Cumbria is closely aligned with average scores, except in relation to preventable conditions: the severity of which is considerably higher in Cumbria than all other areas.

Table 2.5 **Local public health indicators for statistical neighbour and stranger areas** (Office for Health Improvement and Disparities)⁵

	Limiting long-term illness or disability	Adults (aged 16 years and over): Estimated prevalence of obesity, including overweight, by national quintile*	Life expectancy at birth for males	Life expectancy at birth for females	Deaths from causes considered preventable, under 75 years
Cumbria	20.5	2.2	79.2	82.9	107.3
Northumberland	20.7	1.0	79.4	82.8	99.0
Shropshire	18.6	2.0	79.4	82.8	98.9
Suffolk	17.6	2.8	80.8	84.2	80.1
Dorset	19.8	3.0	81.0	84.8	74.8
Devon	19.9	3.0	80.4	84.0	83.9
Cornwall	21.4	1.0	79.8	83.6	90.4
Statistical neighbours	19.8	2.1	80.0	83.6	90.6
Statistical strangers	19.8	2.4	78.4	82.2	117.8

In recent years there has been a shift in policy emphasis in many societies away from life expectancy towards the assessment of 'healthy life expectancy'.⁶ In England, data are collected by the ONS on self-perceptions of health.⁷ Healthy life expectancy is defined as follows:

“The healthy life expectancy measure adds a ‘quality of life’ dimension to estimates of life expectancy by dividing it into time spent in different states of health. Health status estimates are based on the following survey question;

⁵ Data were collated from *Local Health*, Office for Health Improvement and Disparities, (downloaded 16th March 2023), <https://www.localhealth.org.uk/#c=home>.

⁶ Welsh, C., Matthews, F. and Jagger, C. (2021) 'Trends in life expectancy and healthy life years at birth and age 65 in the UK, 2008–2016, and other countries of the EU28: An observational cross-sectional study', *The Lancet Regional Health*, [https://www.thelancet.com/journals/lanrpe/article/PIIS2666-7762\(20\)30023-5/fulltext](https://www.thelancet.com/journals/lanrpe/article/PIIS2666-7762(20)30023-5/fulltext)

⁷ Source: Public Health England, 2017. <https://www.gov.uk/government/publications/health-profile-for-england/chapter-1-life-expectancy-and-healthy-life-expectancy>

‘How is your health in general; would you say it was... very good, good, fair, bad, or very bad’. If a respondent answered ‘very good’ or ‘good’ they were classified as having ‘good’ health. Those who answered ‘fair’, ‘bad’, or ‘very bad’ were classified as having ‘not good’ health and equate to those in ‘poor’ health.’

Healthy life expectancy statistics provide a useful benchmark for the analysis of spatial variations in public health. Unfortunately, data are only published at upper-tier local authority levels. Nevertheless, Analysis shows that variations in healthy life expectancy are shaped by area affluence or deprivation (Table 2.6). Healthy life expectancy in Cumbria is lower than the statistical neighbour average.

	Men's life expectancy at birth	Men's healthy life expectancy at birth	Years of ill health	Women's life expectancy at birth	Women's healthy life expectancy at birth	Years of ill health
Cumbria	79.1	62.8	16.3	83.0	63.2	19.8
Northumberland	79.4	62.8	16.6	82.5	64.2	18.4
Shropshire	79.4	62.3	17.2	83.0	62.1	20.9
Suffolk	80.8	65.7	15.1	84.2	65.7	18.5
Dorset	81.5	69.5	12.0	85.0	65.1	20.0
Devon	79.8	64.2	15.5	83.7	64.8	18.9
Cornwall	79.5	63.2	16.3	83.5	65.7	17.8
Statistical neighbours	79.9	64.3	15.6	83.5	64.4	19.2
Statistical strangers	78.4	60.9	17.5	82.2	61.6	20.6

2.4 Labour market profile

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

To appreciate the contribution the VCSE sector makes to local economy and society, it is helpful to have an overview of the characteristics of the local labour market. This sub-section draws upon Nomis labour market data to examine a range of factors, including: levels of employment, average wages, occupational distribution, labour force qualifications, full-time and part-time employment and industrial sectoral profiles.

Table 2.7 presents basic employment data for Cumbria and its former district councils.⁸ In comparison with statistical neighbours, Cumbria’s wage levels are the highest, while they are lowest in Devon and Cornwall. Within Cumbria, it is a mixed picture with higher wages in Copeland, Barrow-in-Furness and Allerdale (where there are concentrations of highly-skilled industrial jobs) and considerably lower in Eden, South Lakeland and especially so in Carlisle.

⁸ For a much more detailed recent appraisal of Cumbria labour market and associated statistics see: *Labour market briefing May 2022*, Carlisle: Cumbria Intelligence Observatory. [Labour Market Briefing - May 2022 \(cumbria.gov.uk\)](https://www.cumbria.gov.uk)

Table 2.7 Average weekly wages		
Statistical neighbours	Number of jobs	Median weekly wage
Cumbria	215,000	511.7
Cumberland	121,000	522.5
<i>Allerdale</i>	<i>44,000</i>	<i>539</i>
<i>Carlisle</i>	<i>45,000</i>	<i>477.1</i>
<i>Copeland</i>	<i>32,000</i>	<i>551.4</i>
Westmorland and Furness	94,000	516.8
<i>Barrow-in-Furness</i>	<i>27,000</i>	<i>549.3</i>
<i>Eden</i>	<i>23,000</i>	<i>504.8</i>
<i>South Lakeland</i>	<i>44,000</i>	<i>496.3</i>
Northumberland	129,000	488.7
Shropshire	138,000	505.8
Suffolk	335,000	498.3
Dorset	150,000	508.4
Devon	327,000	473.5
Cornwall	205,000	478.9

Table 2.8 shows the distribution of employees by industrial sector. Currently, employees in the VCSE sector are not listed separately in employment statistics but are distributed within existing categories.

Employment distribution by sector in Cumbria is broadly similar to comparable areas. The only sectors where employment distribution differs substantially from average levels of employment are education and administrative support services where Cumbria has fewer jobs. Employment in industrial manufacturing is considerably higher in Cumbria compared with the average of statistical neighbours.

Occupational distribution by area is shown in Table 2.9. Cumbria is broadly similar to statistical neighbours, with the exception of sales and customer service occupations which are substantially higher. The percentage of employees in managerial and professional occupations is slightly lower than in other areas.

The qualifications profile of the workforce in Cumbria (Table 2.10) is similar to the average for statistical neighbours, although the proportion of employees with credentials at or above NVQ3 is slightly lower. The percentage of employees with higher level qualifications (NVQ4 and above) is considerably higher in Shropshire and Dorset and is at its lowest in Cumbria.

The split between full-time and part-time employment varies across statistical neighbour areas, with fewer part-time staff in Cumbria (Table 2.11). The proportion of part-time staff is highest amongst statistical neighbours in South West England (in Devon, Dorset and especially Cornwall where seasonal and part time employment in the tourism and hospitality sector is a major employer).

Table 2.8 Employment by industrial sector ⁹									
	Cumbria	Northumberland	Shropshire	Suffolk	Dorset	Devon	Cornwall	Average	Cumbria variation from mean
Mining and quarrying	0.2	0.2	0.0	0.0	0.2	0.2	0.4	0.2	0
Manufacturing	15.7	10.7	11.7	9.1	11.2	7.7	7.2	10.1	5.6
Electricity, gas, steam and air conditioning supply	0.3	0.2	0.2	0.6	0.1	0.5	0.4	0.4	-0.1
Water supply; sewerage, waste and remediation	0.5	1.7	1.0	0.6	1.0	1.2	0.9	0.9	-0.4
Construction	6.5	5.8	4.4	5.8	6.3	5.4	5.8	5.7	0.8
Wholesale and retail trade; repair of vehicles	15.3	16.5	16.8	15.2	16.8	17.3	18.4	16.6	-1.3
Transportation and storage	5.2	3.9	4.0	6.4	2.4	4.3	3.6	4.5	0.7
Accommodation and food service activities	12.6	12.6	7.5	7.6	12.6	12.3	15.7	11.3	1.3
Information and communication	1.1	1.2	4.4	3.0	2.1	2.5	1.6	2.4	-1.3
Financial and insurance activities	1.3	0.7	1.5	2.7	0.6	0.9	0.6	1.3	0
Real estate activities	1.5	1.7	1.6	1.2	1.6	1.7	1.6	1.5	0
Professional, scientific and technical activities	5.7	7.8	5.8	5.8	7.7	6.8	5.4	6.3	-0.6
Administrative and support service activities	4.8	4.4	8.9	11.9	4.2	5.8	6.7	7.2	-2.4
Public administration and defence; social security	4.8	3.9	4.2	4.3	4.9	4.1	3.1	4.2	0.6
Education	6.5	8.8	8.4	9.1	9.8	9.9	8.1	8.8	-2.3
Human health and social work activities	14.4	15.6	14.9	12.2	14.0	15.7	16.6	14.7	-0.3
Arts, entertainment and recreation	2.0	2.2	2.3	2.7	2.4	2.1	2.2	2.3	-0.3
Other service activities	1.5	2.2	2.3	1.5	2.1	1.7	1.6	1.8	-0.3
Total	229,350	102,850	214,415	328,075	143,050	382,300	222,550	1,622,590	

⁹ Data for Tables 2.3 to 2.7 were extracted from NOMIS by upper tier local authority area and, where, necessary were aggregated to match boundaries of statistical neighbours. Devon excludes Plymouth, Dorset excludes Bournemouth and Poole, Shropshire includes Telford and Wrekin and Suffolk includes Ipswich, Data were downloaded on 7th January 2023 from Nomis: <https://www.nomisweb.co.uk/>

Table 2.9 Occupational distribution									
	Cumbria	Northumberland	Shropshire	Suffolk	Dorset	Devon	Cornwall	Average	Cumbria variation from mean
Managers, directors and senior officials	9.8	11.2	10.9	8.9	9.0	11.2	8.1	10.2	-0.4
Professional occupations	20.8	20.7	26.6	18.5	24.7	22.4	19.6	22.2	-1.4
Associate professional occupations	12.7	14.9	12.9	14.6	13.2	11.6	11.1	12.6	0.1
Administrative & secretarial occupations	10.7	10.4	8.8	9.5	8.7	8.9	12.3	9.6	1.1
Skilled trades occupations	10.1	11.3	10.5	11.3	12.6	12.1	13.9	11.7	-1.6
Caring, leisure and other Service occupations	7.5	6.6	7.1	9.1	12.0	9.3	9.3	8.7	-1.2
Sales and customer service occupations	11.3	7.1	5.4	9.2	7.2	7.7	8.6	7.9	3.4
Process plant & machine operatives	7.1	5.9	7.5	7.3	3.9	6.0	6.6	6.5	0.6
Elementary occupations	9.9	11.9	10.3	11.7	8.6	10.7	10.5	10.6	-0.7

Table 2.10 Qualification levels									
	Cumbria	Northumberland	Shropshire	Suffolk	Dorset	Devon	Cornwall	Average	Cumbria variation from mean
NVQ4 and above	12.7	13.3	14.5	13.7	14.3	13.6	13.4	13.6	-0.9
NVQ3 and above	20.8	20.5	21.1	20.6	21.9	21.8	21.1	21.2	-0.4
NVQ2 and above	28.8	29.0	27.4	28.0	27.9	28.7	28.7	28.4	0.4
NVQ1 and above	33.7	32.3	31.6	33.3	32.1	32.6	33.2	32.8	0.9
Other qualifications	1.6	2.1	3.3	1.9	1.9	1.2	1.6	1.8	-0.2
No qualifications	2.4	2.8	2.1	2.5	1.9	2.1	2.0	2.3	0.1

Table 2.11 Full-time and part-time employment									
	Cumbria	Northumberland	Shropshire	Suffolk	Dorset	Devon	Cornwall	Average	Cumbria variation from mean
Percentage full-time employees	66.7	62.1	67.8	66.0	62.8	63.1	60.5	64.3	2.3
Percentage part-time employees	33.3	37.9	32.2	34.0	37.2	36.9	39.5	35.7	-2.3

Section 3

VCSE sector profile

3.1 Sector structure

The preceding analysis of social, health and labour market profiles was presented to help interpret variations in the structure, purpose, dynamics and impact of the VCSE sector in Cumbria. This is because in areas which have more serious challenges associated with social and economic deprivation – demand for provision of VCSE sector services to ease social problems may be significantly higher than in the most affluent areas. Similarly, areas with a larger than average ageing population may have higher levels of demand for health and social care services than areas with a younger age profile.

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

Box 3.1 Defining types of VCSE organisations

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

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

- **Informal organisations:** 'micro VCSE organisations' (with income below £10,000) and 'small VCSE organisations' (with income between £10,000 and £50,000) rarely employ staff and operate quite informally. They mainly operate at a local level, but not exclusively so. They are usually heavily or completely reliant on voluntarily given time to sustain their activity. Being small does not mean that these organisations do not have complex interpersonal relationships – this is due to the voluntaristic nature of participation in activity which requires the development of a negotiated order to define and tackle priorities.
- **Semi-formal organisations:** 'medium sized VCSE organisations' (with income between £50,000 and £250,000) adopt semi-formal practices. They tend to employ people but there is little scope for a complex division of labour or occupational specialisation. Often, they are the 'embodiment' of their leaders' interest in cultural and value terms – but not always – some adopt more inclusive cooperative approaches. This can make personal interrelationships complex. While they are ambitious to achieve a great deal, they rely mainly on grants to keep going and most have limited or no interest in delivering public sector contracts.
- **Formal organisations:** 'larger VCSE organisations' (which have income between £250,000 and £1million) are more formal in their structures and culture because their scale allows for specialisation and a more complex division of labour. There are formally embedded hierarchical aspects to organisational structure and some procedural practices are necessarily adopted. But they are not impersonal bodies in practice because of their small scale and limited number of employees and

volunteers. These VCSE organisations rely on a mixed finance diet where grants and self-generated trading are often vital income sources.

- **Formal hierarchical organisations:** ‘big VCSE organisations’ (which have income between £1million - £25million). Due to scale they adopt more formalistic inter-personal relationships between strata of employees and social distance becomes more pronounced and separates domains of decision making and practice delivery – whilst not losing elements of organic change from across the formal hierarchy. Financially, these organisations rely on mixed sources: particularly grants, self-generated income and public contracts. They devote significant time to strategic planning and position themselves beneficially through effective public relations and networking.
- **Formal complex organisations:** ‘major’ or ‘super major’ VCSE organisations which have income above £25million are not included in the study because they are more likely to work nationally or internationally and resemble large businesses or smaller public sector bodies in organisational terms. Many rely heavily on public sector contracts, grants and trading. Very large organisations often depend upon self-generated fundraising. Consequently, they seek to develop a recognisable presence or ‘brand’ in the public domain. Such organisations tend to be effective at influencing policy stakeholders and/or formal engagement in visible campaigning.

Table 3.1(a) compares the structure of the VCSE sector in Cumbria by size of organisations with other areas, and shows broad similarity across statistical neighbours. When compared with England and Wales, it is apparent that there are also proportionately fewer large VCSEs in statistical neighbour areas. While percentage differences are not large – they make a substantive difference when comparing sector capacity because bigger organisations command the majority of financial resources and paid employees. Table 3.1(b) presents data for Cumberland, Westmorland and Furness and former district councils.

Table 3.1(a) Sector structure in Cumbria compared with statistical neighbours¹⁰

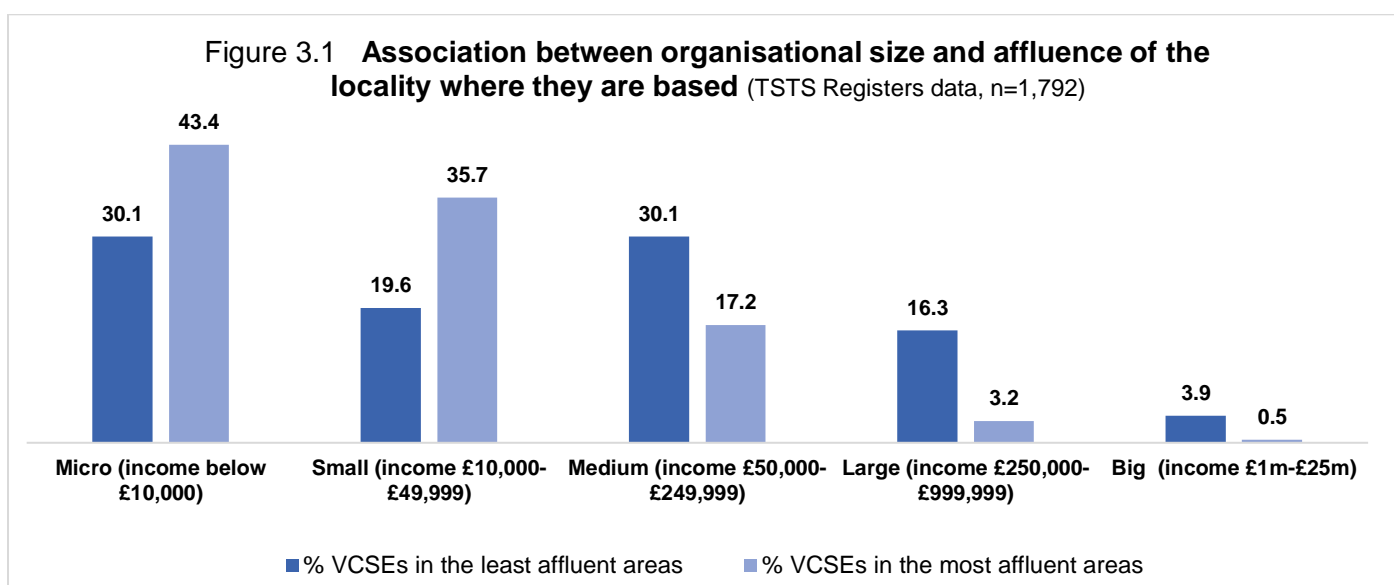
	Micro (income below £10,000)	Small (income £10,000- £49,999)	Medium (income £50,000- £249,999)	Large (income £250,000 - £999,999)	Big (income £1m-£25m)	All TSOs
Cumbria	48.6	25.6	17.5	6.0	2.3	1,792
Northumberland	40.1	31.4	18.9	6.9	2.7	813
Shropshire	45.1	28.7	17.1	6.7	2.4	1,319
Suffolk	47.7	26.5	18.5	5.1	2.2	2,407
Dorset	42.4	28.6	19.5	6.7	2.9	1,380
Devon	41.0	31.4	18.7	6.1	2.8	3,218
Cornwall	42.4	30.4	19.0	5.6	2.6	1,654
Statistical neighbours	44.1	28.9	18.5	6.0	2.5	12,583
Statistical strangers	31.2	27.6	25.6	10.0	5.6	24,827
England and Wales	34.7	28.4	22.7	9.0	5.2	134,833

¹⁰ The data in this table only refer to registered charities and does not include other types of registered VCSE organisations because there is insufficient or no data available on organisational size.

Table 3.1(b) Sector structure in local authorities and former district councils ¹¹						
	Micro (income below £10,000)	Small (income £10,000- £49,999)	Medium (income £50,000- £249,999)	Large (income £250,000 - £999,999)	Big (income £1m-£25m)	All TSOs
Allerdale	54.4	22.9	16.7	3.4	2.5	353
Carlisle	46.6	19.5	19.9	9.6	4.4	251
Copeland	47.5	24.3	23.2	4.5	0.6	177
Cumberland	50.3	22.2	19.2	5.6	2.7	781
Barrow-in-Furness	38.0	22.8	25.0	12.0	2.2	92
Eden	56.1	24.3	12.8	5.6	1.2	321
South Lakeland	44.0	31.1	16.7	5.9	2.3	598
Westmorland and Furness	47.3	28.2	16.2	6.3	2.0	1,011
Cumbria	48.6	25.6	17.5	6.0	2.3	1,792

As Figure 3.1 shows, in the poorest areas of Cumbria, 30 per cent of VCSE organisations are very small (micro organisations) while 20 per cent are large or big. In the richest areas, 43 per cent are micro organisations but only 4 per cent are large or big.¹² Larger or big organisations are more likely to focus on pernicious or critical social needs than their smaller counterparts.

The concentration of smaller, locally focused organisations in more affluent areas is an important finding as it demonstrates that the VCSE tends to serve wealthier areas more intensively in some aspects of sector activity such as sport and leisure, personal development activities and so on.



¹¹ The data in this table only refer to registered charities and CIOs and does not include other types of registered VCSE organisations because there are insufficient or no data available on organisational size.

¹² From a comparative perspective, data from Cumbria are very similar to some statistical neighbours: Northumberland, Shropshire and Suffolk. But these areas differ markedly from Dorset, Devon and Cornwall where the concentration of micro in richer areas is much less pronounced. However, the pattern of distribution of large and big organisations is very similar. Full data can be provided on request in an excel spreadsheet.

Table 3.2(a) compares sector structure by the legal form of organisations and shows a fairly similar pattern in statistical neighbour areas. The data refer to ‘active’ registered organisations. Some constituted organisations may remain unregistered (such as those faith organisations with exemption from Charity Commission registration) and some non-profit organisation may not have been identified on Companies House registers due to lack of information on social purpose. It is estimated that in total, there will be about 2,500 VCSE organisations in Cumbria which are registered or are constituted by exempted from registers.

There are fewer Community Interest Companies (CICs) in Cumbria and statistical neighbour areas (with the exception of Shropshire) compared with the England and Wales average. In Cornwall, there is a much higher proportion of CICs than elsewhere. There are dissimilarities with statistical stranger areas where there is a higher concentration of CICs and Registered Societies, but proportionally fewer registered charities. Table 3.2(b) presents data for local authorities and former district councils.

Table 3.2(a) Legal form of VCSE organisations						
	Registered charities	Charitable Incorporated Organisations	Community Interest Companies	Community Amateur Sports Clubs	Registered societies	N=
Cumbria	72.5	7.6	7.6	4.8	7.4	2,294
Northumberland	69.4	10.9	7.0	5.0	7.8	1,151
Shropshire	73.5	7.3	10.3	4.4	4.5	1,791
Suffolk	74.9	9.8	8.4	3.2	3.8	3,172
Dorset	73.6	9.1	8.2	4.3	4.8	1,741
Devon	67.8	9.1	13.1	5.4	4.7	4,354
Cornwall	61.4	8.3	21.2	3.8	5.2	2,445
Statistical neighbours	70.1	8.9	11.4	4.4	5.2	16,948
Statistical strangers	63.5	10.4	16.6	3.2	6.2	39,414
England and Wales	70.0	10.3	11.8	3.3	4.6	187,270¹³

Table 3.2(b) Legal form of VCSE organisations: local authorities and former district councils						
	Registered charities	Charitable Incorporated Organisations	Community Interest Companies	Community Amateur Sports Clubs	Registered societies	N=
<i>Allerdale</i>	73.8	8.3	5.5	2.8	9.7	435
<i>Carlisle</i>	68.7	11.8	11.1	3.1	5.3	323
<i>Copeland</i>	68.6	6.3	8.8	7.5	8.8	239
Cumberland	70.9	8.9	8.1	4.0	8.0	997
<i>Barrow-in-Furness</i>	52.7	4.7	10.1	16.6	16.0	169
<i>Eden</i>	74.7	7.8	6.1	4.5	6.8	396
<i>South Lakeland</i>	78.1	6.4	7.2	3.4	4.8	732
Westmorland and Furness	73.8	6.6	7.2	5.5	6.9	1,297
Cumbria	72.5	7.6	7.6	4.8	7.4	2,294

¹³ It is estimated that there are 200,000 constituted organisations in England and Wales, but some may be unregistered or hidden within registers when social purpose is not explicitly identified.

3.2 VCSE sector in the context of place

Table 3.3(a) compares the percentages of VCSE organisations located in richer and poorer areas. In Cumbria, 10 per cent of TSOs are situated in the most deprived areas of the community – higher than all statistical neighbours apart from Cornwall. But compared with England and Wales, there are fewer organisations based in the most deprived IMD quintile.

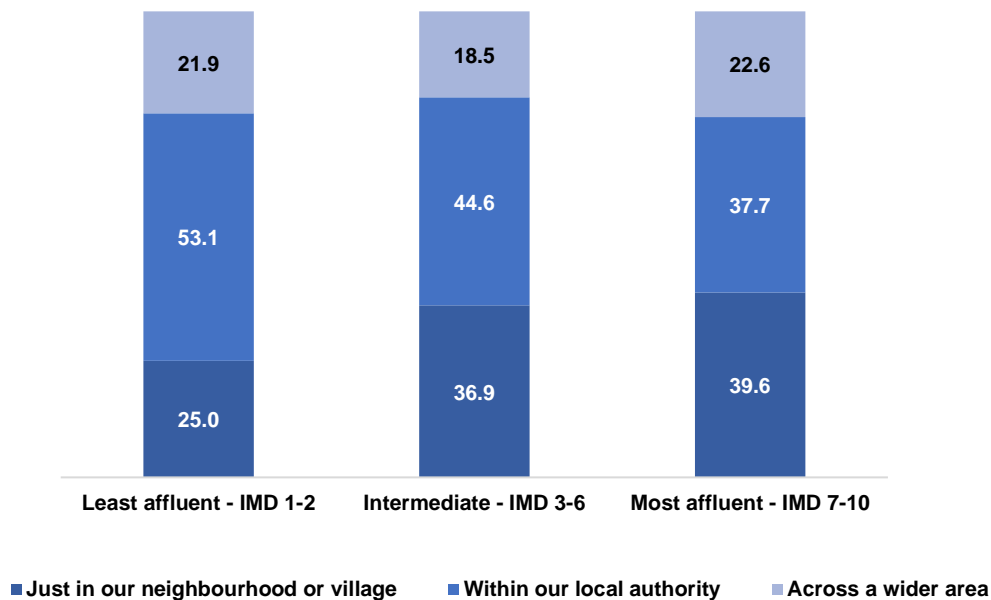
While there is a concentration of VCSE organisations in the poorest quintile in Cumbria, the overall balance is similar to statistical neighbours. The proportion of organisations based in the most affluent areas of Cumbria (12%) is quite low - as is the case in Shropshire (13%), Devon (11%) and especially Cornwall (below 1%) compared with the national average of 20 per cent. Table 3.3(b) presents data for local authorities and former district councils.

Table 3.3(a) Distribution of VCSE organisations across areas of affluence / deprivation						
	Most deprived IMD 1-2	IMD 3-4	Intermediate IMD 5-6	IMD 7-8	Least deprived IMD 9-10	
Cumbria	10.2	12.0	40.4	25.5	11.9	2,294
Northumberland	7.3	14.3	38.7	19.8	19.8	1,151
Shropshire	6.3	18.6	37.5	24.9	12.7	1,791
Suffolk	7.3	13.2	39.1	26.0	14.4	3,172
Dorset	2.5	7.6	40.0	31.5	18.4	1,741
Devon	8.9	22.7	34.2	23.4	10.8	4,354
Cornwall	10.0	45.0	31.0	13.3	0.7	2,445
Statistical neighbours	7.9	20.1	36.7	23.5	11.7	16,948
Statistical strangers	31.4	19.8	16.2	16.6	16.0	37,547
England and Wales	15.8	19.2	22.2	22.4	20.4	186,521

Table 3.3(b) Distribution of VCSE organisations across areas of affluence: local authorities and former district councils						
	Most deprived IMD 1-2	IMD 3-4	Intermediate IMD 5-6	IMD 7-8	Least deprived IMD 9-10	
<i>Allerdale</i>	13.6	16.3	36.8	24.6	8.7	435
<i>Carlisle</i>	12.1	24.8	24.1	23.2	15.8	323
<i>Copeland</i>	22.6	31.4	24.7	9.6	11.7	239
Cumberland	15.2	22.7	29.8	20.6	11.7	997
<i>Barrow-in-Furness</i>	48.5	10.7	24.3	7.1	9.5	169
<i>Eden</i>	0.0	6.3	73.0	18.7	2.0	396
<i>South Lakeland</i>	0.0	1.0	40.8	40.2	18.0	732
Westmorland and Furness	6.3	3.9	48.5	29.3	12.0	1,297
Cumbria	10.2	12.0	40.4	25.5	11.9	2,294

VCSE organisations may be located in richer or poorer areas, but it cannot be assumed that they focus their energy solely upon such areas. As Figure 3.2 shows, in Cumbria, VCSE organisations based in the least affluent areas are more likely to work across the local authority area (53%) than in the most affluent areas (38%). In the most affluent areas, more organisations focus on the local neighbourhood or village (40%) than in the least affluent areas (25%). This is because there is a larger concentration of micro and small organisations in wealthier areas.

Figure 3.2 Spatial range of VCSE organisational operation by area affluence in Cumbria



A useful indicator of social and economic vitality in localities is the density of VCSE organisations and private businesses. In Cumbria, business density is relatively high at 54.8 per 1,000 residents (about the same as Devon, Dorset and Cornwall but considerably higher than Northumberland). In statistical stranger areas, business density is considerably lower (39.4 per 1,000 residents).

In Cumbria VCSE organisational density is 4.9 per 1,000 residents (which amongst the highest for statistical neighbours after Dorset). VCSE organisational density is much higher in statistical neighbour areas (4.6 per 1,000 residents) compared with statistical stranger areas (2.5 per 1,000 residents).

While the density of VCSE organisations by resident population is higher in statistical neighbour areas, the number of businesses per VCSE organisation is only 12:1 in statistical neighbour areas compared with 16:1 statistical stranger areas. In Section 7.2 of the report – further analysis on support from businesses will be presented.

Table 3.4 VCSE organisation and private business density in Cumbria compared with statistical neighbours						
	Population	Number of local VCSE organisations	VCSE organisations per 1,000 population	Number of local private businesses	Businesses per 1,000 population (local units)	Number of businesses per VCSE organisation
Cumbria	499,800	2,459	4.9	27,390	54.8	11.1
Northumberland	323,800	1,234	3.8	13,670	42.2	11.1
Shropshire	509,200	1,913	3.8	25,020	49.1	13.1
Suffolk	760,400	3,400	4.5	36,775	48.4	10.8
Dorset	365,200	1,868	5.1	20,600	56.4	11.0
Devon	950,900	4,667	4.9	49,670	52.2	10.6
Cornwall	572,400	2,598	4.5	29,680	51.9	11.4
Statistical neighbours	3,981,700	18,139	4.6	202,805	51.9	11.5
Statistical strangers	15,563,400	39,414	2.5	613,775	39.4	15.5
England and Wales	56,286,961	200,000	3.6	3,219,980¹⁴	57.2	16.1

¹⁴ These data refer to local units, as in the rest of the table but were downloaded more recently. [Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/) (6th February 2023)

Section 4

VCSE Sector workforce

4.1 Employee and volunteer numbers

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

Table 4.1 shows the estimated number of employees in Cumbria, Cumberland Council and Westmorland and Furness Council areas. Table 4.2 compares employee numbers with previous rounds of the Third Sector Trends study. There appears to have been a slight dip in employee numbers since 2019.

	Total estimated part-time employees	Full-time equivalent part-time employees	Estimated full-time employees	Estimated total full time equivalent employees
Cumberland	4,222	1,407	3,403	4,810
Westmorland and Furness	4,818	1,606	3,883	5,490
Cumbria	9,040	3,013	7,287	10,300

	Estimated full-time equivalent employees	Financial value of employee wages at 80% average regional wages (plain rate)	Financial cost to employers (plus ~28% on costs)
2008	9,050	213.7	273.52
2010	9,220	217.7	278.60
2012	9,010	212.7	272.22
2014	9,100	214.9	275.03
2016	10,010	236.4	302.54
2019	10,470	247.1	316.29
2022	10,300	244.4	312.79

Estimated regular volunteer numbers are presented in Table 4.3 together with estimates of the days worked, the full-time equivalent number of volunteers and the proxy financial replacement value for each district, council area and for Cumbria as a whole. Change in the contribution of volunteers is shown by comparing previous rounds of the study in Cumbria (see Table 4.4).

Table 4.3 Estimated number of volunteers and proxy financial replacement value						
	Total estimated regular volunteers	Hours work (x72 annually per regular volunteer)	Value at National Living Wage (£millions, at £9.90)	Days worked	Full-time equivalent days worked	Value at 80% average regional wage
Allerdale	9,735	700,907	6,938,984	92,156	419	9,895,498
Carlisle	7,893	568,320	5,626,372	74,724	340	8,023,618
Copeland	5,341	384,530	3,806,842	50,559	230	5,428,835
Cumberland	22,969	1,653,757	16,372,198	217,438	988	23,347,951
Barrow-in-Furness	4,140	298,067	2,950,861	39,190	178	4,208,143
Eden	8,707	626,938	6,206,686	82,431	375	8,851,188
South Lakeland	16,817	1,210,854	1,198,7458	159,205	724	17,094,990
Westmorland and Furness	29,665	2,135,859	21,145,005	280,826	1,276	30,154,321
Cumbria	52,633	3,789,616	37,517,203	498,264	2,265	53,502,271

Table 4.4 Estimated volunteers and proxy financial replacement values in Cumbria 2008-2022				
	Estimated number of Volunteers	Estimated time worked by volunteers (estimated 6 hrs weekly by volunteers)	Estimated value of time contribution by volunteers (£millions, at 2022 minimum adult wage = £9.50)	Estimated value of time contribution by FTE volunteers (at 80% average regional wage £23,612)
2008	52,000	3,744,000	£36.6	£53,577,800
2010	54,100	3,895,200	£37.0	£55,741,500
2012	51,700	3,719,600	£35.3	£53,229,500
2014	53,700	3,869,000	£36.8	£55,367,500
2016	52,800	3,801,600	£36.1	£54,402,000
2019	54,000	3,888,000	£36.9	£55,638,500
2022	52,600	3,789,600	£36.0	£54,231,000

4.2 VCSE labour market dynamics

Employees

In England and Wales, the VCSE sector is currently facing significant labour-force challenges. As Table 4.5 shows, many VCSE organisations report difficulties with staff retention. This may be due to several factors - including higher demand for employees in the private sector, post-pandemic withdrawal from the labour market (especially amongst the over 50s) and/or growing preference for part-time or fractional contracts.

Employee retention problems are more severe in Cumbria than in all other statistical neighbour areas. Recruitment problems affect over half of Cumbria’s VCSE organisations – the second highest percentage amongst statistical neighbours after Cornwall.

Difficulties in the recruitment of new employees is most severe in Cumbria (52%) and Cornwall (53%) and are at levels well above the national average (43%).

Table 4.5 Recruitment and retention of employees				
	<i>Holding on to our existing staff</i>		<i>Recruiting new staff</i>	
	<i>It has become quite a lot harder</i>	<i>It has become quite a lot easier</i>	<i>It has become quite a lot harder</i>	<i>It has become quite a lot easier</i>
Cumbria	27.5	1.1	51.7	3.4
Northumberland	16.7	3.7	40.4	3.8
Shropshire	17.2	3.4	29.6	3.7
Suffolk	17.0	1.9	27.8	1.9
Dorset	20.5	0.0	36.1	0.0
Devon	21.2	1.5	37.3	3.4
Cornwall	19.7	1.4	52.9	2.9
Statistical neighbours	20.8	1.7	41.9	2.8
Statistical strangers	20.9	4.2	46.1	4.6
England and Wales	19.8	3.0	43.0	4.0

Volunteers

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

People in the most affluent communities are consistently more likely to volunteer than in the least affluent areas (Table 4.6). And while formal monthly volunteering has declined in the richest and poorest areas during and since the pandemic – the differential between richer and poorer areas remains much the same.

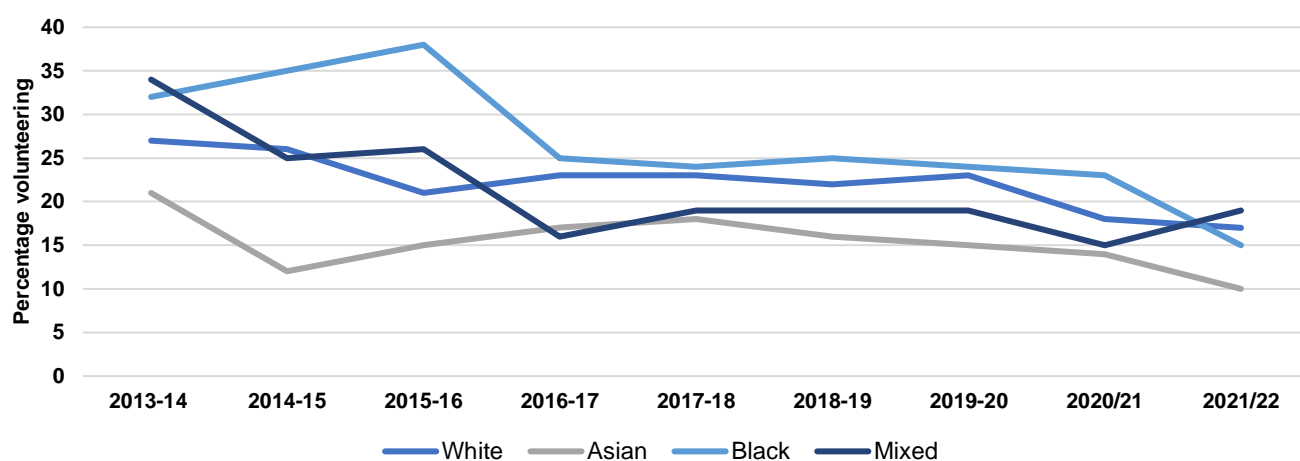
Decline in regular formal volunteering follows a longer-term trend amongst people in ethnic minority groups as shown in Figure 4.1. This suggests that opportunities to volunteer may be becoming progressively less appealing, or that opportunities to do so have diminished.

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

Table 4.6 Percentage of the population of England who engage in formal volunteering monthly
(Community Life Survey, 2020/21–2021/22)

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

Figure 4.1 Percentage of people who formally volunteer once a month
(Community Life Survey 2013-2022)



Volunteering for the local VCSE sector

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

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

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

As shown in Table 4.7, reliance upon regular volunteers by VCSE organisations is high in all areas – but slightly higher in statistical neighbour areas (83%) than amongst statistical stranger areas (79%). This is largely due to the proliferation of smaller VCSE organisations in less urban areas where reliance on volunteers is higher.

In statistical neighbour areas, VCSE organisations are more likely to rely on volunteers who can work unsupervised (74%) than in statistical stranger areas

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

(72%). This is because there are more big organisations in major urban areas than in areas similar to Cumbria.

Service users are slightly more likely to volunteer in major urban statistical stranger areas (68%) than in statistical neighbour areas (66%). In statistical neighbour areas, most organisations state that they could not keep going without volunteers (89%) compared with statistical stranger areas (81%).

Table 4.7 Extent of reliance on regular volunteers				
	We rely mainly on volunteers who commit time on a very regular basis	We rely mainly on volunteers who can work unsupervised	Many of our volunteers are our service users/ beneficiaries	We could not keep going as an organisation or group without volunteers
Cumbria	82.4	74.2	66.1	87.1
Northumberland	68.8	69.6	74.3	80.2
Shropshire	89.6	84.0	63.9	90.0
Suffolk	90.5	87.0	69.1	94.3
Dorset	90.0	86.1	61.4	96.0
Devon	79.6	78.4	60.8	89.7
Cornwall	83.1	67.1	75.3	84.7
Statistical neighbours	82.9	77.3	67.5	88.6
Statistical strangers	79.0	72.4	69.5	81.2
England and Wales	82.4	76.0	67.0	85.5

Volunteers play a vital role in the VCSE sector and (as shown in Table 4.3) produce around a fifth of sector energy. So it is useful to consider if volunteer commitment has changed since the pandemic.

- Difficulty in holding on to older volunteers is widespread and at a similar level of magnitude in all areas (~48%).
- Relatively few organisations in Cumbria report that newer volunteers joined them because they could work online (5%): there is minimal variation between statistical neighbour (6%) and stranger areas (7%).
- Few VCSE organisations in Cumbria (9%) or in all other statistical neighbour areas (11%) report increasing numbers of volunteers from ethnic minority communities compared with statistical stranger areas (25%). These variations are associated with local demographics.
- Many VCSE organisations say that they have attracted more younger volunteers in the last two years. In Cumbria, 20 per cent report this – which is higher than most statistical neighbours and is at the national average.
- Loss of volunteers who joined VCSE organisations during the pandemic is most severe in major urban statistical stranger areas (29%). In Cumbria, 22 per cent of VCSE organisations are losing volunteers who joined them in the

pandemic. The characteristics of those people who have withdrawn for volunteering are not known.

Table 4.8 Change in the composition of the volunteer workforce

	It's been a lot harder to hold onto older volunteers	A lot of our recent volunteers joined us because they prefer to work online	Our group of volunteers have become more ethnically diverse	We have more volunteers under the age of 30 now	We're losing some of the volunteers who joined us during the pandemic
Cumbria	47.7	4.8	8.8	20.3	22.2
Northumberland	51.8	6.5	11.4	20.0	20.5
Shropshire	43.4	10.6	14.6	14.3	10.2
Suffolk	52.2	4.9	11.6	13.8	22.7
Dorset	57.3	2.8	9.6	6.8	21.3
Devon	48.5	9.2	7.7	6.6	21.1
Cornwall	47.7	3.6	17.9	22.9	24.7
Statistical neighbours	49.8	5.8	11.3	15.4	21.1
Statistical strangers	49.0	7.3	24.9	24.1	28.7
England and Wales	48.2	7.4	20.5	19.5	25.5

4.3 Diversity in leadership

In recent years, concerns have been expressed about equal access to leadership opportunities in the VCSE sector for all members of the community who feel that they have a contribution to make. Debate has been hampered by a lack of reliable data on diversity and inclusion in VCSE sector leadership.¹⁷ To help fill this gap in the knowledge base, in 2019, the Third Sector Trends survey included new questions on diversity in sector leadership to provide baseline data. It is now possible to see if change has occurred in the last three years.

At present, the study focuses on race and ethnicity, social class, gender, disability and age.¹⁸ Table 4.9 shows the level of diversity amongst VCSE organisations' chairs of boards of trustees or directors.

¹⁷ See TSTS People for a discussion of the national situation, Section 4, pp. 37-46. The research and policy literature on equality, diversity and inclusion was reviewed in more depth in *Diversity and inclusion in organisational leadership: evidence from Third Sector Trends 2020* which is available here: [THIRD-SECTOR-TRENDS-BRIEFING-DIVERSITY-AND-INCLUSION-IN-ORGANISATION.pdf \(communityfoundation.org.uk\)](https://www.communityfoundation.org.uk/THIRD-SECTOR-TRENDS-BRIEFING-DIVERSITY-AND-INCLUSION-IN-ORGANISATION.pdf)

¹⁸ In 2019 questions were also piloted on sexuality and faith, but the willingness of people to respond was limited which means that there would be too few data available to undertake convincing analysis. A small number of respondents to the 2022 survey commented that we had not taken a broader view on gender by using a simplistic male/female categorisation. No comments were received on the issue of faith-based discrimination in leadership. In relation to race and ethnicity, a small number of negative comments were received from respondents who believed that the question was insufficiently specific. And a small minority were vociferous in their opposition to the question even being included.

- **Graduate chairs:** there are fewer graduate chairs in statistical neighbour areas (66%) than amongst statistical strangers (72%). In Cumbria, the percentage of chairs is relatively low at 64 per cent.
- **Women chairs:** the percentage of women chairs in Cumbria is at around the national level (45%),
- **Chairs with disabilities:** there is a slightly higher percentage in Cumbria (8%) than in some other statistical neighbour areas but is broadly in line with national levels (10%).
- **Black, Asian and minority ethnic chairs:** there are wide variations in the percentage of chairs which reflect local demographics. In Cumbria, no survey VCSE organisational respondents reported that their chair was Asian, Black or a member of another minority group.
- **Retired chairs:** the percentage of retired chairs in Cumbria (55%) is well below the statistical neighbour average (63%).

Table 4.9 Diversity in leadership amongst chairs of boards of trustees (Third Sector Trends survey data, 2022)					
	Graduate chairs	Women chairs	Chairs with disabilities	Black, Asian and minority ethnic chairs	Retired chairs
Cumbria	63.8	45.0	8.3	0.0	55.0
Northumberland	76.0	53.1	8.7	3.3	69.0
Shropshire	62.3	39.7	6.9	1.7	64.5
Suffolk	61.7	45.0	4.0	1.0	69.4
Dorset	69.9	44.6	6.3	0.0	68.2
Devon	63.6	48.2	6.2	2.3	62.6
Cornwall	69.7	50.5	9.7	4.9	57.7
Statistical neighbours	66.4	47.0	7.2	1.8	63.0
Statistical strangers	72.0	45.9	11.7	9.1	56.9
England and Wales	70.1	44.5	9.5	8.1	59.1

Table 4.10 compares levels of diversity amongst VCSE organisations' chief officers.

- **Graduate chief officers:** at 58% in Cumbria is just above the statistical neighbour average (62%) but well below the statistical stranger average (68%).
- **Women chief officers:** the percentage of women CEOs in Cumbria (70%) is well above the statistical neighbour and national average (61%).
- **Chief officers with disabilities:** the percentage of disabled CEOs in Cumbria (5%) is lower than the statistical neighbour average (7%) and the national average (8%).

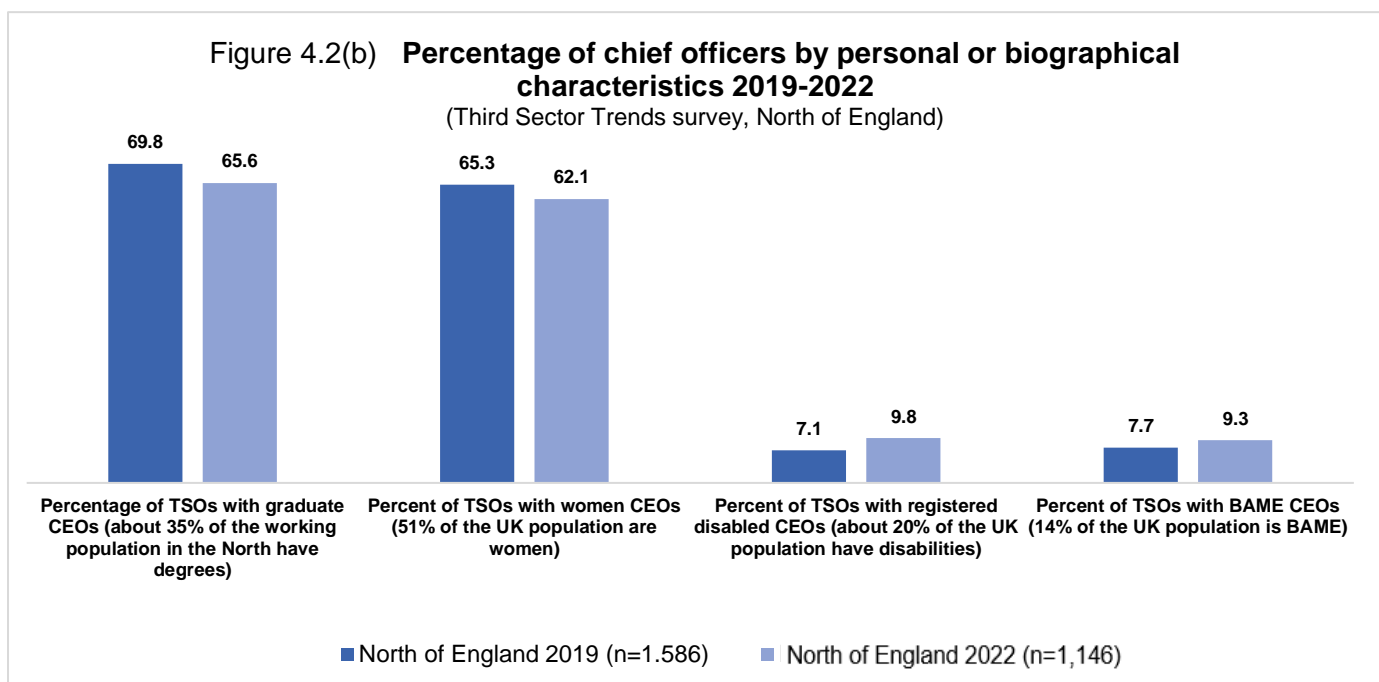
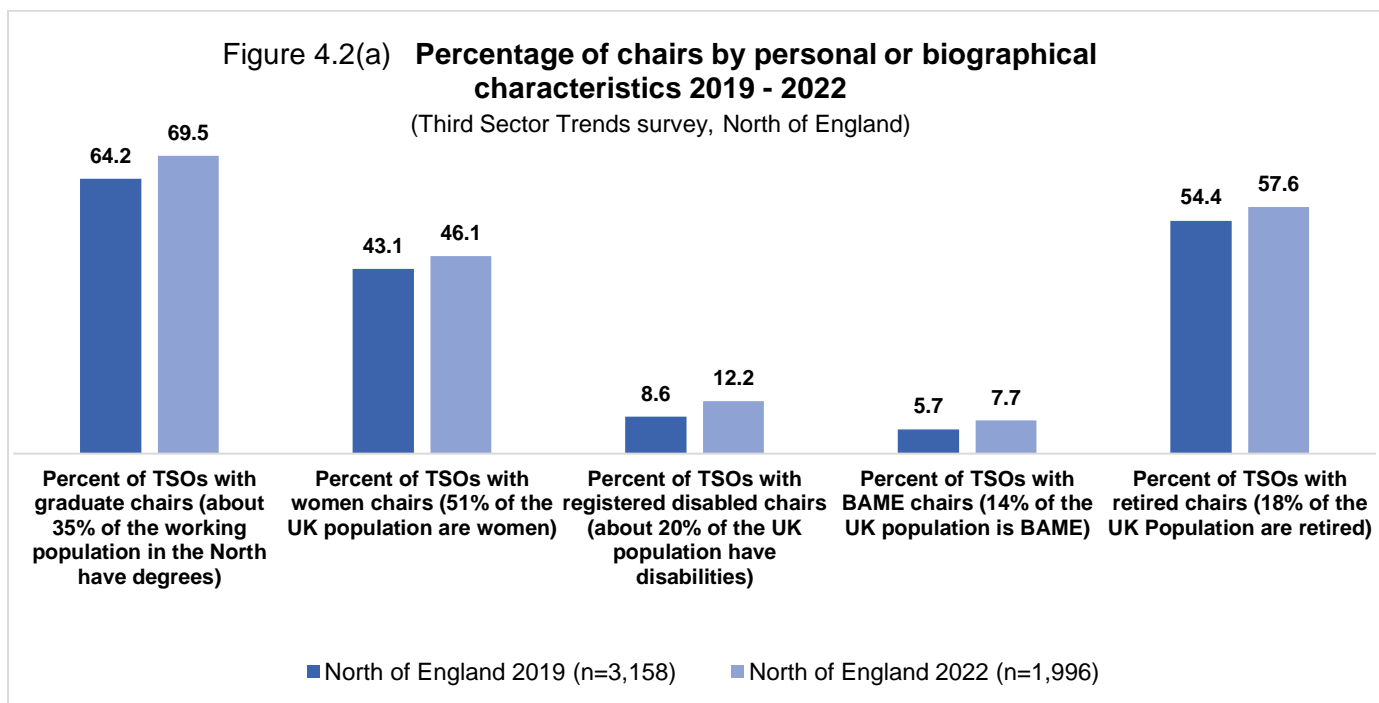
- **Black, Asian and minority ethnic chief officers:** there are few CEOs in statistical neighbour areas which reflects local demographics. Variations amongst statistical neighbours are substantial – with nearly 9% of Asian, Black or other minority ethnic chief officers in Cornwall, but fewer than 3 per cent in Cumbria. In major urban statistical stranger areas, 11 per cent of Black, Asian or other minority ethnic chief officers.

Table 4.10 Diversity in leadership amongst chief officers (Third Sector Trends survey data, 2022)				
	Graduate chief officers	Women chief officers	chief officers with disabilities	Black, Asian and minority ethnic chief officers
Cumbria	57.5	70.1	4.8	2.5
Northumberland	57.7	60.4	15.7	0.0
Shropshire	48.0	48.1	8.7	0.0
Suffolk	51.1	57.4	0.0	2.3
Dorset	67.6	64.7	2.9	8.8
Devon	43.1	56.7	7.6	1.5
Cornwall	63.4	60.6	10.4	8.8
Statistical neighbours	55.7	61.1	7.4	3.6
Statistical strangers	67.7	61.2	10.5	10.5
England and Wales	62.7	61.5	7.9	9.7

There has been limited progress in widening diversity between 2019 and 2022. Figures 4.2(a) and 4.2(b) refer to the North of England.¹⁹ The percentage of chairs who are graduates (which is a relatively crude proxy indicator of social class or status) has risen from 64 per cent in 2019 to 70 per cent in 2022 – which may indicate a dampening of opportunity for non-graduates.

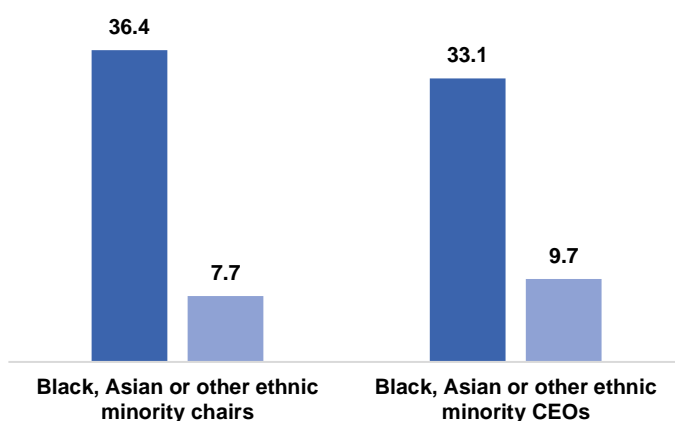
There are also signs of improvement in leadership diversity since 2019. The percentage of women chairs has increased from 43 to 46 per cent. Chairs with disabilities have increased from 9 to 12 per cent. Black, Asian and other minority ethnic chairs have risen from 6 to 8 per cent. The percentage of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

¹⁹ There are insufficient data in individual areas to make these comparisons accurately. This is an abridged version of analysis from Section 4.3, pp. 41-46 in Chapman, T. (2022) *Third Sector Trends in England and Wales 2022: employees, volunteers, diversity and investment in people*, Newcastle upon Tyne: Community Foundation Tyne & Wear and Northumberland.



The absence of large Black, Asian or other ethnic minority communities in statistical neighbour areas may partly explain the low levels of participation in leadership in Cumbria and most other statistical neighbour areas. In major urban areas, where ethnic minority population density is higher, there are more VCSE organisations which are dedicated to specific issues associated with the lived experience of ethnic minorities. As shown in Figure 3, the likelihood that chairs or chief officers from ethnic minorities are appointed is strongly associated with the beneficiary orientation of the organisation,

Figure 4.3 Percentage of Black, Asian and other ethnic minority chairs and CEOs in all VCSE organisations and those which are focused on the interests of people of a particular ethnic or racial origin
 (Third Sector Trends survey 2022, England and Wales)



■ Leading organisations which focus on the interests of people of a particular ethnic or racial origin (n=448)
 ■ All VCSE organisations (n=5,854)

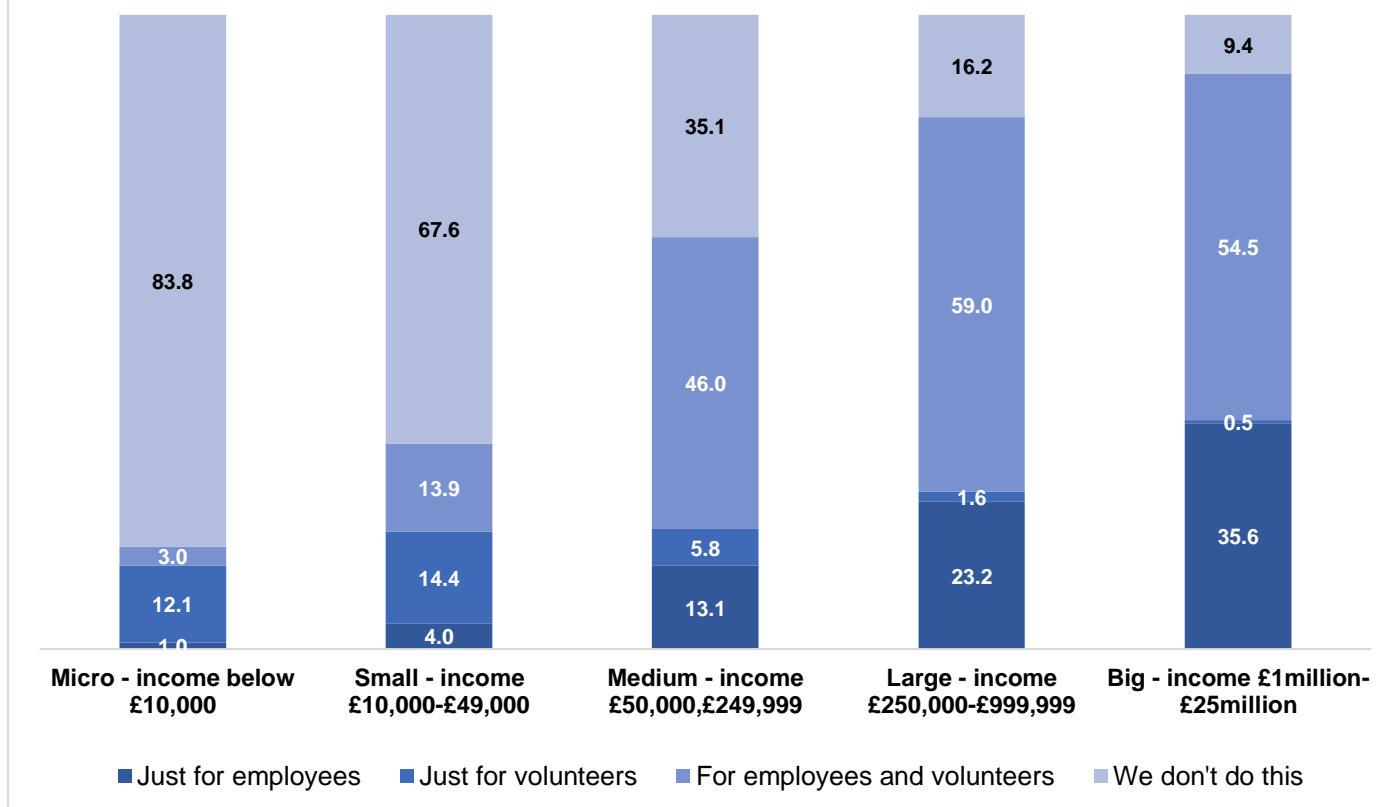
4.4 Investment in people

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

At a national level, relatively few VCSE organisations have training budgets – just over a third offer training to staff and the same percentage to volunteers.²⁰ But the proportion rises substantially by size of organisation. As Figure 4.5 shows, only 16 per cent of micro organisations hold a training budget compared with 91 per cent of the biggest VCSE organisations.

²⁰ Third Sector Trends in England and Wales: employees, volunteers, diversity and investment in people. Section 5, pp.46-56. <https://www.communityfoundation.org.uk/wp-content/uploads/2022/12/Third-Sector-Trends-in-England-and-Wales-2022-employees-volunteers-diversity-and-investment-in-people-December-2022.pdf>

Figure 4.5 **Percentage of TSOs with dedicated training budget by size**
(England and Wales 2022 n=5,926)



The provision of training for staff and volunteers in Cumbria is shown in Table 4.10. Investment in training in Cumbria (50%) is higher than the statistical neighbour average (43%), but considerably lower than its closest statistical neighbour, Cornwall (59%).

Table 4.10 **Provision of training budgets for employees and volunteers** (Third Sector Trends survey data, 2022)

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
Cumbria	8.4	9.7	31.8	50.0	154
Northumberland	6.1	12.1	29.3	52.5	99
Shropshire	6.2	10.8	16.9	66.2	65
Suffolk	6.0	9.5	20.7	63.8	116
Dorset	2.2	9.0	21.3	67.4	89
Devon	11.4	5.7	18.6	64.3	140
Cornwall	12.2	9.6	36.5	41.7	115
Statistical neighbours	8.0	9.3	25.7	57.1	778
Statistical strangers	10.4	9.4	33.2	47.0	1775
England and Wales	9.7	9.2	26.4	54.7	5,934

Many organisations offer employees and volunteers opportunities for flexible working. But as this is the first time Third Sector Trends has asked this question, it is not possible to determine whether such opportunities have increased since the pandemic – this will be explored in the 2025 survey.

Provision of flexible working practices is more widespread in major urban statistical stranger areas (67%) than statistical neighbour areas (57%). Flexible working is more prevalent in Cumbria (63%) than the statistical neighbour average (53%).

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
Cumbria	7.8	18.3	37.3	36.6	153
Northumberland	5.1	15.2	38.4	41.4	99
Shropshire	6.2	21.5	26.2	46.2	65
Suffolk	6.9	20.7	23.3	49.1	116
Dorset	7.8	17.8	24.4	50.0	90
Devon	8.0	13.8	26.8	51.4	138
Cornwall	13.9	14.8	40.9	30.4	115
Statistical neighbours	8.1	17.1	31.6	43.2	776
Statistical strangers	12.6	14.9	39.6	32.9	1,776
England and Wales	10.7	15.5	34.0	39.8	5,934

Investment in staff development varies considerably: 59 per cent of VCSE organisations in Cumbria do so, compared with 56% amongst statistical neighbours. Investment in personal development is higher in statistical stranger areas (62%).

	Just for employees	Just for volunteers	For employees and volunteers	We don't do this	N=
Cumbria	6.5	14.9	37.7	40.9	154
Northumberland	4.1	9.3	37.1	49.5	97
Shropshire	6.2	12.3	15.4	66.2	65
Suffolk	5.2	8.6	19.8	66.4	116
Dorset	2.2	13.5	19.1	65.2	89
Devon	11.3	7.8	17.7	63.1	141
Cornwall	14.8	12.2	39.1	33.9	115
Statistical neighbours	7.6	11.2	27.5	53.7	777
Statistical neighbours	12.2	12.7	37.3	37.8	1,773
England and Wales	10.8	12.2	30.5	46.8	5,934

Section 5

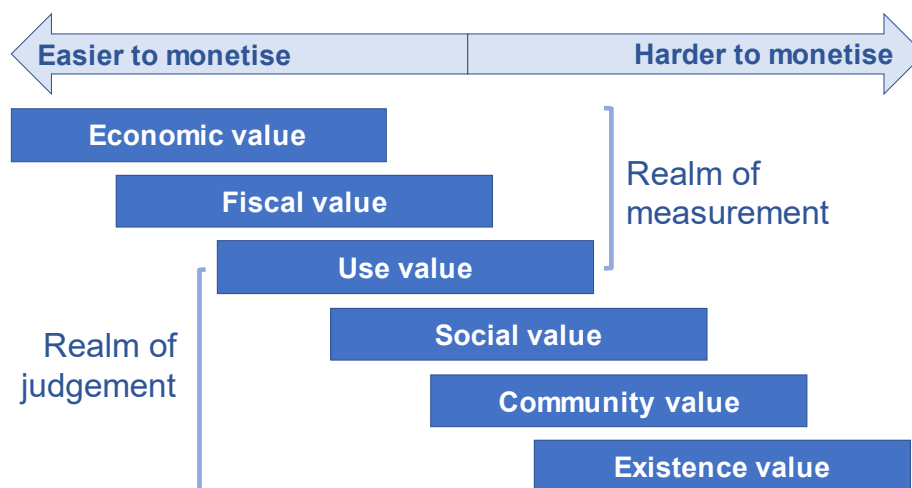
Sector energy, purpose and impact

5.1 Defining sector value

In a recent study undertaken in Yorkshire and Humber, a new methodology was developed to assess the energy which the VCSE sector has at its disposal to achieve social, environmental or economic benefit.²¹ The approach involves the use of data on sector expenditure, the proxy financial value produced by regular volunteers, the value of in-kind support provided to the VCSE sector and the income produced from trading free goods in charity shops. These data are calculated at local authority level and then aggregated to estimate the financial value of the energy the VCSE sector has at its disposal in sub-regions.²²

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

Figure 5.1 Realms of measurement and informed judgement



²¹ The methodology is complex and cannot be summarised here. For a full explanation, see: Chapman, T. (2021) *The structure, dynamics and impact of the voluntary, community and social enterprise sector: a study of West Yorkshire Combined Authority, West Yorkshire & Harrogate Health and Care Partnership and Humber Coast and Vale Health and Care Partnership areas*, Durham: Policy&Practice. https://www.researchgate.net/publication/354544242_The_structure_dynamics_and_impact_of_the_voluntary_community_and_social_enterprise_sector_a_study_of_West_Yorkshire_Combined_Authority_West_Yorkshire_Harrogate_Health_and_Care_Partnership_and_Humber_C

²² The approach taken to analysis was adjusted in 2022 to take account of national variations in sector structure and energy and a more comprehensive national study of registered organisations. In the previous study, for example, the number of non-Charity Commission Companies Limited by Guarantees were estimated – while in 2022 they were collated from Companies House data. The number of unregistered faith organisation due to Charity Commission exemptions still had to be estimated on the basis of 2022 survey evidence. This means that previous findings cannot be compared directly with the present study in Yorkshire and Humber. The revised methodology used for the national study was devised to ensure that national comparisons were equitable. The revised register counts rely on estimates as described above, but are considered to be more reliable than the 2021 estimates.

Box 5.1 Defining tangible and intangible value²³

Tangible values

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

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

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

Intangible values

The old saying, that someone 'knows the price of everything but the value of nothing' is pertinent in the context of this discussion. It is not possible to put a price on everything. But just because the value of some things is intangible does not mean that this form of value should be discounted from the analysis. There is a wealth of good qualitative research evidence available to demonstrate how intangible aspects of benefit are highly valued. One example is provided from a series of case studies undertaken by the author as part of a separate study.²⁴ The case study centred on a volunteer-led and run library in an isolated former industrial village. The library had come under community ownership due to an asset transfer from the local authority.

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

²³ A much longer discussion of the definition of tangible and intangible values can be found in the original analytical report for Humber, Coast and Vale and West Yorkshire in 2022 and can be located here: <https://www.stchads.ac.uk/research/research-news/the-difference-the-third-sector-makes/>

²⁴ Chapman, T. (2019) *The social process of supporting small charities: an evaluation of the Lloyds Bank Foundation Grow pilot programme*, London: Lloyds Bank Foundation: <https://www.lloydsbankfoundation.org.uk/we-influence/our-research/developing-the-sector>

for small community clubs and societies. Again, the cost benefit appraisal did not produce promising results because, by strict economic measures, the library was 'losing' money.

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

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

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

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

The energy the VCSE sector has at its disposal is associated with, but not wholly reliant on its income. Table 5.1 provides detail on current levels of sector income.²⁵

	Micro - income below £10,000	Small income between £10,000 - £49,999	Medium - income £50,000 - £249,999	Large - income £250,000 - £999,999	Big.- income £1m to £5m	total income
<i>Allerdale</i>	£633,300	£2,462,000	£11,623,500	£19,056,300	£62,477,200	£96,252,300
<i>Carlisle</i>	£470,300	£1,828,100	£8,630,800	£14,149,800	£46,391,100	£71,470,100
<i>Copeland</i>	£348,000	£1,352,700	£6,386,200	£10,470,000	£34,326,600	£52,883,500
Cumberland	£1,451,600	£5,642,800	£26,640,500	£43,676,000	£143,194,900	£220,605,900
<i>Eden</i>	£576,600	£2,241,300	£10,581,400	£17,347,800	£56,875,800	£87,622,800
<i>South Lakeland</i>	£1,065,700	£4,143,00	£19,559,600	£32,067,000	£105,134,000	£161,969,400
<i>Barrow-in-Furness</i>	£246,000	£956,500	£4,515,800	£7,403,500	£24,272,800	£37,394,600
Westmorland and Furness	£1,888,300	£ 7,340,700	£34,656,800	£56,818,300	£186,282,600	£286,986,600
Cumbria	£3,339,900	£12,983,500	£61,297,300	£100,494,400	£329,477,000	£507,592,600

²⁵ These data are scaled up from Charity Commission data on most recent recorded income for charities.

A more reliable way of defining sector energy, economic and social impact is achieved by estimating sector expenditure as this encompasses wage costs, property costs and the cost of general consumables, amongst other things (Table 5.2). Added to this is the value of time committed by regular volunteers, in-kind support from organisations in the VCSE, public and private sectors and the generation of income from the sale of free goods (as in, for example, charity shops - all other trading is tied into expenditure calculations). Table 5.3 shows estimates for 'intangible' and 'tangible' added value for Cumbria, new council areas and former district councils.

	Third Sector financial expenditure - (£millions)	Proxy-replacement value of volunteer time in each area (£millions)	Proxy value of additional in-kind support in each area (£millions)	Proxy value of additional sources of self-generated income from sale of free goods in each area (£millions)	Total financial value of sector energy expended by the Third Sector in each area (£millions)
Cumberland	205.8	23.3	11.2	1.7	242.1
<i>Allerdale</i>	89.8	9.9	4.9	0.7	105.3
<i>Carlisle</i>	66.7	8.0	3.6	0.6	78.9
<i>Copeland</i>	49.3	5.4	2.7	0.4	57.9
Westmorland and Furness	267.8	30.2	14.6	2.2	314.7
<i>Barrow-in-Furness</i>	34.9	4.2	1.9	0.3	41.3
<i>Eden</i>	81.8	8.9	4.5	0.7	95.7
<i>South Lakeland</i>	151.1	17.1	8.2	1.2	177.7
Cumbria	473.6	53.5	25.8	3.9	556.8

	Cumberland Council	Westmorland and Furness Council	Cumbria
Total financial value of sector energy expended by the Third Sector in each area	242.1	314.7	556.8
<i>Economic multiplier value (mid-point in range 55%-75%)</i>	157.4	204.6	361.9
<i>Fiscal multiplier value (mid-point in range 45%-65%)</i>	133.2	173.1	306.3
<i>Use value multiplier (mid-point in range 25%-45%)</i>	84.7	110.2	194.9
Total contribution of multiplier contribution	375.3	487.8	863.1
Estimate social, community and existence value are equal to energy invested	242.1	314.7	556.8
Total value of sector	859.5	1,117.3	1,976.8

5.2 Distribution of sector energy by purpose

The previous section compared sector energy and added value produced in Cumbria. This section breaks new ground by exploring how sector energy and impact is distributed according to social purpose. As shown in Figures 5.4 and 5.5 there is enormous complexity in the way the VCSE sector works due to cross-overs and overlaps in activity.

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

Only rarely do VCSE organisations claim to commit to achieving impact in just one way or working exclusively for a distinct group of beneficiaries. Instead, they recognise that their work contributes to beneficiaries in direct, complementary or tangential ways.

To demonstrate this, Figure 5.2 shows how clusters of impact have been assembled from individual categories of impact. These have been cross-tabulated to find out how many cross-overs exist in organisational practices.

Figure 5.2 Construction of four key areas of social impact

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

Table 5.4 Beneficiaries served by local VCSE organisations in Cumbria's statistical neighbour areas															
	People in general	Children and young people	Older people	People with physical disabilities	People with physical health conditions	People with mental health conditions	People with learning disabilities	People of a particular ethnic or racial origin	People with homelessness and housing issues	Carers	Unemployed/workless people	People with concerns about gender and sexuality	People in rural areas	People in disadvantaged urban areas	People or households living in poverty
Cumbria	60.3	46.2	37.2	21.8	23.7	28.2	17.3	5.8	10.9	16.0	16.0	6.4	37.2	16.0	17.9
Northumberland	55.0	50.0	45.0	19.0	21.0	26.0	17.0	3.0	8.0	10.0	13.0	5.0	31.0	16.0	13.0
Shropshire	56.9	43.1	24.6	16.9	12.3	12.3	7.7	3.1	3.1	4.6	4.6	4.6	29.2	9.2	10.8
Suffolk	58.6	35.3	28.4	19.0	17.2	15.5	17.2	1.7	3.4	6.9	5.2	0.0	25.0	6.0	13.8
Dorset	66.7	28.9	30.0	15.6	16.7	18.9	14.4	2.2	10.0	7.8	8.9	4.4	25.6	7.8	14.4
Devon	54.9	37.5	21.5	15.3	15.3	16.7	12.5	2.8	6.9	3.5	4.2	1.4	23.6	5.6	12.5
Cornwall	60.0	47.8	33.9	21.7	22.6	33.9	21.7	7.0	14.8	8.7	10.4	6.1	32.2	11.3	20.9
Statistical neighbours	58.8	41.5	31.7	18.7	19.0	22.4	15.9	3.8	8.5	8.7	9.3	3.9	29.4	10.4	15.1
Statistical strangers	52.6	41.8	34.9	22.8	23.4	29.7	21.3	9.8	10.5	12.9	16.9	6.1	12.8	22.6	22.3
England and Wales	55.9	44.0	33.4	21.2	21.5	25.7	18.8	8.4	11.1	10.4	131	4.5	15.8	16.3	18.9

Table 5.5 Percentage of organisations which feel they make a strong impact in their area												
	We improve health and wellbeing	We reduce social isolation	We encourage physical activity and improve people's fitness	We increase employability	We tackle the consequences of poverty	We improve people's access to basic services	We enhance the cultural and artistic life of the community	We improve the local environment	We promote community cohesion	We empower people in the community	We increase people's pride in their community	We give people confidence to manage their lives
Cumbria	23.4	25.3	13.7	4.2	6.3	12.6	16.9	5.6	16.9	13.6	12.3	16.3
Northumberland	30.9	27.1	8.7	5.5	3.3	11.4	12.5	13.6	21.3	23.7	16.3	25.8
Shropshire	21.3	17.9	8.9	0.0	1.9	1.9	24.7	13.5	7.3	9.8	7.4	14.0
Suffolk	19.3	14.2	7.8	2.1	6.1	6.9	9.4	7.2	10.8	5.2	13.0	16.2
Dorset	14.1	18.4	4.9	8.8	7.6	7.4	17.9	12.3	12.8	9.4	12.9	11.0
Devon	22.1	21.2	9.3	1.6	8.6	7.8	14.8	11.8	19.4	12.4	14.3	15.4
Cornwall	34.8	29.1	18.7	6.7	16.7	17.0	13.8	11.0	24.5	25.5	18.5	31.5
Statistical neighbours	24.0	22.4	10.8	4.2	7.7	10.0	17.6	10.2	17.0	14.6	13.9	18.9
Statistical strangers	31.6	30.6	14.9	10.1	13.4	16.6	16.1	10.0	22.8	25.7	18.7	29.5
England and Wales	27.1	25.5	13.7	8.1	11.6	13.1	16.8	10.0	19.7	20.4	15.9	24.8

At a national level, as shown in Figure 5.3, between a fifth and third of VCSE organisations believe that they have a ‘strong impact’ in each of these clusters. Furthermore, many organisations commit to achieving impact in two or more clusters of social impact. Indeed, nearly 8 per cent of organisations feel that they achieve strong impact in all four areas of impact.

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

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

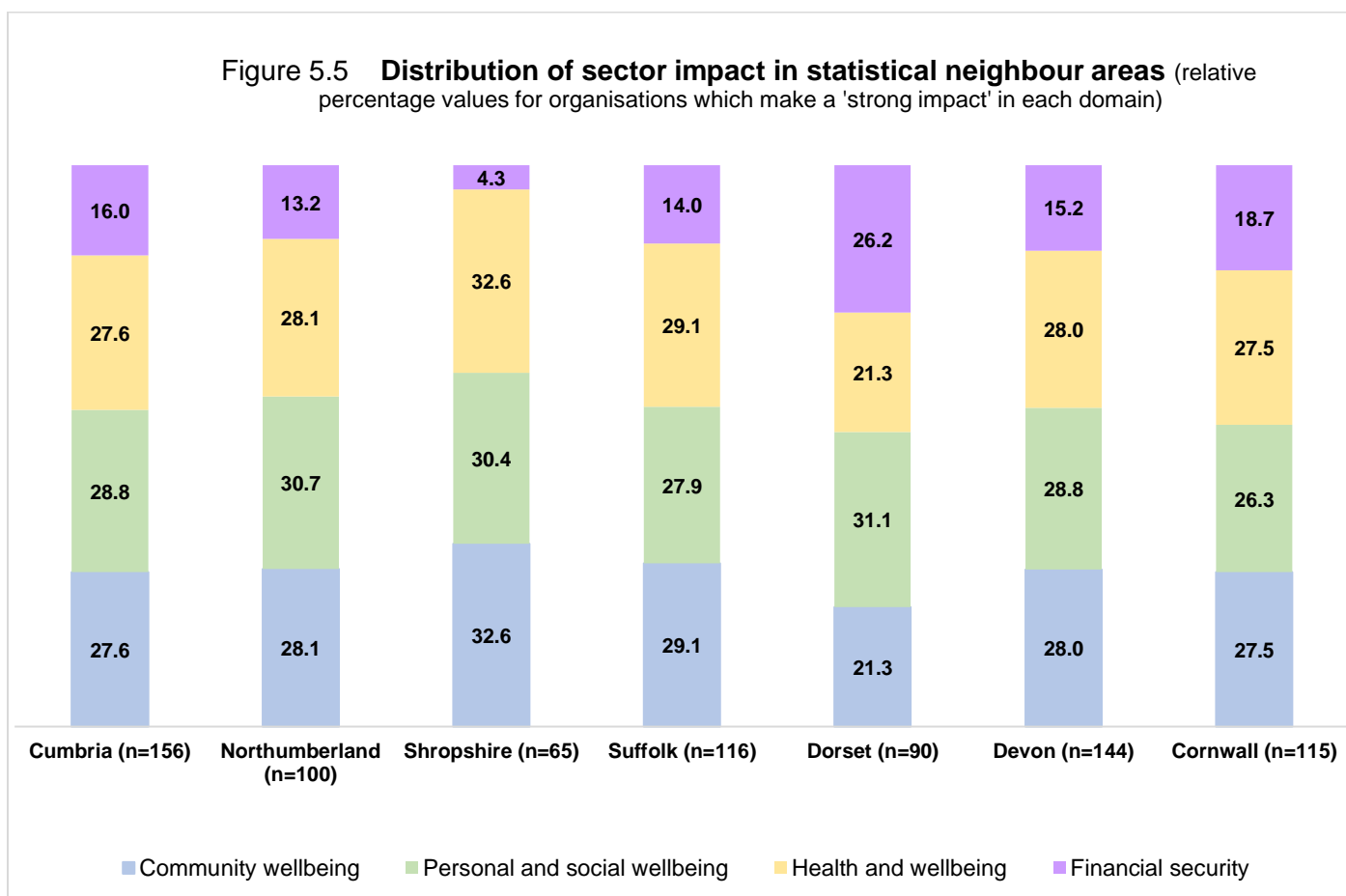
Figure 5.3 Interactions between core social impact variables (Third Sector Trends 2022, England and Wales, n=6,070)	
Core areas of sector impact	
<p>Personal health (29.6% of VCSE organisations say they make a substantive impact)</p>	<p>Personal and social wellbeing (33.3% of VCSE organisations say they make a substantive impact)</p>
<p>Financial security (20.0% of VCSE organisations say they make a substantive impact)</p>	<p>Community wellbeing (34.3% of VCSE organisations say they make a substantive impact)</p>
Two-way interactions	
<p>Personal health & Financial security (11.4% of VCSE organisations say they make a substantive impact, n=691)</p>	<p>Personal health & Personal and social wellbeing (21.7% of VCSE organisations say they make a substantive impact, n=1,319)</p>
<p>Personal and social wellbeing & Community wellbeing (20.1% of VCSE organisations say they make a substantive impact, n=1,221)</p>	<p>Community wellbeing & Financial security (11.9% of VCSE organisations say they make a substantive impact, n=722)</p>
<p>Personal health & Community wellbeing (16.2% of VCSE organisations say they make a substantive impact, n=985)</p>	<p>Financial security & Personal and social wellbeing (14.5% of VCSE organisations say they make a substantive impact, n=883)</p>
Three-way interactions	
<p>Personal health, Personal and social wellbeing & Financial security (10.0% of VCSE organisations say they make a substantive impact, n=608)</p>	<p>Social wellbeing, Community wellbeing & Personal health (13.9% of VCSE organisations say they make a substantive impact n=843)</p>
<p>Personal health, Financial security & Community wellbeing (8.0% of VCSE organisations say they make a substantive impact, n=487)</p>	<p>Community wellbeing, Personal and social wellbeing & Financial security (10.3% of VCSE organisations say they make a substantive impact, n=623)</p>
Four-way interactions	
<p>Personal health, Personal wellbeing, Financial security & Community wellbeing (7.5% of VCSE organisations say they make a substantive impact, n=455)</p>	

How energy is allocated

Using clusters of area impact, area distribution of sector energy can be compared. As shown in Figure 5.5, there are variations between statistical neighbour areas. Caution should be taken in interpretation for all areas because numbers of respondents are quite low. Data for Dorset and Shropshire are too limited to comment on their situation.

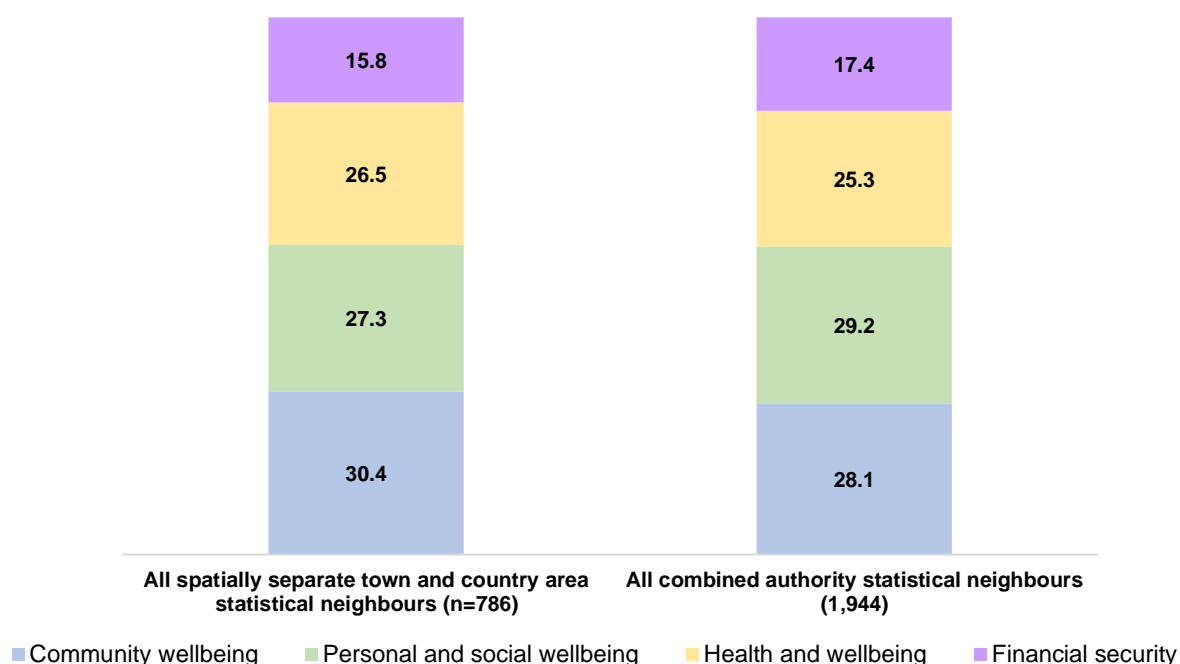
When comparing Cumbria with Northumberland, Suffolk, Devon and Cornwall, the striking finding is how similar distribution of sector energy is. In all these areas, energy is distributed fairly equally between *health and wellbeing*, *personal and social wellbeing* and *community wellbeing*. Investment in *financial security* is lower in all areas.

Figure 5.5 **Distribution of sector impact in statistical neighbour areas** (relative percentage values for organisations which make a 'strong impact' in each domain)



When comparing statistical neighbours and strangers, more reliable findings are produced. Figure 5.6 shows that, again, distribution of energy is remarkably similar. There is slightly more emphasis on *financial security* in major urban statistical stranger areas, while in statistical neighbour areas, the strongest emphasis is on *community wellbeing*.

Figure 5.6 Distribution of VCSE sector impact in statistical neighbour and statistical stranger areas



5.3 Comparing VCSE impact by area type

The advantage of large-scale survey datasets is that it is possible to deepen understanding on what the VCSE sector feels it achieves in areas with different characteristics. This is rarely, if ever possible in local studies. Using the Third Sector Trends registered VCSE organisations dataset, good estimates on the size and structure of the sector in area types can be produced (see Table 5.5).

Table 5.5 Sector structure in area types (England and Wales 2022)

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

- Rural areas are defined by level of remoteness.²⁶ VCSE sector structure is broadly similar in more or less remote rural areas. Structure varies from national averages considerably due to the much larger proportion of micro organisations and many fewer large or big organisations in rural areas.
- Area affluence in urban areas is defined using the Indices of Multiple Deprivation. The 'poorest' areas refer to IMD 1-2; 'intermediate areas' IMD 3-6; 'richest areas' IMD 7-10. Sector structure varies markedly. There are many more micro and small VCSE organisations in the richest areas compared with the poorest areas. Large or big organisations are more populous in poorer areas.
- Coastal towns are defined using ONS categories.²⁷ In more or less affluent coastal towns, VCSE sector structure is fairly similar – but there are more micro organisations in wealthier towns and many fewer larger or big organisations.

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

Rural areas

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

Urban areas

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

²⁶ DEFRA/ONS/DCLG rural categories were adopted for the analysis. For further detail see: Bibby, P. and Brindley, P. (2013) *The 2011 Rural-Urban Classification For Small Area Geographies: A user guide and frequently asked questions*, London: DEFRA/ DCLG/ ONS

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/239478/RUC11user_guide_28_Aug.pdf. See also: Bibby, P. and Brindley, P. (2013) *Urban and rural area definitions for policy purposes in England and Wales*, London:, DEFRA/ DCLG/ ONS (v1.0)https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/239477/RUC11methodologypaperaug_28_Aug.pdf

²⁷ ONS coastal towns analysis is available here: Prothero, R. and Sikorski, R. (2020) *Coastal towns in England and Wales*, London: ONS: <https://www.ons.gov.uk/businessindustryandtrade/tourismindustry/articles/coastaltownsineEnglandandWales/2020-10-06>. The dataset and detail on methodology can be found here: <https://www.ons.gov.uk/businessindustryandtrade/tourismindustry/datasets/coastaltownsineEnglandandWales>

Coastal towns

In richer and poorer coastal towns, variations mirror those of urban areas. Variations are smaller because only two categories of deprivation or affluence are used.²⁸

Table 5.6(a) Sector impact in specific types of area (England and Wales 2022, percentage of VCSE organisations stating that they make a 'very strong' impact)							
	We improve health and wellbeing	We reduce social isolation	We encourage physical activity and improve people's fitness	We increase employability	We tackle the consequences of poverty	We improve people's access to basic services	N=
Remote rural areas	16.7	19.4	11.7	2.7	3.9	10.1	281
Less remote rural areas	20.7	17.5	13.6	4.8	5.0	5.5	881
Poorest urban areas	40.1	41.3	16.0	13.4	21.9	26.8	910
Intermediate urban areas	28.0	25.9	13.0	8.7	12.5	13.0	1,512
Richest urban areas	21.3	19.1	12.8	6.3	7.6	8.2	1,621
Poor coastal towns	47.9	41.4	18.4	12.3	26.8	25.1	213
Rich coastal towns	27.1	27.0	10.2	9.7	12.0	13.1	229
England and Wales	27.0	25.4	13.6	8.1	11.6	13.1	5,647

Table 5.6(b) Sector impact in specific types of area (England and Wales 2022, percentage of VCSE organisations stating that they make a 'very strong' impact)							
	We enhance the cultural and artistic life of the community	We improve the local environment	We promote community cohesion	We empower people in the community	We increase people's pride in their community	We give people confidence to manage their lives	N=
Deep rural areas	20.1	14.8	19.0	14.0	15.1	12.4	281
Less remote rural areas	15.0	10.7	18.6	11.3	13.6	12.5	881
Poorest urban areas	17.0	11.0	29.6	35.9	24.7	42.4	910
Intermediate urban areas	16.3	8.3	18.2	21.4	14.6	27.2	1,512
Richest urban areas	16.5	8.8	14.7	14.7	11.6	17.7	1,621
Poor coastal towns	21.0	12.2	28.0	32.4	25.4	45.9	213
Rich coastal towns	21.0	11.2	17.7	18.3	15.8	24.3	229
England and Wales	16.8	9.8	19.5	20.3	15.8	24.7	5,647

²⁸ Technically it is possible to divide the data by three categories, but accuracy would be compromised given the size of the sample. Using ONS categories also usefully provides opportunities to compare with their own analytical reports.

Section 6

VCSE sector financial resilience

6.1 Sources of income

NCVO *UK Civil Society Almanac* produces an annual digest of statistics on sector income which is based on intensive analysis of Charity Commission Register data on organisations' annual accounts. Their analysis is invaluable because detail is provided on the breakdown of sources of sector income (from, for example, public giving, the private sector, trusts and foundations and the state) and is tracked over time.²⁹

The Third Sector Trends study does not need to replicate these data on 'actual' levels of income VCSE organisations receive from various sources.³⁰ Instead, this study looks at how income sources are 'valued' by VCSE organisations in relative terms by exploring perceptions of reliance on various income sources.

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

Table 6.1 shows the percentages of VCSE organisations stating that income sources are 'most important' or 'important' to them by their size. There are too few respondents in the Cumbria sample to do this accurately, so aggregated statistical neighbour percentages are presented and compared with statistical strangers.

- **Grants:** often it is assumed that all organisations are chasing after grants, but only 66 per cent of organisations in statistical neighbour areas emphasise their central importance .
- **Contracts to deliver services:** fewer organisations consider this to be an important source of income – especially so in statistical neighbour areas (19%) where there are fewer larger organisations and contract opportunities are more limited.
- **Earned income:** many organisations earn income from trading – but few rely heavily upon this source of income (see analysis below). Differences in reliance on trading income between statistical neighbour and stranger areas are negligible.
- **Investments:** over the last decade, the value of investments has fallen substantially. Few VCSE organisations rely heavily on this source of income,

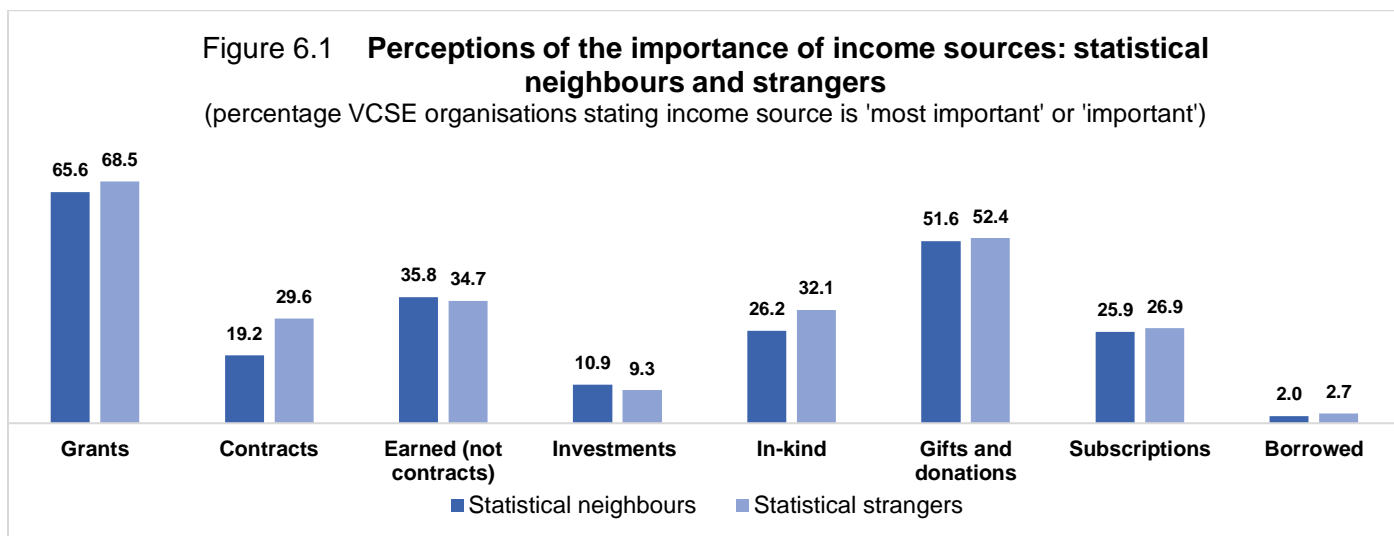
²⁹ See: [NCVO UK Civil Society Almanac 2022: Financials](#)

³⁰ With the exception of NCVO's UK Civil Society Almanac research which is based on published financial accounts of a sample of VCSE organisations from across the UK, previous attempts to collect such information have generally failed to present a convincing picture of VCSE sector income, including work by the major government funded National Third Sector Study in 2008 and 2010. The reason for this is largely to do with respondents not being willing to provide such information. This may be due to the amount of time it would take, lack of easy access to such information or worries about divulging such data. In the Third Sector Trends study, a simpler approach was adopted, by asking VCSE organisations the extent to which they valued various sources of income. Data do not therefore refer to the sum of income, but relative reliance on income sources.

but the proportion is slightly higher in statistical neighbour areas than statistical strangers.

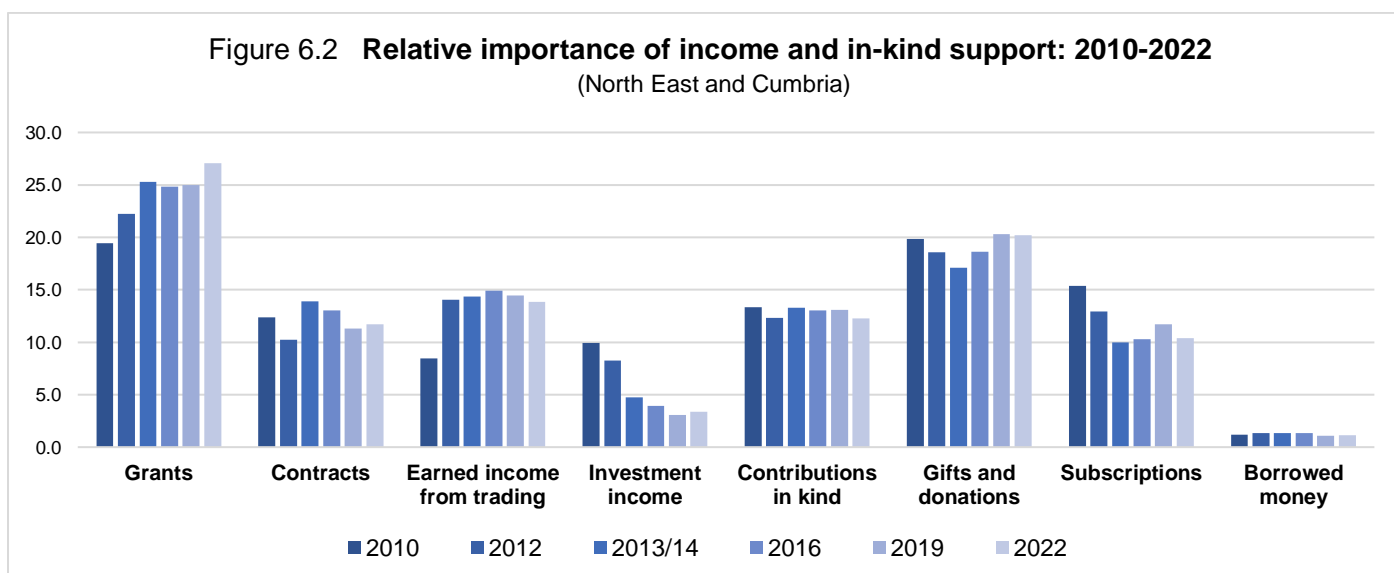
- **Contributions in kind:** are valued by about a quarter of VCSE organisations in statistical neighbour areas and a third of organisations in statistical stranger areas.
- **Gifts and donations** and **Subscriptions** are equally valued in both types of area (52% and 26% respectively).
- **Borrowed money** is of negligible importance to VCSE organisations - but the percentage is a little higher in statistical stranger areas where there are more opportunities for social investment.

Figure 6.1 **Perceptions of the importance of income sources: statistical neighbours and strangers**
(percentage VCSE organisations stating income source is 'most important' or 'important')



Using data on perceptions of the value of income sources in relative terms is useful because it shows how attitudes change. As shown in Figure 6.2, grant income has remained a core element of funding since 2010. Funding from contracts to deliver public services has declined since 2013, as has in-kind support and to a lesser extent – earned income (since 2016). The importance of income earned from investment, in relative terms, has declined dramatically since 2010. Income from subscriptions and gifts have become more highly valued (since 2013/14) – reliance on investment income and borrowing has remained low.

Figure 6.2 **Relative importance of income and in-kind support: 2010-2022**
(North East and Cumbria)

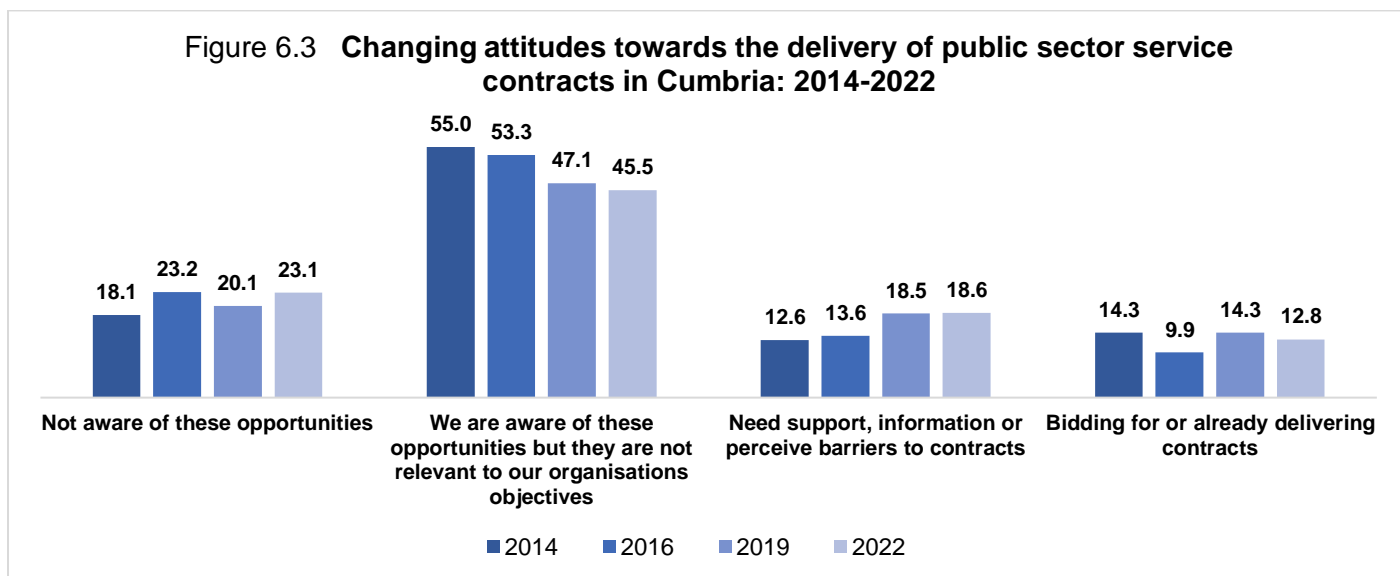


6.2 Contracts to deliver public services

This sub-section looks specifically at the proportion of organisations which bid for or are delivering public service delivery contracts in Cumbria. Grants from local authorities are not included in the analysis. In comparative terms, VCSE organisations in statistical neighbour areas are much less likely to engage with public service delivery contracts (9%) than in statistical stranger areas (15%). There are wide variations across statistical neighbourhood areas. Engagement is higher in Cumbria (13%) and Cornwall (12%) than all other areas.

	Not aware of these opportunities	We are aware of these opportunities but they are not relevant to our organisations objectives	Need support, information or perceive barriers to contracts	Bidding for or already delivering contracts
Cumbria	23.1	45.5	18.6	12.8
Northumberland	35.1	37.1	20.6	7.2
Shropshire	31.3	56.3	9.4	3.1
Suffolk	33.6	44.2	15.0	7.1
Dorset	35.2	48.9	6.8	9.1
Devon	36.8	52.8	5.6	4.9
Cornwall	28.1	37.7	21.9	12.3
Statistical neighbours	31.4	45.7	14.3	8.5
Statistical strangers	25.4	39.1	20.7	14.8
England and Wales	28.8	44.9	15.8	10.4

In Cumbria, interest in contracts has fluctuated over the years. The percentage of VCSE organisations bidding for or delivering contracts has remained similar (around 10-14%). The percentage of organisations which are aware of contracts but do not want to engage with this kind of work has declined from 55 per cent to 45 per cent since 2014 while interest in such opportunities seems to have increased a little (albeit with caveats about perceived barriers, need for support or more information).



6.3 Grant funding

As shown in Figure 6.2, grants are a mainstay of funding for many VCSE organisations. So it is useful to gauge the quality of relationships with grant making trusts and foundations and see how these have changed since the pandemic.

Variations in the experiences of organisations in statistical neighbour and stranger areas are limited – grant funders seem to have been very even handed in different kinds of areas. Grant-making trusts and foundations appear to have been particularly helpful in the last two years to many organisations by making an approach about funding possibilities.

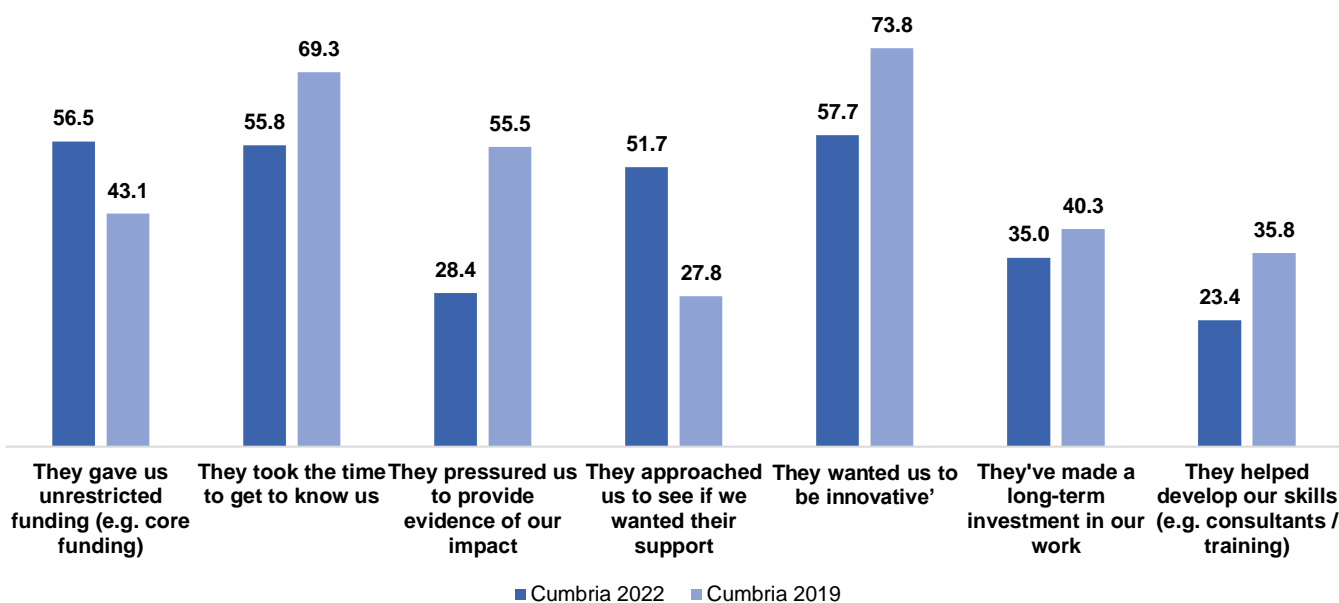
The evidence also indicates that grant makers may have put less emphasis on impact assessment, presumably because of the increase in unrestricted funding. Long-term investment in grant makers has been made to around a third of organisations in statistical neighbour and stranger areas. Variations can be observed amongst statistical neighbours, but care needs to be taken with interpretation in Suffolk and Shropshire where there were fewer survey responses.

	They gave us unrestricted funding (e.g. core funding)	They took the time to get to know us	They pressured us to provide evidence of our impact	They approached us to see if we wanted their support	They wanted us to be innovative'	They've made a long-term investment in our work	They helped develop our skills (e.g. consultants / training)
Cumbria	56.5	55.8	28.4	51.7	57.7	35.0	23.4
Northumberland	67.9	60.7	46.4	35.2	53.8	40.4	19.1
Shropshire	45.5	55.6	41.7	34.5	33.3	46.2	30.4
Suffolk	74.0	47.5	32.6	51.9	39.0	25.0	20.0
Dorset	59.1	51.6	21.2	37.2	34.4	35.3	30.0
Devon	49.2	36.5	37.0	31.7	35.8	23.1	17.4
Cornwall	66.2	55.6	30.8	51.6	55.6	34.4	30.6
Statistical neighbours	60.6	52.3	33.7	43.4	47.2	33.5	24.0
Statistical strangers	58.5	48.1	27.2	40.0	51.0	32.3	28.0
England and Wales	59.6	48.2	31.6	40.3	49.6	31.7	27.1

Pre and post-pandemic experiences of working with grant-making trusts and foundations in Cumbria are shown in Figure 6.4. Grant makers were more willing to provide unrestricted funding (rising from 43% to 57%). This appears also to have reduced pressure to provide evidence of impact (falling from 56% to 28%) or expectations of innovation (falling from 74% to 58%).

Grant makers were less likely to spend time to get to know VCSE organisations (falling from 69% to 56%) or help improve skills (falling from 36% to 23%), but were much more likely to make an approach to offer support during the pandemic (rising from 28% in 2019 to 52% in 2022). Offers of long term funding seem to have remained fairly similar – but fell slightly in 2022 (falling from 40% in 2019 to 35% in 2022).

Figure 6.4 **Change in approaches to grant making pre- and post-pandemic in Cumbria** (percentage organisations which 'agree' or 'strongly agree')



Determining the value of grants in Cumbria is not a straight-forward task. Data are available from 360Giving from a majority of trusts and foundations awarding grants in Cumbria since 1997. But years of award are not comparable because some trusts and foundations began to input data earlier than others. This explains why very few grants are recorded in the first five years of the data base (61) while 937 were recorded in 2020. The number of grants awarded also changes on a day-to-day basis as more data are submitted to the system. Data in the following analysis were downloaded in February 2023.

A plain search of 360Giving suggests³¹ that in 2020, for example, there were 937 grants awarded in Cumbria with a total value of £64 million, while in 2021 there were only 515 grants valued at £25 million. This does not represent a drop in the value of grants, but incomplete data for that year. Plain searches are not advisable if accuracy is required, however, because there are many anomalies in the way data are collated. For example, grant data for schools, universities, health authorities, local councils and so on are included in plain searched. Data need to be 'cleaned' if the research is focused on VCSE organisations – as is the case in this report.

Initially, grants were recorded only for charitable trusts and foundations. But now, government department grant data are also submitted. These data need to be interpreted very carefully because many government grants arrive in the VCSE sector via local public sector organisations such as Cumbria Council, Police and Fire services, the NHS or via local branches of government departments and do not show up in 360Giving searches.

Data from 360Giving have been recorded inconsistently since its inception. This means that data are not always comparable from year to year. Consequently, analysis requires comprehensive cleaning and re-categorisation to maximise the usefulness of the available data. For example, the location of grant recipients has been recorded in several ways over the years. This means that data have to be

³¹ This search was undertaken online in February 2023.

matched up using categories that are available (such as ONS mapping codes, post codes, area names submitted by funders and so on). It is an arduous process that requires careful detective work – the results from which are inevitably imperfect and incomplete.

Even though the 360Giving dataset which has been collated for this analysis is not perfect, it is possible to get a good impression of how grant funding is distributed across Cumbria, its former district councils and in new council areas. Determining precisely the financial ‘value’ of these awards on an annual basis is much more complex and cannot be compared by year due to the factors described above together with an inevitable ‘time lag’ or ‘inconsistencies’ in the way funders submit data.

With all these caveats in mind, the analysis can still produce some useful insights into the distribution of VCSE grant funding in Cumbria. Table 6.4 shows how grant awards have been distributed to VCSE organisations with varying legal forms by area. All years are included to ensure that data yield is maximised. The vast majority of awards are made to charities, as would be expected, given the structure of the sector as described in Section 3. The distribution of grants to VCSE organisations of different legal forms by size of award is shown in Table 6.5.

Table 6.4 Distribution of grants by VCSE organisation legal form and area (360Giving, all years)							
	Community Amateur Sports Club	Community Benefit Society	Community Interest Company	Company Limited by Guarantee	Registered Charity / CIOs	Registered Society	N=
Cumberland	0.2	0.0	3.6	5.3	90.7	0.2	1,654
<i>Allerdale</i>	0.0	0.0	2.9	4.3	92.4	0.5	628
<i>Carlisle</i>	0.5	0.0	2.9	6.3	90.4	0.0	655
<i>Copeland</i>	0.0	0.0	5.8	4.3	89.6	0.3	328
Westmorland and Furness	0.1	0.1	6.3	5.0	87.8	0.7	828
<i>Barrow-in-Furness</i>	0.5	0.5	10.5	3.0	85.0	0.5	200
<i>Eden</i>	0.0	0.0	3.7	6.8	88.5	1.0	295
<i>South Lakeland</i>	0.0	0.0	6.0	4.5	88.9	0.6	333
Cumbria Council ³²	0.2	0.0	4.5	5.2	89.8	0.4	2,482

³² The sum of grants for Cumbria as a whole do not tally because some grants were made on a county-wide basis.

	Up to £1,000	£1,001 - £5,000	£5,001 - £25,000	£25,001 - £100,000	£100,000 plus	N=
Community Amateur Sports Club	25.0	50.0	25.0	0.0	0.0	4
Community Benefit Society	0.0	0.0	0.0	0.0	100.0	1
Community Interest Company	9.9	31.5	36.0	17.1	5.4	111
Company Limited by Guarantee	10.2	28.1	39.1	12.5	10.2	128
Registered Charity / CIOs	9.5	31.0	35.8	15.1	8.7	2,232
Registered Society	0.0	20.0	30.0	20.0	30.0	10
All awards ³³	9.5	30.9	35.9	15.0	8.7	2,486

Table 6.6 presents data on the distribution of grants by size of award in each area. The distribution of awards is similar in Cumberland and Westmorland and Furness council areas. There is much more variation across former district councils. Carlisle, for example, has been the recipient of many more larger awards than the neighbouring district of Allerdale.

	Up to £1,000	£1,001 - £5,000	£5,001 - £25,000	£25,001 - £100,000	£100,000 plus	Number of grants recorded	Total value of awards (£millions)
Cumberland	10.2	29.0	36.1	14.9	9.8	2,342	167.1
<i>Allerdale</i>	11.4	34.3	36.2	9.9	8.2	948	41.4
<i>Carlisle</i>	8.1	25.4	34.4	18.9	13.1	909	114.1
<i>Copeland</i>	11.6	27.2	42.3	14.7	4.3	423	11.6
Westmorland and Furness	10.9	33.8	32.0	15.1	8.3	1,593	80.4
<i>Barrow-in-Furness</i>	9.2	36.1	30.3	16.1	8.3	360	12.9
<i>Eden</i>	10.1	32.0	31.8	14.6	11.5	506	43.5
<i>South Lakeland</i>	12.2	33.8	33.0	14.9	6.1	727	23.9
Cumbria³⁴	10.5	30.9	34.5	14.9	9.2	3,935	247.4

³³ Data on legal form are only available for 2,486 grants. It is not possible to speculate with confidence about the recipients of the remaining grants, but they probably mirror the distribution shown to some extent.

³⁴ The sum of grants for Cumbria as a whole do not tally because some grants were made on a county-wide basis which are valued at £7.9 million.

It is possible to get an impression of how grants and grant funding is distributed by value using 360Giving data. Table 6.7 presents analysis from all years of grant making to maximise accuracy on patterns of distribution. There have been about 8 grants awarded per 1,000 population according to 360Giving data. Distribution is uneven, but not dramatically so. The lowest number of grants awarded by population is in Barrow-in-Furness (5.4) followed by Copeland (6.2). Allerdale and Eden had the highest rate of awards.

By value, variations are much more pronounced. But a literal reading of these values would be misleading because by noting the location of the VCSE organisation where a grant was received does not imply that the energy produced by the grant was deployed locally. Carlisle, for example has the highest per capital value (£1.1 million 1,000 population). The likelihood is that much of this value was expended elsewhere.

There are notable mismatches between the number of awards and the value of grants per 1,000 population. In South Lakeland, for example, there have been many grant awards (the VCSE sector in this area has a large number of organisations per capita) but their value is quite small.

Table 6.7 Volume and value of grants by area (360Giving all years)					
	Population	Number of grants recorded	Number of grants (per 1,000 resident population)	Total value of awards (£millions)	Value of grants (£millions, per 1,000 population)
Cumberland	274,396	2,342	8.5	167.1	0.61
<i>Allerdale</i>	97,831	948	9.7	41.4	0.42
<i>Carlisle</i>	108,524	909	8.4	114.1	1.10
<i>Copeland</i>	68,041	423	6.2	11.6	0.17
Westmorland and Furness	225,385	1,593	7.1	80.4	0.36
<i>Barrow-in-Furness</i>	66,726	360	5.4	12.9	0.19
<i>Eden</i>	53,754	506	9.4	43.5	0.81
<i>South Lakeland</i>	104,905	727	6.9	23.9	0.23
Cumbria	499,781	3,935	7.9	247.6	0.50

Grants have been awarded by a range of funding bodies. As shown in Table 6.8, by volume, Cumbria Community Foundation has been the biggest funder, but grant awards are generally below £5,000. National Lottery distributors are the second biggest funder by volume, but the value of grants is higher than the Community Foundation.

Northern Rock Foundation was a major contributor of grants to the VCSE sector in Cumbria prior to its closure in 2016. Other foundations have provided over 180 grants, the largest of which include Lloyds Bank Foundation (35), Co-operate Group (30), BBC Children in Need (25), Garfield Weston Foundation (20) and Esmée Fairbairn Foundation (18).

	Up to £1,000	£1,001 - £5,000	£5,001 - £25,000	£25,001 - £100,000	£100,000 plus	N=
Cumbria Community Foundation	306	958	627	69	2	1,962
National Lottery distributor	58	113	311	69	120	671
Northern Rock Foundation	8	58	140	207	46	459
Other trusts and foundations	7	46	62	42	24	181
Government departments	22	28	124	123	132	429
All grants	401	1148	1011	499	262	3,321

6.4 Earned income

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

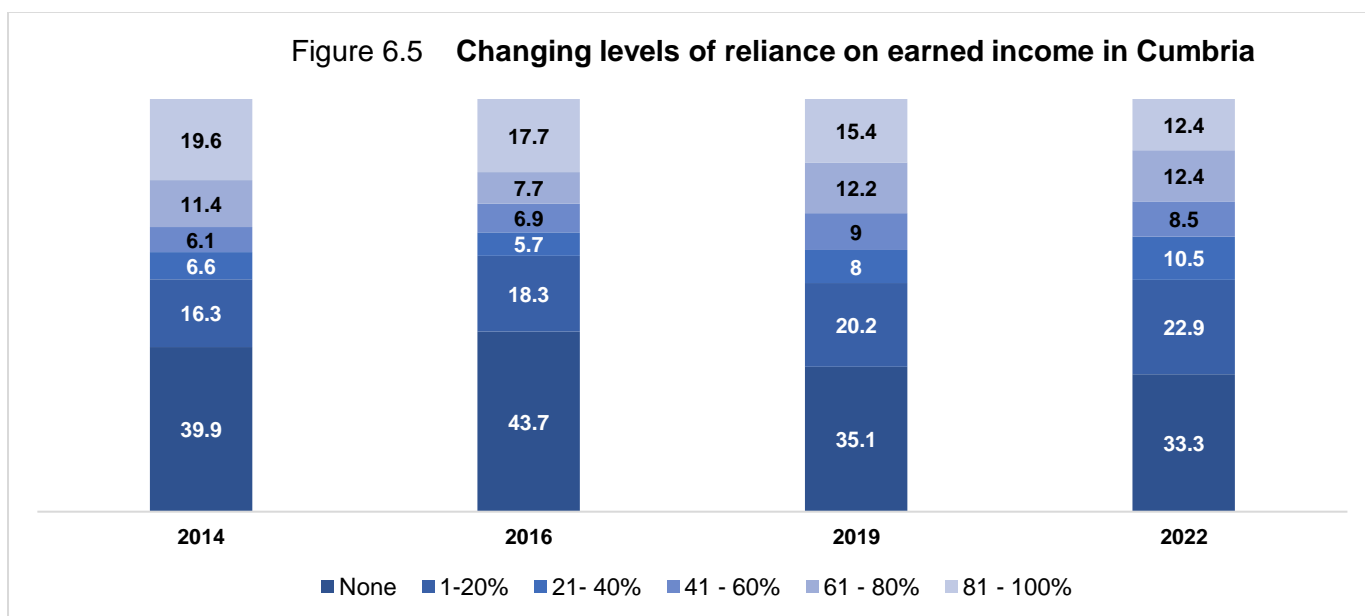
Fewer VCSE organisations in Cumbria (33%) do not engage in trading compared with the average for statistical neighbours (32.7%). But only 12 per cent are reliant on trading for more than 80 per cent of their income.

	None	1-20%	21-40%	41-60%	61-80%	81-100%
Cumbria	33.3	22.9	10.5	8.5	12.4	12.4
Northumberland	35.0	22.0	8.0	13.0	9.0	13.0
Shropshire	35.9	23.4	7.8	9.4	3.1	20.3
Suffolk	37.9	22.4	6.9	11.2	8.6	12.9
Dorset	51.7	12.4	5.6	4.5	7.9	18.0
Devon	44.8	18.2	7.0	9.1	7.0	14.0
Cornwall	27.0	20.0	13.9	8.7	10.4	20.0
Statistical neighbours	37.7	20.3	8.7	9.2	8.8	15.3
Statistical strangers	35.0	26.3	8.9	8.4	6.7	14.7
England and Wales	39.9	22.1	8.1	7.3	7.2	15.3

Contrary to national trends, Figure 6.5 indicates that there has been a shift in direction toward earning income from trading in Cumbria in recent years (77% of organisations earned income in 2022 compared with just 60% in 2014). But the level

of reliance on earned income has not increased. In 2022 only 12 per cent of organisations earned more than 8 per cent of their income – compared with 20 per cent in 2014.

Figure 6.5 Changing levels of reliance on earned income in Cumbria



6.5 Property assets

Little is currently known about property ownership in the VCSE sector as national data on VCSE sector property ownership.³⁵ Consequently, the analysis must begin at national level to build a general picture of what is going on.³⁶

Table 6.10 provides Third Sector Trends estimates on the number of organisations which own, rent or have free use of properties in England and Wales. Rough estimates are also provided on the number of asset transfers of former public sector property assets which are now owned by VCSE sector organisations.³⁷

The most common forms of property tenure or usage are renting (46%), followed by ownership (30%) and free use of space in a building (29%).³⁸

³⁵ Theoretically, it is possible to search charity ownership in the Land Registry [see: [Search for land and property information - GOV.UK \(www.gov.uk\)](https://www.gov.uk)] but this would be time consuming and expensive. Furthermore, difficulties may be encountered in disentangling private ownership from charity ownership because Land Registry titles for charities may be registered in the names of retired, or even deceased trustees. For further explanation see: Katie Hickman (2020) 'How should charity property be registered at the Land Registry', VVW, 11th September: <https://www.vvw.co.uk/news-and-events/blog/charity-law-brief/charity-property-land-registry>.

³⁶ This is an abridged version of Section 4.1 of Third Sector Trends in England and Wales 2022: finances, assets and organisational wellbeing, see Section 4.1 p.41: <https://www.communityfoundation.org.uk/wp-content/uploads/2023/01/Third-Sector-Trends-2022-finances-assets-and-organisational-wellbeing-January-2023.pdf>

³⁷ Currently there are no national statistics on community asset transfers (CATs). Listings are available from Plunkett Foundation's 'Keep it in the community' initiative <https://plunkett.force.com/keepitinthecommunity/s/>, but these listings are input voluntarily and are likely to under report the actual number of CATs. For example, current listings only include 263 community hubs, 78 libraries and 163 sport facilities (data collated on 17th November 2022). See also Mark Sandford (2022) *Assets of community value*, London, House of Commons Library, Section 1.5: <https://researchbriefings.files.parliament.uk/documents/SN06366/SN06366.pdf>. There is a growing body of evidence on the experience and social impact of CATs which will be reviewed in more detail in a forthcoming paper for Power to Change using Third Sector Trends data: <https://www.powertochange.org.uk/market-reports/research-and-reports/>

³⁸ Ownership includes properties adopted via community asset transfer.

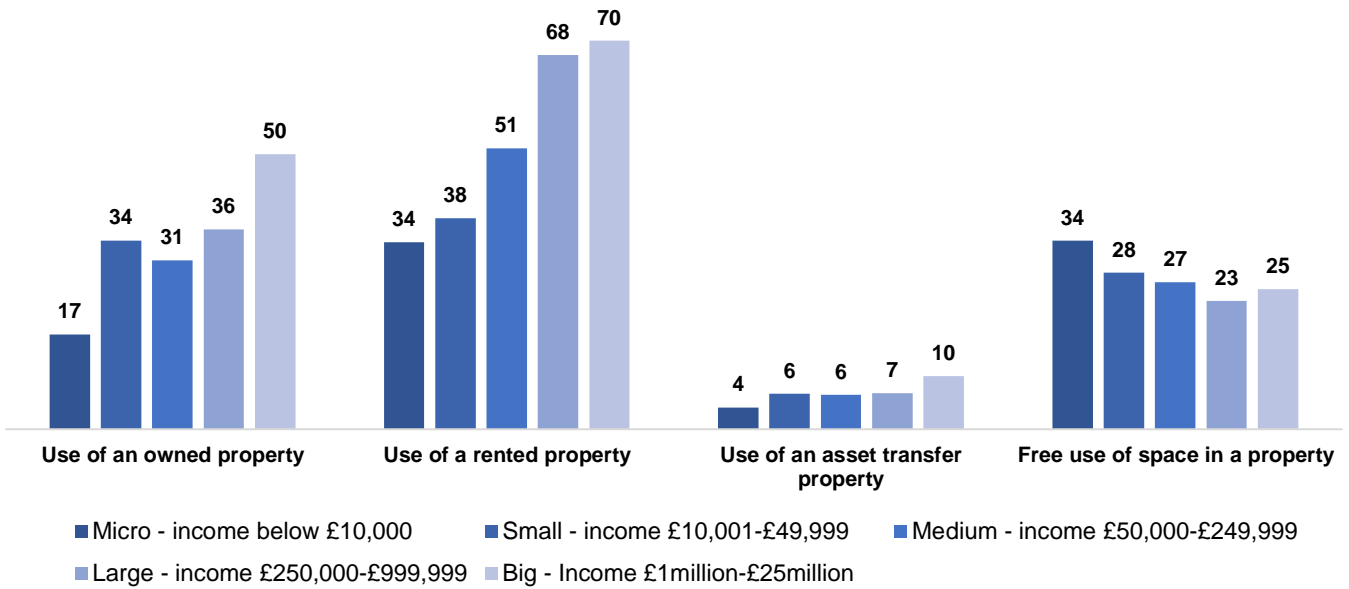
Table 6.10 Tenure of property usage by VCSE organisations in England and Wales 2022						
	Yes	No - but we're looking into this	No - and we have no plans to do this	N=	VCSE organisations nationally which have property usage by type of tenure	
					Base estimate	Adjusted estimate ³⁹
We own a property that we can use	29.6	6.7	63.7	5,386	59,200	52,500
We rent a property to use	45.7	3.0	51.3	5,408	91,400	81,400
We have a property that we got via community asset transfer of a public building	5.9	6.0	88.1	4,983	11,800	9,600
We are allowed to use space in a property without charge	29.0	6.6	64.4	5,134	58,000	49,000

Property tenure or usage varies by size of organisation. As Figure 6.5 shows, half of the biggest organisations use a property that they own. Around a third of middle-sized VCSE organisations own property compared with just 17 per cent of micro VCSE organisations. Ownership via asset transfer is highest amongst the biggest organisations (10%) falling to 4 per cent of micro VCSE organisations.

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

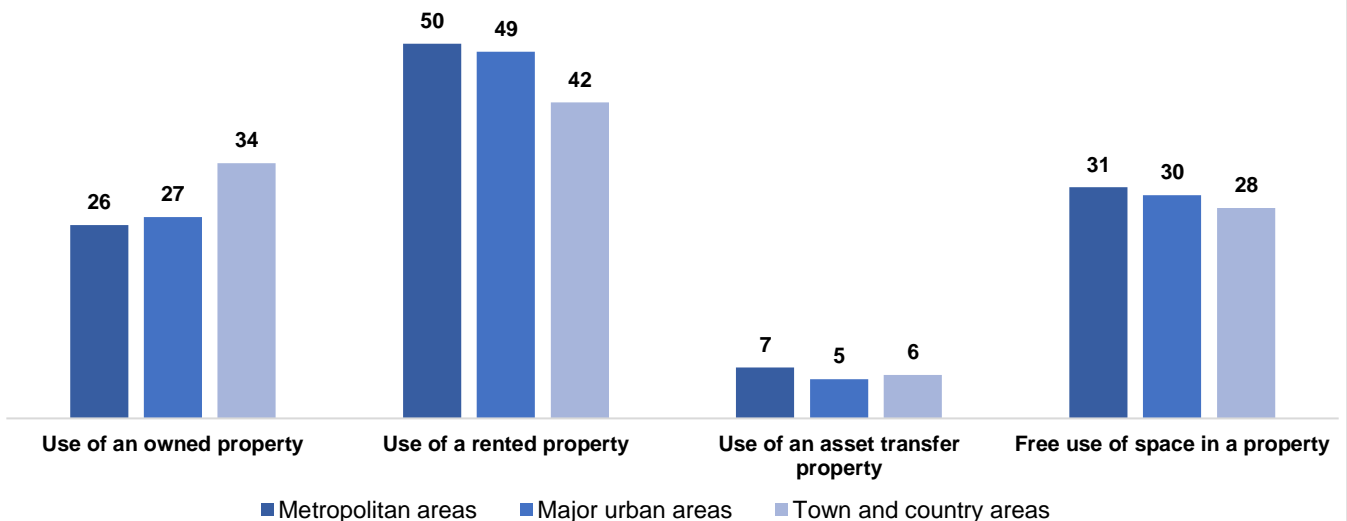
³⁹ This is a new question for Third Sector Trends and, unlike most other questions, the response rate was below the usual threshold of 95% of in-survey respondents. Response rates for each of the four categories were 88.7, 89.1, 82.1 and 84.6, respectively. If it is presumed that non respondents did not, for example, own a property this lowers the percentage of VCSE organisations which own a property. The adjusted estimate of the number of VCSE organisations in each category of tenure is adjusted accordingly. The adjusted estimate is closer to 2013, 2016 and 2019 survey data on property tenures where a different question was used but was 'rested' in 2022 to incorporate more detail on renters, free use of space and asset transfer. On balance, the adjusted percentage is more likely to be accurate than the base estimate.

Figure 6.5 **Property ownership and usage by size of VCSE organisations**
(England and Wales 2022, average n=5,191)



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

Figure 6.6 **Ownership and usage of property by area characteristics**
(England and Wales 2022, average n=5,227)



As Table 6.11 shows, in Cumbria property ownership is more prevalent (42%) than in other statistical neighbour areas apart from Cornwall (46%). Renting is also more

important (as it is in Cornwall and Northumberland) than in other areas. It is difficult to judge whether asset transfer data are accurate given the small size of the survey sample. However, the evidence suggests that this has been more common in Cumbria (10%) than other statistical neighbour areas (average 6%). Free use of space is relatively uncommon in Cumbria (25%) compared with Cornwall (28%) and Northumberland (27%).⁴⁰

	We own a property that we use	We rent a property to use	We have a property that we got via community asset transfer of a public building	We are allowed to use space in a property without charge
Cumbria	42.1	50.7	9.8	25.0
Northumberland	37.0	50.5	3.4	27.3
Shropshire	36.2	31.6	5.5	19.3
Suffolk	29.9	38.7	4.0	29.0
Dorset	38.3	36.3	6.8	38.2
Devon	24.1	40.8	3.3	25.0
Cornwall	45.7	41.0	6.4	29.2
Statistical neighbours	35.9	42.5	5.7	27.5
Statistical strangers	28.2	50.0	7.5	30.1
England and Wales	29.6	45.7	5.9	29.0

6.6 Income resilience

Table 6.12 shows how the VCSE sector has fared financially over the last two years by comparing statistical neighbours and strangers. Experiences across areas are remarkably consistent: around a fifth of VCSE organisations have seen income rise significantly while a similar proportion report significant decline.

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

The percentage of organisations with increasing income is very similar in Cumbria (28%) and Cornwall (25%) and much higher than in most other statistical neighbour areas. That stated, the percentage of VCSE organisations experiencing income decline higher in Cumbria (26%) than Cornwall (21%).

⁴⁰ There are too few cases in Shropshire and Dorset to assure reasonable reliability.

Table 6.12 Variations in income change in the last two years				
	Risen significantly	Remained about the same	Fallen significantly	N=
Cumbria	27.7	46.5	25.8	155
Northumberland	21.0	59.0	20.0	100
Shropshire	20.0	52.3	27.7	65
Suffolk	12.1	56.9	31.0	116
Dorset	19.1	55.1	25.8	89
Devon	10.5	67.8	21.7	143
Cornwall	25.4	53.5	21.1	114
Statistical neighbours	19.4	56.0	24.6	782
Statistical strangers	20.5	55.5	23.9	1,884
England and Wales	18.1	55.7	26.2	6,022

Table 6.13 shows that in Cumbria, the percentage of VCSE organisations with rising income has increased steadily since 2014. This may have provided a clear indication of growing VCSE sector resilience, had not the proportion of organisations with falling income not also grown substantially between 2019 to 2022 from 9 to 26 per cent.

Repeating an earlier comment, however, falling income may not be indicative of organisational financial crises – but rather a sign of organisational hibernation or reduced activity during the pandemic.

Table 6.13 Variations in income changes in Cumbria: 2014-2022			
	Risen significantly	Remained about the same	Fallen significantly
2014	9.1	77.6	13.3
2016	11.3	77.1	11.6
2019	21.4	66.7	8.9
2022	27.7	46.5	25.8

A second test of financial resilience is to look at ownership and use of reserves. Table 6.14 compares statistical neighbours, strangers and national data and demonstrates remarkable consistency of experience.

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

Many organisations are using reserves for essential costs (such as wages, energy costs, rents etc.) – in Cumbria this is at the national average level (23%). To repeat, this does not necessarily indicate that they are facing serious financial crises.

Table 6.14 Ownership and use of reserves in the last two years					
	No, we don't have any reserves	No, we have not drawn on our reserves	Yes, we have used our reserves to invest in new activities	Yes, we have used our reserves for essential costs	We have used our reserves for both investment and essential costs
Cumbria	14.9	46.8	7.1	22.7	8.4
Northumberland	17.2	40.4	12.1	19.2	11.1
Shropshire	13.8	55.4	6.2	13.8	10.8
Suffolk	15.7	38.3	7.0	28.7	10.4
Dorset	15.7	38.2	9.0	30.3	6.7
Devon	21.1	47.2	4.9	20.4	6.3
Cornwall	13.9	46.1	10.4	24.3	5.2
Statistical neighbours	16.3	44.4	8.0	23.1	8.2
Statistical strangers	17.2	44.5	8.8	22.5	6.9
England and Wales	16.3	45.2	8.8	22.8	6.9

As Table 6.15 indicates, VCSE organisations in Cumbria have emerged from the Pandemic with healthier reserves than in 2019: (only 15% have no reserves now compared with 26% in 2019). Similarly, in 2022 47 per cent of VCSE organisations did not draw upon reserves compared with 41 per cent in 2019.

The use of reserves to invest in new activities has declined substantially (from 12% in 2019 to 7% in 2022), suggesting that organisations are being cautious about their finances. The percentage of organisations drawing on reserves for essential purposes was much higher in 2022 than in 2019 (23% and 17% respectively).

Table 6.15 Change in levels of reserves 2019-2022 in Cumbria					
	No, we don't have any reserves	No, we have not drawn on our reserves	Yes, we have used our reserves to invest in new activities	Yes, we have used our reserves for essential costs	We have used our reserves for both investment and essential costs
2019	24.6	40.6	11.8	16.6	6.5
2022	14.9	46.8	7.1	22.7	8.4

6.7 Expectations about the next two years

Third Sector Trends tries to capture the mood of the VCSE sector by asking respondents what they feel may happen next. This does not mean this 'will happen'. Often the study finds that expectations do not match reality: especially during the pandemic, when many organisations, understandably, became pessimistic about the

future. Table 6.16 shows the percentage of VCSE organisations which expect change on several dimensions over the next two years.

- **Income:** about a third of the sector is optimistic about income increasing in the next two years. This is quite consistent between statistical neighbours (31%) and strangers (34%).
- **Private sector support:** statistical neighbours (19%) are much less optimistic than statistical strangers (27%) about improved business support.
- **Grants from trusts and foundations:** a belief that grant income will increase amongst statistical neighbours (19%) is less optimistic than amongst statistical strangers (27%).
- **Support from volunteers:** expectations that support from volunteers will increase is lower amongst statistical neighbours (28%) than strangers (37%).
- **Delivering services online:** expectations about the delivery of services using online tools is quite consistent between statistical neighbours and strangers (35% and 33% respectively).
- **Working in partnership:** in statistical neighbour areas, expectations are lower for increasing partnership working (43%) than amongst statistical strangers (53%). But in Cumbria (50%) and Cornwall (55%) expectations are higher.
- **Statutory funding:** perhaps surprisingly, about a fifth of statistical neighbours expect that statutory funding will increase in the next two years. Statistical strangers are even less circumspect (27%).
- **Need for VCSE organisations' services:** expectations that the demand for services is high everywhere, but is higher in major urban statistical stranger areas (73%) than amongst town and country statistical neighbour areas (63%).

Table 6.16 Expectations about what will happen over the next two years

	Income will increase	Support from private businesses will increase	Grants from charitable foundations will increase	Support from volunteers will increase	Delivering our services online will increase	Working in partnership will increase	Funding from statutory agencies will increase	The need for our services will increase
Cumbria	33.3	24.3	24.2	31.9	34.0	50.0	21.0	67.3
Northumberland	38.1	17.6	36.1	29.9	25.4	43.0	31.8	67.4
Shropshire	24.6	12.8	17.8	25.5	29.7	31.0	11.1	50.8
Suffolk	24.3	16.9	19.8	23.7	27.3	32.6	12.5	56.0
Dorset	32.2	20.4	20.3	26.8	25.5	43.3	14.3	64.2
Devon	26.2	11.9	20.0	25.7	35.7	36.3	13.9	58.4
Cornwall	37.8	22.7	36.7	32.0	44.2	54.6	25.9	73.5
Statistical neighbours	31.1	18.9	25.7	28.3	32.6	42.9	19.6	63.3
Statistical strangers	34.4	26.6	35.7	37.3	34.8	53.1	26.6	72.5
England and Wales	33.0	24.9	31.8	33.5	33.0	46.4	22.6	66.4

Section 7

Relationships and influencing

The VCSE Sector is lauded in policy circles for its willingness and ability to work effectively in partnership. Partnership is a ‘warm’ word - evoking notions of shared values, interests, power and objectives.⁴¹ Few partnerships, in any aspect of social life, match up to these expectations. The reality is that organisations bring aspects of power and influence to the table when they establish or join partnerships – this demands that compromises are struck.

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

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

7.1 Relationships within the VCSE sector

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

- ***Useful informal relationships with other voluntary organisations and groups*** – or ‘good neighbourly relationships’ (as defined in Box 7.1). VCSE sector relationships are stronger in major urban statistical stranger areas than in statistical neighbour areas. Informal relationships are most common (79% amongst statistical neighbours and 73% for statistical strangers).
- ***Work quite closely but informally with other voluntary organisations and groups*** – or ‘complementary relationships’ (as defined in Box 7.1). Contractual relationships between VCSE organisations and public sector organisations are not included in these categories because these arrangements have already been explored in Section 6.⁴²
- ***Formal partnership arrangements with other voluntary organisations and groups*** – (as defined in Box 7.1) - but excludes contractual service delivery. Formal partnership working is much less frequent in statistical neighbour areas, and fewer VCSE organisations engage in such arrangements (30%) than in statistical stranger areas (40%).

Complementary but informal relationships are less common but still involve 65 per cent of the VCSE sector in statistical neighbour areas and 71% in statistical neighbour areas.

⁴¹ This introductory section is an abridged version of TSTS Relationships, Section 2, pp. 12-14.

⁴² For comparative regional analysis, see: Third Sector Trends 2022: finances, assets and organisational wellbeing, Newcastle upon Tyne: Community Foundation Tyne & Wear and Northumberland, Section 3.2. <https://www.communityfoundation.org.uk/wp-content/uploads/2023/01/Third-Sector-Trends-2022-finances-assets-and-organisational-wellbeing-January-2023.pdf>

In Cumbria, informal working is very common (76%) and complementary semi-formal working is more prevalent than in all other statistical neighbour areas apart from Cornwall. Formal partnership working is much more frequent in Cumbria (37%) than all other statistical neighbour areas – with the exception of Cornwall (44%).

Box 7.1 Definitions of relationship types

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

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

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

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

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

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

Table 7.1 Relationships within the VCSE sector			
	We have useful informal relationships with other voluntary organisations and groups	We often work quite closely, but informally, with other voluntary organisations and groups	We often work in formal partnership arrangements with voluntary organisations and groups
Cumbria	78.1	75.6	37.0
Northumberland	78.0	70.4	35.7
Shropshire	59.4	50.0	26.6
Suffolk	66.4	59.5	19.1
Dorset	79.8	62.9	28.1
Devon	63.4	52.1	19.4
Cornwall	84.3	78.3	44.3
Statistical neighbours	73.2	65.1	30.2
Statistical strangers	79.1	70.9	39.8
England and Wales	73.3	64.7	34.3

7.2 Relationships with the private sector

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

CSR by big business certainly packs a punch financially. As the Directory of Social Change’s *Guide to UK Company Giving 2021* shows, the ten largest corporate contributors dispensed £295 million – 61% of the £483 million given by 235 businesses.⁴³ VCSE organisations are much more likely to have relationships with local businesses in Cumbria (53%) than national businesses (16%).

Private sector businesses support for the VCSE sector can be provided in many ways ranging from financial to pro-bono activity (see Box 7.2). As Table 6.2 shows, Business support is stronger in statistical stranger areas than statistical neighbour areas.

In comparison with statistical neighbours, Cumbria is much more likely to receive financial support from business (Table 7.3). The receipt of in-kind support, help from employee volunteers and pro bono advice is also much stronger in Cumbria than most other areas – with the exception of Cornwall, where the prevalence of support is similar.

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

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

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

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

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

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

Table 7.2 Relationships with local and national businesses

	Mainly with local businesses	Mainly with national businesses	A mixture of local and national businesses	We don't have relationships with businesses	N=
Cumbria	50.3	2.6	13.5	33.5	155
Northumberland	44.4	1.0	9.1	45.5	99
Shropshire	41.5	4.6	12.3	41.5	65
Suffolk	43.5	5.2	7.8	43.5	115
Dorset	41.6	3.4	9.0	46.1	89
Devon	33.8	2.1	7.7	56.3	142
Cornwall	44.6	0.9	14.3	40.2	112
Statistical neighbours	43.0	2.7	10.6	43.8	777
Statistical strangers	41.4	3.2	14.1	41.3	1,888
England and Wales	37.4	4.0	12.5	46.0	6,005

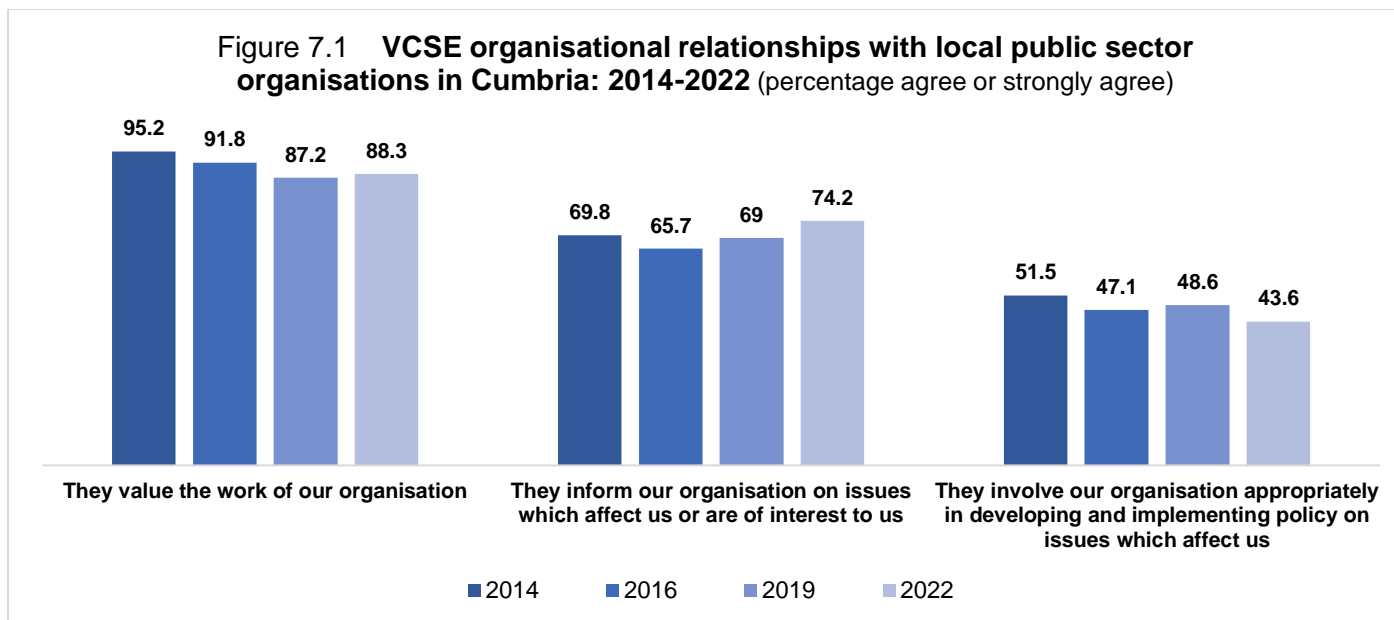
Table 7.3 Types of support provided by private sector businesses				
	They give us money to help us do our work	They provide free facilities, or goods and services to help us do our work	They provide volunteers to help us do our work	They provide free expert advice to help do our work
Cumbria	45.8	31.4	18.1	17.5
Northumberland	26.0	30.3	12.1	15.2
Shropshire	33.8	20.0	7.8	12.5
Suffolk	30.4	18.6	8.8	15.2
Dorset	33.3	27.8	8.9	15.6
Devon	27.7	24.8	8.5	17.0
Cornwall	31.0	31.0	21.4	26.5
Statistical neighbours	33.1	26.8	12.8	17.5
Statistical strangers	35.7	32.3	19.2	25.2
England and Wales	33.5	28.6	17.1	21.4

While financial support from business has held up well since the pandemic in Cumbria; in-kind and pro bono support has fallen. Employee volunteering support has remained at about the same level (Table 7.4).

Table 7.4 Levels of support from business in Cumbria 2014-2022				
	They give us money to help us do our work	They provide free facilities, or goods and services to help us do our work	They provide volunteers to help us do our work	They provide free expert advice to help do our work
2014	37.3	22.5	23.2	26.0
2016	29.0	17.4	11.8	17.8
2019	40.1	36.6	19.9	26.2
2022	45.8	31.4	18.1	17.5

7.3 Public sector relationships

Years of government austerity policies have decimated many local authority budgets. Similarly, pressure on NHS budgets in the face of an ageing population, diminished public health, rising costs and unmet patient demand has been relentless. In these circumstances, it might be expected that relationships with the VCSE sector would have suffered.⁴⁴ But that is not the case. Since 2014, the majority of VCSE sector organisations (which have a relationship with the local public sector) have felt that their work is valued (Figure 7.1).



When comparing statistical neighbours and strangers, it is apparent that VCSE organisations in more densely populated urban areas share similar attitudes (Table 7.4).

- The vast majority of VCSE organisations in Cumbria feel valued by local public sector bodies (88%).
- About three-quarters of organisations which have a relationship with the public sector, state that they feel informed about issues of importance to them.
- A majority of organisations in Cumbria (54%) feel that the local public sector involves them in the development and implementation of policy – a higher percentage than all other statistical neighbours.
- About half of VCSE organisations in Cumbria state that the local public sector acts upon their responses to consultations.
- Local public sector bodies came to 62 per cent local VCSE organisations for assistance during the pandemic (of those organisations which have a relationship with the public sector) – a higher level than all other statistical neighbours apart from Cornwall (69%).

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

The indications are that good relationships between the local public sector and VCSE sector have endured in Cumbria since 2014 (see Figure 7.1).

	They value the work of our organisation	They inform our organisation on issues which affect us or are of interest to us	They involve our organisation appropriately in developing and implementing policy on issues which affect us	They act upon our organisation's opinions and / or responses to consultation	They came to us for our assistance during the pandemic
Cumbria	88.3	74.2	53.6	50.0	62.2
Northumberland	86.9	57.7	47.2	45.2	41.5
Shropshire	87.7	68.8	43.6	33.3	38.2
Suffolk	92.4	73.3	47.9	41.3	44.8
Dorset	91.1	72.2	53.2	54.1	56.7
Devon	87.9	70.5	47.5	47.9	39.4
Cornwall	93.2	79.8	50.5	51.6	69.0
Statistical neighbours	89.7	71.6	47.6	47.6	53.0
Statistical strangers	89.8	73.4	51.0	50.5	59.6
England and Wales	90.1	72.4	50.3	49.9	55.1

7.4 Influencing social and public policy

In government White Papers and major opposition parties' policy statements on social wellbeing, it has long-since been recognised that the local VCSE sector makes a valuable contribution to local social wellbeing.⁴⁵ Involvement of the VCSE sector in policy agendas and how to deliver public services effectively is generally considered to be a high priority.

To find out more about how organisations try to influence local social and public policy,⁴⁶ Third Sector Trends introduced new survey questions to assess levels of participation. Respondents were invited to say whether they 'strongly agree', 'agree', 'disagree' or 'strongly disagree' with each of the following statements about influencing local social and public policy.⁴⁷

⁴⁵ For a detailed discussion of the current policy context, see Third Sector Trends in England and Wales 2022: relationships, influencing and collaboration, Section 5, pp. 40-62: <https://www.communityfoundation.org.uk/wp-content/uploads/2023/02/Third-Sector-Trends-in-England-and-Wales-2022-relationships-influencing-and-collaboration.pdf>.

⁴⁶ The impetus to pursue this aspect of analysis arose from discussion with Millfield House Foundation who commissioned this aspect of the work. The construction of the question was undertaken collaboratively with the foundation's Trust Manager, Cullagh Warnock.

⁴⁷ It is recognised that the above statements are 'generalised'. This lack of specificity is necessary in a large-scale study to ensure that all participants can answer the question, whether or not they have a comprehensive understanding of the issues surrounding legal rights, responsibilities and constraints. No option was given to 'sit on the fence' by including a response category such as 'neither agree nor disagree' to ensure that respondents made a clear decision, either way. Similarly, no option was given to state that the question was 'not relevant/applicable to us' on the basis that all organisations should be in a position to take a view on each statement. Completing the question was not 'compulsory'. Indeed, none of the questions on the survey are compulsory – if a question is left unanswered the Online Survey platform is configured to allow people to continue unfettered. Percentage non-

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

- ***We tend to steer well clear of political issues*** – this statement was devised simply to assess whether VCSE organisations were prepared to engage with local 'political' issues. A majority of VCSE organisations steer clear of political issues 74 per cent of VCSE organisations in statistical neighbour areas take the view that they do not engage in local political activity compared with 68 per cent in statistical stranger areas. In Cumbria, organisations are less likely to steer clear of political issues (69%) than on average.
- ***We try to go to relevant meetings/events which relate to our kind of work*** – to find out if VCSE organisations will participate in formal activities (orchestrated by, for example, local authorities, health authorities or local infrastructure organisations) which address local social and public policy priorities. A similar proportion of organisations try to participate in formal meetings and events that address issues associated with local social and public policy: (71% statistical neighbours and 75% statistical strangers). In Cumbria, organisations are more likely to participate (80%).
- ***We campaign to further the interests of our beneficiaries*** – to see if VCSE organisations aligned with the principle of 'campaigning' to serve the interests of their area or beneficiaries.⁴⁸ About half of VCSE organisations in statistical neighbour areas (46%) agree that they campaign to influence local policy compared with 53 per cent amongst statistical strangers. In Cumbria, willingness to campaign appears to be much more prevalent (60%).
- ***We trust a local VCSE sector support agency to do this on our behalf (e.g. a CVS)*** – to determine whether VCSE organisations were willing to delegate aspects of responsibility to a trusted local infrastructure organisation to represent theirs and the sector's interests. About a third of VCSE organisations in statistical neighbour areas are happy to delegate responsibility for engagement with local social and public policy to local VCSE sector infrastructure organisations (32%); but the percentage is considerably higher in Cumbria (42%).
- ***We tend to work behind the scenes to influence policy*** – to find out if organisations communicate with individuals in positions of power or influence informally to advance their organisation's and/or beneficiaries' interests.⁴⁹ Working behind the scenes to influence policy is an option many VCSE organisations choose to take. 42% of VCSEs in statistical neighbour areas (46% in Cumbria) agree that they do this compared with 47% in statistical stranger areas.⁵⁰

response to each statement were as follows: 'steer well clear of political issues' 2.9%, 'go to relevant meetings' 3.8%, 'Campaign to further the interests of our beneficiaries' 4.4%, 'trust local CVS to do this on our behalf' 5.4% and 'we tend to work behind the scenes' 4.9%. All five questions therefore achieved our benchmark standard for in-survey response rate of 95%. No complaints were received about the question (unlike, for example, questions on diversity). For a more detailed discussion of the approach taken to survey design, see: <https://www.stchads.ac.uk/wp-content/uploads/2022/11/Third-Sector-Trends-Research-Methods-2022.pdf>.

⁴⁸ In the absence of a specific and widely accepted definition of what constitutes 'campaigning' participants were able to interpret the question their own way.

⁴⁹ The term 'lobbying' was purposefully not used so as not to signal negative or politically loaded connotations.

⁵⁰ Interpretation of these data is difficult at this stage of the research because it is not known if some or many respondents feel uncomfortable about stating that they 'work behind the scenes' as this may be regarded as/or implicitly felt to be a 'socially

Table 7.5 Approaches taken by VCSE organisations to influence local social and public policy
(percentage responses from all respondents in the survey sample)

	We tend to steer well clear of political issues	We try to go to relevant meetings/events which relate to our kind of work	We campaign to further the interests of our beneficiaries	We trust a local third sector support agency to do this on our behalf (e.g. a CVS)	We tend to work behind the scenes to influence policy
Cumbria	69.3	80.4	60.0	41.9	45.6
Northumberland	75.8	72.4	40.8	41.8	44.3
Shropshire	79.0	61.3	36.1	14.8	39.3
Suffolk	83.2	64.3	36.4	26.4	26.6
Dorset	70.1	69.3	40.4	27.3	47.2
Devon	75.9	64.7	36.9	25.7	34.0
Cornwall	67.5	79.3	59.1	35.2	56.4
Statistical neighbours	74.0	71.1	45.5	31.7	41.8
Statistical strangers	67.5	75	52	39	47
England and Wales	72.3	70.9	47.0	32.9	42.8

discrediting' admission. Equally, many or most of these organisations may not attempt to influence behind the scenes because there are no opportunities for this to happen or because they simply do not feel that there is any need for them to do so. This issue cannot be resolved without further in-depth qualitative research which is now being planned.

Section 8

Summary and implications

Local context shapes sector size and structure

Cumbria has a large and productive voluntary, community and social enterprise sector (VCSE) which makes a substantial contribution to local health and social wellbeing. To understand the specifics of sector dynamics, strengths, purpose and impact, the report has looked in detail at the local context within which the sector operates.

Cumbria is spatially distant from major urban areas which affects how the local labour market works and how social dynamics are framed. While much of the population is concentrated in several quite large towns and the city of Carlisle; local cultural, economic and social interactions are shaped to an extent by area geography and sparsely populated rural areas.

Industrial history and the structure of the local economy also affects aspects of local demographics. There are areas where most of the resident population is affluent, in good health and stocks of social capital are secure. But there are other areas, especially in former industrial coastal areas where social deprivation is deeply embedded which limits local opportunities, fractures community confidence and undermines personal health and wellbeing.

Comparing like with like

Even with such an understanding at hand, it is not possible fully to understand the contribution of the VCSE sector by focusing solely on Cumbria. Without comparative analysis with other, similar types of town and country areas and dissimilar major urban areas, it would not be possible to get insights into aspects of the distinctiveness of the situation in Cumbria. It is also vital to recognise similarities in areas referred to in this report as 'statistical neighbours' or major urban areas: 'statistical strangers'.

Statistical neighbours (including Northumberland, Shropshire, Suffolk, Dorset, Devon and Cornwall) share many of the local characteristics of Cumbria. But it is Cornwall that shares the most.⁵¹ Indeed, in many respects, the objectives, operations and impact, of the VCSE sectors Cumbria and Cornwall are remarkably similar. Both counties are coastal, have large often quite inaccessible rural districts and areas of industrial decline or dereliction. They also have visitor economies capitalising upon beautiful coastlines and natural parks.

It should also be noted that the two newly established local authorities in Cumbria, Cumbria Council and Westmorland and Furness Council, share close statistical similarities. Indeed, in future rounds of Third Sector Trends research they will be referred to as both proximate and statistical neighbours.

⁵¹ A separate study of the VCSE sector in Cornwall was undertaken in 2002-22. Chapman, T. (2022) *The structure, dynamics and impact of the voluntary, community and social enterprise sector in Cornwall and the Isles of Scilly*, Durham: Policy&Practice. The report is available here: <https://www.stchads.ac.uk/uncategorised/voluntary-sector-dynamics-in-cornwall-and-isles-of-scilly/>

Serving less affluent communities

Deep social disadvantage is often focused in former industrial areas in Cumbria. That does not mean that deprivation or social exclusion is absent in rural areas or in more affluent zones where housing availability is low and costs are high due to the popularity of the area as a tourist destination, as a location for second homes or relocation for work or retirement. Such issues can be compounded in an area with a large visitor economy, where work is often seasonal, insecure and relatively low paid.

The local situation in town and country areas such as Cumbria shapes the structure of the VCSE sector itself. In more affluent communities, there tends to be a much higher concentration of small groups and organisations which serve local social interests. These organisations, often by default rather than purpose, maintain social and personal wellbeing by keeping people socially connected, mentally acute, physically active and provide a purposeful and positive focus for personal development and self actualisation.

Larger organisations, which tackle pernicious or acute aspects of social need, concentrate their work in less advantaged urban or remote rural areas. These organisations command the lion's share of sector finances, but often they are not free to allocate resources as they choose. Instead, much of their income comes from public sector service contracts from, for example, the local authority, NHS or government departments to tackle specific aspects of social need that are defined elsewhere – often in Whitehall.

Due to local circumstances, such service delivery organisations often operate differently from those in major urban areas (such as the Combined Authorities which have been the focus of a parallel study on statistical strangers⁵²). Spatial inaccessibility and lower concentrations of population deprivation mean that the expenses associated with delivering services can be higher in town and country areas. Furthermore, experiences of poverty or ill health can be exacerbated in spatially remote areas because issues surrounding social isolation are pervasive.

Enclaves of social deprivation or exclusion can be small in remote areas, sometimes rendering them as statistically invisible. Disadvantage can take many forms – depending upon the situation of individuals. For example, the ethnic minority population is comparatively small and spatially dispersed in Cumbria compared with major urban areas –restricting access to specialist support.

Access to services can be limited by public transport and awareness of provision can be undermined by inaccessibility to information, advice and support. Domains where local VCSE organisations are able to connect with people can be more expensive to deliver than in urban areas.

Sector challenges: similarities and differences

At root, the research shows that spatial factors can affect the local working conditions of the VCSE sector. But this does not necessarily mean that some experience of VCSE organisations is consistent across all types of areas. As the VCSE sector has emerged from the Coronavirus pandemic, it has done so in much better financial shape than was expected in the depths of the Covid-19 crisis. Many more organisations have reserves than was the case in 2019 and the indications are that they are holding onto these reserves rather than investing in new initiatives.

⁵² The parallel study is centred upon Yorkshire and Humber but covers all combined authority areas. The report from the study will be available in late May 2023. Chapman, T. and Wistow, J. (2023) *Local health and social wellbeing: the contribution of the voluntary, community and social enterprise sector in Yorkshire and Humber*, Durham: Policy&Practice. The report will be available at this address: <https://www.stchads.ac.uk/research/publications/>

Across the VCSE sector in England and Wales, VCSE organisations are characterised by their financial prudence. As NCVO shows, never in the last twenty years has the sector spent more money than it received.⁵³ This is usually possible as VCSE organisations rarely borrow money because, unlike private businesses, they rarely need to buy stock and they can access funds from a wide variety of sources ranging from gifts, legacies, subscriptions, grants, self-generated earned income, in-kind support and contracts.

Nevertheless, some difficulties now face the VCSE sector across England and Wales – especially amongst those organisations which employ staff. As the cost-of-living crisis deepened in 2022, employees' demands for higher wages affected all employment sectors and has resulted in strikes, even, in some national charities. Employee retention problems have hit many VCSE organisations hard. Changing attitudes toward work also affect recruitment and retention - many employees enjoyed a higher degree of flexibility and autonomy during the pandemic and have decided to reduce hours or remove themselves from the paid labour force.

Problems with recruitment and retention are widespread in all areas of England and Wales, but this research indicates that it is particularly acute in Cumbria – recruitment problems affect 52 per cent of organisations. Furthermore, over a quarter of employer organisations are struggling with staff retention. These factors are most acute in organisations which deliver public services under contract. Similarly, support from regular volunteers has been in decline since the pandemic, and while this may recover, that is in doubt due to other pressures on potential volunteers to sustain their finances, meet family responsibilities or just to do other things that they find more appealing.⁵⁴

The evidence indicates that too few organisations are investing in their staff and volunteers through training and professional development. And it is a worry that some or perhaps most organisations prioritise financial prudence over increasing pay levels. If this is so, it could have far-reaching consequences for sector capacity in future.

With all of these worries in mind, it may be expected that leaders of VCSE organisations would be pessimistic about the future. But the opposite is the case – more sector leaders are in positive or buoyant mood now than in 2019 about their future prospects of sustaining or increasing income from statutory sources, trusts and foundations and from business. It is a good thing that sector leaders are positive about the future – as optimism is a driver of ambition to achieve more. But it also risks setting up the sector for disappointment if ambitions cannot be realised.

The difference the VCSE sector makes

The VCSE sector is keen to make a strong contribution to health, personal, social and community wellbeing in Cumbria – and in many respects, it is already doing so. The social impact measures used in this study indicate that from the energy it invests in activities, the VCSE sector in Cumbria produces almost £2bn in social impact. It should come as no surprise, therefore, that many organisations are keen to take up opportunities to engage with local social and public policy. They do so in the firm belief that they are already valued by local public sector organisations.

⁵³ NCVO *UK civil society almanac 2022* provides data tracked from 2022/01 on sector income and spending: <https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2022/financials/#/>

⁵⁴ Recent research from NCVO indicate substantive decline in the willingness of people to devote time to regular volunteering for VCSE organisations: NCVO (2022) Key findings from *Time Well Spent 2023*. <https://www.ncvo.org.uk/news-and-insights/news-index/key-findings-from-time-well-spent-2023/#/>

VCSE organisations in Cumbria (80%) are more engaged in local social and public policy processes than on average in other statistical neighbour areas (70%). About 60 per cent of VCSE organisations in Cumbria campaign to influence local policy compared with 45 per cent of statistical neighbours. Working behind the scenes to influence policy is an option many VCSE organisations choose to take (46% of VCSEs in Cumbria take this option compared with 42% of statistical neighbours).

This may be good news for public bodies in Cumbria which want to engage with and work in partnership with VCSE organisations. But this report shows that patterns of engagement will always be constrained by the particularities of the way in which the VCSE sector works.

Complementary working

The VCSE sector in Cumbria works well together. As the research summary demonstrated, most organisations have useful informal relationships with other organisations or groups (78%). Slightly fewer work quite closely but informally with other organisations (76%), but this is much higher than the average for statistical neighbours (65%). Formal partnership working is less common (37%) but higher than amongst statistical neighbours (30%).

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

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

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

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

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

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

VCSE sector activity in policy contexts

Currently, two major policy initiatives driven by government focus on engagement with the VCSE sector to contribute to strategic objectives for localities. Levelling Up policies⁵⁵ lack coherence – involving a mish-mash of strategies and funding streams that are focused on the laudable objective of rebalancing inequitable conditions across localities and regions. This makes it hard for VCSE organisations and their representative bodies to know how to engage with or respond to initiatives.

The NHS's Integrated Care Systems (ICSs) policy framework⁵⁶ is much more coherent, but this carries the risk of raising expectations of involvement of the VCSE sector in planning and aligning the sector to specific aspects of delivery.

Administrative boundaries can add layers of complexity which VCSE organisations must learn how to negotiate. In Cumbria, some of this may be alleviated with the abolition of district councils, but heightened by the establishment of new local authority boundaries. Furthermore, ICS boundaries do not align with political boundaries in Cumbria – and their jurisdictions are not limited by the natural boundary of Cumbria itself.⁵⁷

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

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

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

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

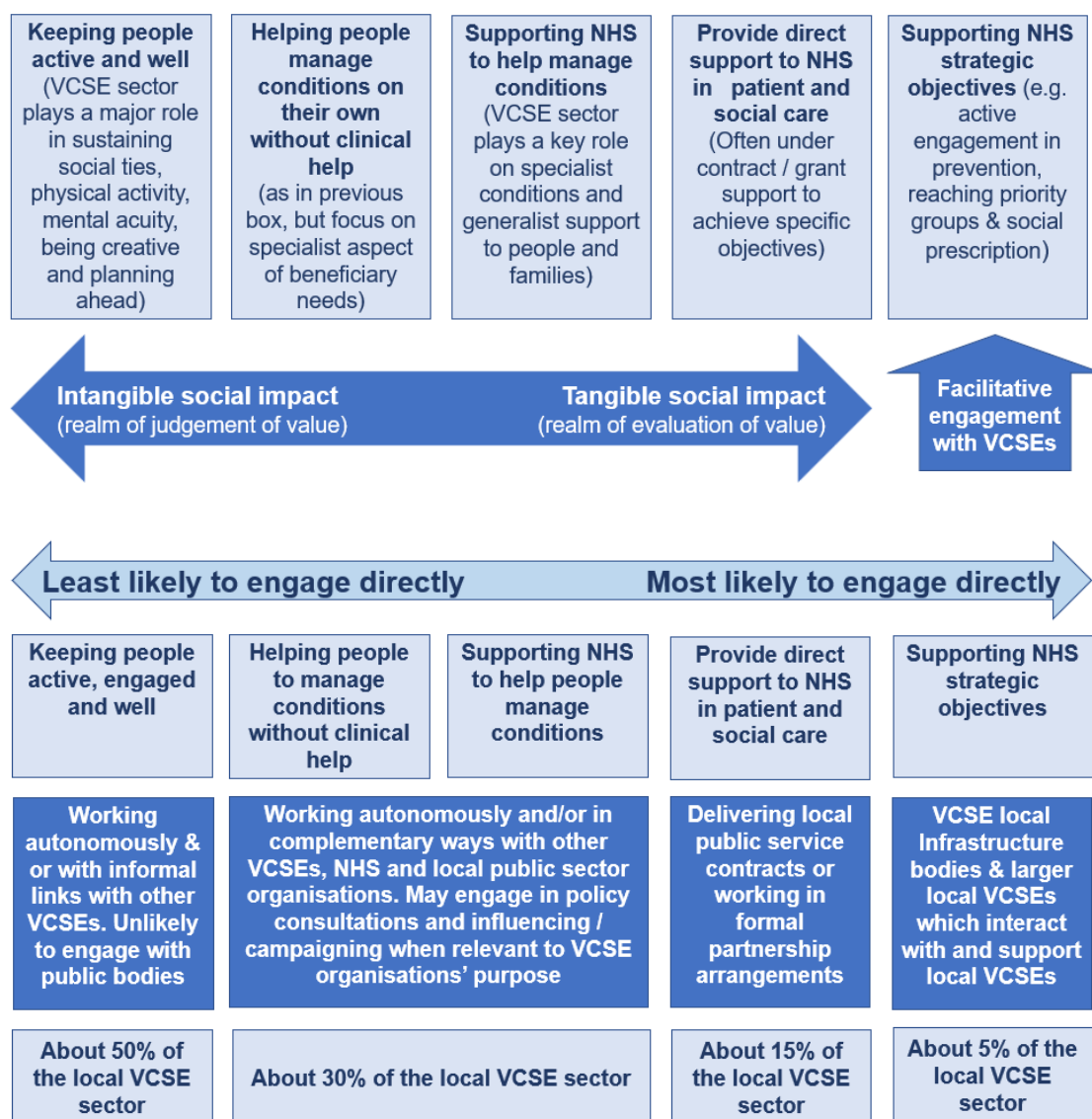
⁵⁵ Department for Levelling Up, Housing and Communities (2022) *Levelling Up in the United Kingdom*, London: OGL, <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

⁵⁶ ICS strategy and implementation documentation can be found here: <https://www.england.nhs.uk/integratedcare/>

⁵⁷ Cumbria comprises part of two ICS areas. NHS Lancashire and South Cumbria Integrated Care Board and NHS North East and North Cumbria Integrated Care Board. These areas do not align with newly established Council boundaries. For full details see: Integrated Care Boards in England: table (1st April 2023)

<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.england.nhs.uk%2Fwp-content%2Fuploads%2F2022%2F05%2Ficb-areas-table-1-april-2023.docx&wdOrigin=BROWSELINK>

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



When people feel undervalued, it can undermine their sense of trust in those who want to help them. Engagement can be difficult and slow, often resulting in backward steps when things go wrong. And it means that assessments of progress have to be devised differently from better-off communities where some achievements are regarded as ‘normal’ but should be recognised as a ‘triumph’ in the poorest communities. As argued by Marmot⁵⁸, this means that purposeful and inequitable investment in the VCSE sector by public or health authorities needs to be carefully thought through and targeted to achieve objectives that are meaningful to the people they aim to serve.

This is a complex environment to understand, navigate and negotiate. But if the objective to improve prevention of health conditions is to move closer to centre stage,

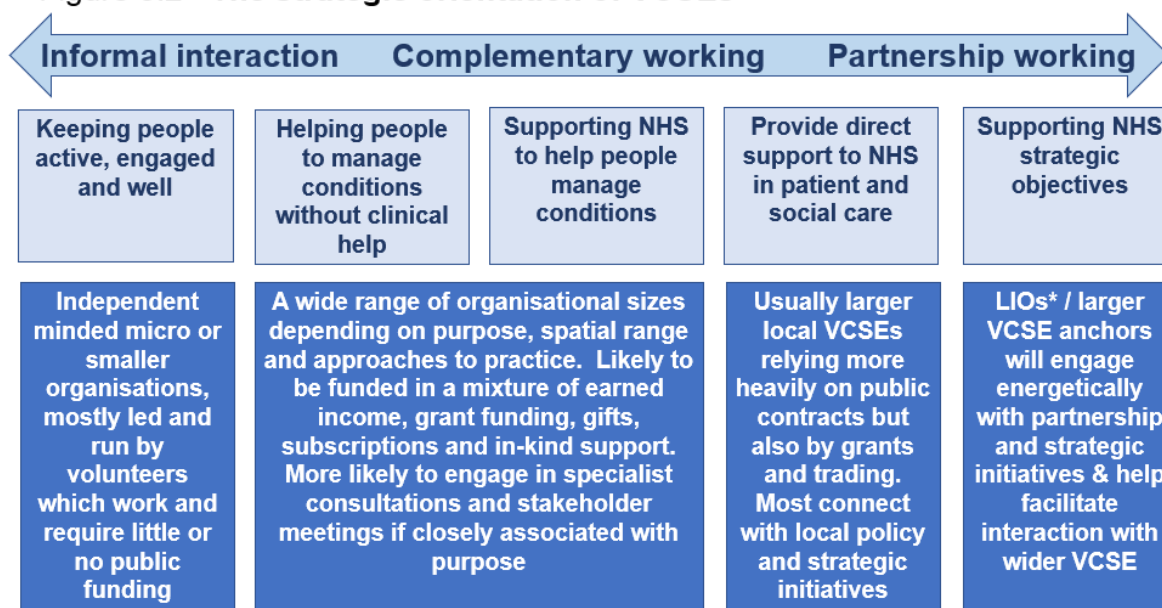
⁵⁸ Marmot, M., Allen, J., Boyce, T., Goldblatt, P. and Morrison, J. (Health Foundation (2020) *Health Equity in England: the Marmot Review 10 years on*, London: Institute of Health Equity: https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on?psafe_param=1&qclid=Cj0KCQjwr82iBhCuARIsAO0EAZwSgDf6T2TZPnb8NZx3gzniFTM1VhUHsJtsc_vizHwuqnmWJcJl4bEaAq6aEALw_wcB

as indicated in ICS strategies and in the recent Hewitt Review⁵⁹ to shift resources from 'illness' to 'health', then recognising and valuing what is happening on the ground now in the VCSE sector is vital.

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

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

Figure 8.2 **The strategic orientation of VCSEs**



*Local infrastructure organisations / CVSs

Looking forward

Government strategies undoubtedly shape the local policy landscape. But locally driven policy initiatives can also make a real difference. In recent years, in the North of England, there has been a stronger emphasis, for example, on understanding the value of the 'foundation economy' in localities. This is often connected to 'community wealth building' strategies which focus upon strengthening local business, third sector and public sector interactions.⁶⁰

⁵⁹ (2023) *Hewitt Review: an independent review of integrated care systems*, London: OGL, <https://www.gov.uk/government/publications/the-hewitt-review-an-independent-review-of-integrated-care-systems>

⁶⁰ See, for example, Guinan, J. and O'Neill, M. (2020) *The case for community wealth building*, Cambridge: Polity Press, and Foundational Economy Collective (2022) *Foundational Economy: the infrastructure of everyday life*, Manchester: Manchester University Press.

The VCSE sector continues to work well together, usually in informal or complementary ways and is also eager to connect with and help to shape health, economic and social policy initiatives which have the potential to bring wider benefit to the area. The VCSE sector makes a substantive contribution through policy engagement, commitment to community development and its contribution to local employment and economic activity.

This does not mean that everything is easy. The VCSE sector also faces significant challenges as it emerges from the extraordinary circumstances it faced during the Coronavirus pandemic – especially so in relation to recruitment and retention of employees and volunteers. It is important, though, not to overstate the significance of these problems. The sector is in better shape now financially than when in the depths of austerity a few years back and the VCSE sector has also emerged from the pandemic with optimism.

